

American Employer News

We Build America's Best Places to Work
The New Standard of Freedom

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A Message from...

Lou R. Bologna CLU, RHU

President

The American Group

TagNet Communications:

New, Immediate Access to

Your Business Information World Wide

As an employer quality information is the key to management. The ability to retrieve and analyze in a moment's notice is a rare availability to small-and-medium sized corporations. We now have TagNet Communications, a sophisticated and feature-rich Internet solution to enhance your business operations and communications. TagNet will provide immediate access for our clients' human resource needs without having to ask a team member to look it up and/or assemble in an Excel spreadsheet.

Today, whether you're on vacation or in a client's office, if you need the information, you can retrieve it. Salary statistics, which would include last pay, vacation, sick days, family leave, progress reports, your last annual review, and more are all at the click of a button. Your team members also have access to their information: their personnel records, deductions, pay statistics, how many vacations days are left, what benefits did they elect, and what they could

add today. TagNet helps us to achieve our objective of making your life easier and assisting in providing you with information so that you may make better and more informed decisions. Your employees will also have access to the information they need to assist them in their daily decisions. We provide you and each of your employees with their own personal web page. TagNet is the door, or the portal, to instant and accurate access to your business and employee data. From there, communication and information flow. Information flows from your organization to them and they can flow information from their portal to you and also to us. We provide, regardless of the size of your company, a "Fortune 500" payroll and human resource department at your fingertips with the personal roving HR representative who visits your location at least once per month and is on call 24/7.

Maybe it's time to take a look at your payroll and HR compliance issues and discuss how TagNet Communications can improve your life and the life of your employees with the easiest method of payroll and human resource management. ■

The American Group

We Build America's Best Places to Work
The New Standard of Freedom

**All Inclusive Employee Administration:
Full Human Resource Services, Payroll, Workers' Compensation, "Fortune 500" Employee Benefits (life, medical, vision, disability, voluntary benefits 'AFLAC'), Federal and State Compliance, Pension Plans, Employee Retention, and Financial Banking Services.**

Call: 330-668-1845 or 1-800-668-7720

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WARNING! WARNING!

HEALTH CARE COSTS



ARE RISING—DON'T FALL INTO THE MEWA AND SELF-FUNDED TRAP

By The American Group

It is no surprise at this point that your health insurance costs are only going in one direction...up. The question is, how high, and what are you going to do to manage these costs? When health care premiums spiral upward, a number of interesting developments begin to take place:

1. You call your insurance broker to find you a new carrier only to find out that there are not that many carriers that are even interested in providing you this type of coverage. He or she begins looking and, most likely, comes up empty. It is also a very tedious process that ties up your time and your staff's time to change carriers. This is very frightening to the employees since it usually means changing doctors and/or hospitals. This causes a large drop in morale; particularly if the carrier you're currently with has been doing a good job.
2. You're solicited by an organization you may not have heard of. However, the premiums, the costs, and the benefits are so impressive that you are tempted and/or swayed to join this organization. So, what's the catch? The catch is that most likely this program is a self-funded, multiple employer trust (MEWA).

These were very popular in the 80's. They do not require any capital as an insurance company does, and therefore they easily can be started. These organizations are self-funded. They hope to collect money from you faster than they are spending it on claims. They will tell you that they have insurance for the large claims, so you don't have to worry. However, once you join one of these organizations, you become both personally and corporately liable. They say they are partially self-funded. Whether it is partially self-funded or with no excess insurance at all, it is a self-funded program.

Your liabilities and the liabilities of your employees do not change. They too, can become creditors in the event that the claims are not paid. This also applies if you join an organization such as a Professional Employer Organization that has a self-funded benefit program. How is your liability affected?

You may be held personally and corporately liable in the event of claims not being paid or if the organization goes bankrupt. There is no insurance company to sue. There is no state guarantee fund to pay the claims. Therefore, your employees can only sue your company. **This is your plan, regardless of what is stated, and you are the fiduciary of the plan. If the MEWA, or self-funded Professional Insurance Organization, or other trade organization does not have adequate funds to pay claims, your company will be assessed regardless of whether your company has claims or not. If that company goes bankrupt, you will also be assessed.** There have been cases in the State of Ohio where these types of companies have gone bankrupt. The insurance brokers have been sued and have also gone bankrupt. This is covered under Section 1739.15 of the State of Ohio Code.

The Federal government through the Department of Labor and the Internal Revenue Service oversees these programs; two large, gorilla organizations that no employer wants to face at any time. They have a keen way of closing company doors and this has happened and can happen. If the deal looks too good, it probably is. Prior to getting into any benefit arrangement, you need to ask the following questions:

- ◆ Who is the insurance company?
- ◆ Is this a fully insured program through this insurance company?
- ◆ Please provide me with a copy of the insurance policy.
- ◆ What is the insurance company's phone number and who is your key contact at that insurance company?

