Marshall & Sterling
EMPLOYEE BENEFITS

In the Know

HR News & Industry Insights

July 2022

DOL Reminds Employers to Prioritize Safety for Summer Youth Hires

With summer being a popular season for youth employment, the U.S. Department of Labor (DOL) recently reminded employers hiring youth-aged workers to comply with federal child labor laws to ensure these hires have a safe and beneficial experience.

The DOL's Fair Labor Standards Act (FLSA) prohibits employers from allowing youth-aged employees—workers who are under 18 years old—to perform certain tasks and work more than a specified number of hours. However, child labor laws can vary based on the industry and state. Failing to comply with the FLSA can result in significant consequences for employers.

Notably, the DOL's reminder highlights recent investigations uncovering child labor law violations. Most penalties were related to child labor violations, including:

- Permitting minors to operate heavy machinery
- Allowing minors to work beyond the number of legally permitted hours
- Failing to pay for meal breaks

From 2017 to 2021, the DOL identified more than 4,000 cases of child labor law violations, with more than 13,000 youth-aged workers involved in violations.

What This Means

This recent warning is part of the DOL's effort to ramp up enforcement and could translate to an increase in investigations this summer and beyond. As such, employers should continue to review relevant child labor laws to ensure compliance. Employers concerned about potential violations are encouraged to speak with legal counsel.

To aid employers in keeping youth-aged workers safe, the DOL provides some general tips.

In This Issue…

Containing Costs of Chronic Health Conditions

Chronic conditions are health conditions that require ongoing management over an extended period of time. They are the leading drivers of the nation's $4.1 trillion in annual health care costs. Thus, they are significant sources of financial stress for employers and employees alike. According to the Partnership to Fight Chronic Disease, employer health care coverage for an employee with a chronic condition is, on average, five times higher than coverage for those without a chronic disease. The most common chronic conditions affecting the workforce today include cancer, diabetes, obesity and heart disease.

Fortunately, employers can help combat chronic conditions; this could, in turn, reduce your health care costs and yield a healthier workforce. Consider the following strategies:

- Focus on prevention by making preventive care affordable through medical benefits and encouraging the use of such critical care.
- Be accommodating and offer arrangements (e.g., alternative worksites and flexible work options) to help make chronic care management and treatment more accessible.
- Make it personal by identifying programs that offer targeted messaging and support to keep employees informed, engaged and motivated to make healthy choices or changes.
- Consider programs that address the common causes of chronic conditions (e.g., tobacco usage, unhealthy diet and a lack of physical activity).

Ultimately, you're uniquely positioned to influence and encourage employees to manage their conditions and develop healthy lifestyle habits. Following the COVID-19 pandemic, it's critical to get regular health care back on track so your employees can better manage their conditions and improve outcomes.

Notice of Benefit and Payment Parameters for 2023

On April 28, 2022, the Department of Health and Human Services (HHS) filed its final Notice of Benefit and Payment Parameters for 2023. This final rule describes benefit and payment parameters under the Affordable Care Act (ACA) that apply for the 2023 benefit year.

Finalized standards in the rule include:

- The individual mandate's affordability exemption—The finalized 2023 required contribution percentage is 8.17%.
- Standardized plan options in the Exchanges—Insurers in the federally facilitated Exchanges (FFEs) and state-based Exchanges using the federal platform (SBE-FPs) must offer certain standardized plan options beginning with the 2023 plan year.

HHS also separately announced the updated annual limitations on cost sharing for 2023 on Dec. 28, 2021. The finalized 2023 maximum annual limit on cost sharing is $9,100 for self-only coverage and $18,200 for other-than-self-only coverage.

HHS did not adopt standards for qualified health plans, states and Exchanges that prohibit discrimination based on sexual orientation and gender identity in benefit design and insurer marketing practices. Instead, HHS deferred finalizing these provisions to future rulemaking on ACA Section 1557.

A fact sheet on the rule is also available.

HR Action Steps for Employee Name Changes

With the summer wedding season underway, many employees may soon be changing their names. As a result, in the coming months, it is critical for employers to ensure that each employee's name is accurately reflected on required forms and internal records. Watch the video below to learn how to stay compliant.

The HR Resource Every Business Needs

Whether you have 5 employees or 500, HR360 provides easy-to-understand guidelines that will help you remain compliant. With HR360, you'll find easy, step-by-step guidance on how to comply with a broad range of laws, from Health Care Reform, COBRA, and FMLA to how to interview, hire, and terminate employees. **Click here to learn more!**

Marshall & Sterling's Employee Benefits Team will continue to provide you with updates and information regarding important issues. Should you have specific questions or need more information, please contact us.

Cindy Nichtberger
Human Resources Services Specialist
914-962-1188, x2482
cnichtberger@marshallsterling.com

*Photo of an IV bag by **cottonbro** from **Pexels***
*Photo of person writing on a sticky note by **Nataliya Vaitkevich** from **Pexels***