Once you receive this information, make the call. All of The American Group's business programs are fully insured by carriers you know and trust. All of our medical programs are fully insured by Medical Mutual of Ohio. Our other benefits are insured through UNUM-Provident and Medical Life. If you would like to learn more about this topic, please contact our office at 1-800-668-7720.



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The American Group
127 N. Cleveland Massillon Rd
Akron, OH 44333

You Are Cordially Invited!

The American Group Proudly Invites You to Attend its Free Spring Summit Symposium

Learn How to Increase Your Efficiencies and Protect Your Business. Experience "The New Standard of Freedom"

Thursday, May 9, 2002

Fairlawn Country Club (Veranda Room)
200 North Wheaton Road Akron, OH 44313
Complimentary Valet Parking



Agenda

4:00pm - 4:45pm	Cocktails & Hors d'oeuvres
4:45pm - 6:00pm	Program: Featuring Michele Morris, Attorney at Law & Lou Bologna, RHU, CLU
6:00pm - 6:45pm	Gourmet Coffee, Hot Tea, Desserts, & Award Winners Announced - Round Golf on Private Greens of Fairlawn CC

Attendees: Business Owners, Presidents, CEOs, CFOs, Managers, & HR Directors

*RSVP to Hilarie Bologna at 330-668-1845 or e-mail: hbologna@theamericangroup.net

Seating is Limited!



RSVP by May 7th



The Safety Zone...

By Gregory Newsome
Risk & Safety Director

The American Group

OSHA Changes Recording and Reporting Requirements Effective January 1, 2002

Did you know that as of January 1st OSHA has made drastic changes in the way businesses are required to record and report accidents? **Do you realize what the implications are for your business? Are you prepared?**

OSHA first published the potential changes on January 19, 2001. These changes were subject to the regulatory review process conducted by OSHA, representatives of business and labor groups, and due consideration was given to the rule-making record. Secretary of Labor, Elaine Chao, has determined that these new record keeping and reporting procedures should be implemented as scheduled, but with two notable exceptions. These two exceptions deal with issues concerning occupational hearing loss and musculoskeletal disorders.

Obviously, tracking the dynamic changes in safety law is cumbersome, expensive, and requires trained professionals to explain exactly what is taking place and how a business must respond in order to protect itself from expensive fines or litigation. **Clients of The American Group, however, have these resources and protection as part of our standard PEO package. Call Gregory Newsome at 330-668-1845 to learn more and to reserve a space at our Free Spring Summit Business-to-Business seminar May 9th. Space is Limited! ■**

FINANCIAL CORNER



We're very pleased, through our relationship with First Merit, to bring financial services to your company and employees. Our objective is to help employees better meet their financial needs through easy banking. Now our clients have group banking at their facility regardless of size. Group banking helps attract and retain quality employees. Your employees benefit by receiving:

- Free checking
- Free ATM cards
- Waived fees for MasterCard (if they qualify)
- Discounts on first and second mortgages
- Ease of payment for their mortgage and/or car loans through direct payroll deduction
- Up to ½% off on the interest rate
- Direct deposit

No longer do your employees have to rush on their lunch hour to deposit their checks or request their check prior to vacation. They know their money is waiting there for them on the designated day. Benefits to your company include preferred banking status and an immediate introduction to commercial loan officers of First Merit, which provides easier access to your capital needs. First Merit, the banking connection for you and your employees; brought to you by The American Group. ■

The HR Initiative...



Job Descriptions: One of the Most Important Tools in Human Resource Management

Well-written job descriptions are essential in modern employee management. Think about it. Job descriptions cut across the entire spectrum of employee management. Starting from recruitment and selection of a potential job applicant, managing and evaluating their performance as an employee, to protecting your business from governmental intrusion. Proper job descriptions provide guidance and security from unwanted problems.

There are several reasons for establishing and maintaining accurate, up-to-date job descriptions. These include using job descriptions for employment-related activities and decisions, legal compliance (i.e. Workers' Compensation, ADA violations, EEOC charges, and DOL charges), compensation decisions, training, organizational development, and employee relations. **Well-written job descriptions clearly define essential functions of the job. They also include other duties that may be required and minimum essentials related to experience, skills, and education.**

The proper writing of legally compliant job descriptions must take into account the rules and regulations of many federal and state agencies. It is not as simple as just listing a litany of perceived functions required to perform the tasks of a specified position. The process requires reflecting on the existing requirements of the position, using precise wording, and subjective terms or ambiguities. For example, terms and words like "attitude, cooperation, initiative, handles, prepares, or processes" are too subjective or non-precise. Many of the most well intentioned employers have lost thousands of dollars in fines and courtroom decisions because they used such wording in their job descriptions. However, many more employers have been fined or penalized for having no job descriptions at all.

In essence, well-written job descriptions create organizational efficiencies that impact the bottom line in a positive manner. Likewise, poorly written job descriptions or none at all threaten a company's very existence. Job descriptions are like a minefield; if used correctly it's like laying them, providing you security. If not used or used improperly, it's like trying to cross that same minefield under fire.

Helping you in managing your employees, and in writing legally compliant job descriptions is another part of The American Group's PEO Package. Clients of The American Group have access to these resources and other protections as part of our PEO services. **Call Hilarie Bologna at 330-668-1845 or e-mail: hbologna@theamericangroup.net to learn more and to RSVP for our Free Spring Summit Business-to-Business Seminar May 9th. Space is Limited! ■**

The Spot Light

A Review of a Growing American Group Client

Gade Health Care Center



Martha Gade
Founder, President, & CEO of
Gade Health Care Center.

A full service nursing home
located in Greenville Ohio

Tel: 937-548-1993

Aiding an Angel of Mercy

For over 35 years, Martha Gade has been caring for neighbors. She has done it so well that, what began as act of kindness, has become a large sprawling business. She first began helping others in her own home. In 1967 she bought a building with 19 beds. By 1973 that facility was too small so she had the new present facility built. Today, she employs over 73 full and part time employees at the Greenville Ohio location.

Gade Health Care Center offers independent living, intermediate care, skilled nursing care, and comprehensive rehabilitation services. This means that no matter how one of their client's needs change, the exact care required is right there, on location. To accomplish this, she must maintain a very dedicated and reliable staff that can provide personalized service, 24 hours a day, 7 days a week, 365 days a year.

Her Christian values serve as guiding principles at Gade Health Care Center—she demands that the staff treats others as they wish others would treat them. In that same vein, that is how she manages, compensates, and provides benefits to her employees. This is also the reason why she has partnered with The American Group to aid her in taking care of the people that provide service to her clientele.

The American Group Benefit

According to Mrs. Gade, "The American Group is a real value. They are easy to work with and have helped us tremendously with the way we administer Workers' Compensation, Payroll, and Benefits. The key to my business is finding and retaining honest, strong, hardworking staff that are caring and loving. Patients must always come first and we must provide a safe, clean home. Our partnership with TAG has helped me retain some people for over 25 years. Moreover, many of my people who left, have come back because of the working conditions we provide."

***Remember to reserve your seat for The American Group's Free Spring Summit Business-to-Business Seminar. Learn how "We Build America's Best Places to Work" and experience "The New Standard of Freedom!" Reserve your seat today by calling Hilarie Bologna at 330-668-1845 or e-mail: hbologna@theamericangroup.net Seating is limited.**



RSVP by May 7th

"TAG is constantly adding new services and insight that enhances our business and enriches the lives of our employees. This year we added a Dental and a Vision program and are exploring and planning to add their 401(k) plan. Their PEA representatives visit us regularly and are always a phone call away."

"I feel very positive about our relationship with The American Group and would rate them as 'AAA'. They augment our human resources and provide a sense of security to our staff so that our patients needs get concentrated on and solved." ■

The Broker Perspective



Independent Insurance Broker Jerry
Widok, Salesman to Gade Health

Jerry Widok spent his first 32 years as an employee with Ford Motor Company and General Motors. He began his second career 10 years ago as an independent broker agent. He came in contact with The American Group about 4 years ago. Since then he has had an active relationship selling The American Groups PEO concept. One of his first sales was the Gade Health Care Center.

According to Mrs. Gade, "We love Jerry. He is so friendly and helpful. He helped arrange our very successful partnership with The American Group."

Jerry says, "The American Group is his idea of an independent broker's dream. My clients love me because of them. I collected the information for the quote and they did everything else. They close the account, they handle all the time consuming enrollments, and they provide on-going services that I couldn't begin to fathom. TAG allows me to solicit new business across state lines because it's just their company expanding, ending my need for multiple state licensing. Finally, representing TAG offers me more bullets (products) to fire, at a more attractive price to my clients."

These products include:

- Affordable 401 (k) Plans
- Risk & Safety Management
- Payroll
- Workers' Compensation
- Human Resource Services
- Group Voluntary Benefits
- 3 Group Medical Plans
- Section 125 Tax Breaks ■