



E-NEWS



A Note from our President....



Summer time, Summer time!!! It's finally here and Wow....It's HOT! Speaking of hot, the attorney teams at Ogletree Deakins and Parker Poe gave us some hot updates and information at our May Legal Update last month. I want to extend a special thanks to all of our Strategic Partners that attended for the day answering attendee questions and providing fabulous prizes! The DiGiorgio Campus Center at Winthrop University was a perfect venue for our general session, breakouts, and panel discussion. Please look for a Survey Monkey from our VP of Programs, April Simpkins, in the coming week where we will be asking for feedback on next year's location, timing, etc.

I am pleased to announce that the CCSHRM chapter has been awarded the 2010 Silver EXCEL Award. This SHRM award recognizes outstanding achievements in chapter operations and a commitment to providing meaningful programs and services to our members. It also is recognition of our continued growth and development as a business leader, capable of developing strategies that lead to business success. By achieving this award, CCSHRM distinguishes itself as an outstanding organization dedicated to serving the needs of our members and to the advancement of the human resource management profession.

We could not have earned this without the dedication of all the Board members and Volunteers who dedicate their time and energy to this organization and I am so proud to be a part of this team!

I look forward to seeing you all at the June meeting!

Michele



Inside this issue:

Big Healthcare Rate Hikes Face Scrutiny	2
Legal Update in Review	3
July Breakfast Meeting	
June Monthly Meeting	
DOL Regulations on the Way	4
Upcoming Chapter Meetings and Events	5
Strategic Partners	5

Big Health Insurance Rate Hikes Face Scrutiny under Final Rule

Source: <http://www.shrm.org/hrdisciplines/benefits/Articles/Pages/RatesFaceScrutiny.aspx>



US health insurers seeking rate increases of 10% or more for individuals or small businesses will face increased scrutiny by state or federal officials starting September 2011 under a final rule issued on May 19, 2011, by the Obama administration and published in the May 23, 2011 issue of the Federal Register.

The US Dept of Health and Human Services (HHS) said it issued the final rule, "Rate Increase Disclosure and Review," to ensure that large premium increases will be reviewed thoroughly as required under the Patient Protection Affordable Care Act (PPACA). "Effective rate review works—it does so by protecting consumers from unreasonable rate increase and bringing needed transparency to the marketplace," said HHS Secretary Kathleen Sebelius in a released statement. "During the past year we have worked closely with states to strengthen their ability to review, revise or reject unreasonable rate hikes. The final rule helps build on that partnership to protect consumers."

Only individual and small group health plans—not those offered to large employers—are affected by the new rule, which requires insurers to provide a broad overview of what they plan to spend the money on, including how much would go to medical services, profits and administrative costs.

While the federal government lacks authority to reject increases, about two dozen states give the state insurance department or commission the legal power of prior approval, or disapproval, of certain types of rate changes, according to the National Conference of State Legislatures.

HHS Will Act if States Don't

States will have the primary responsibility for reviewing rate increases. HHS will serve in a backup role in states that don't have the resources or authority to review rates or that choose not to do so. HHS has awarded \$44 million in PPACA grants to states to help strengthen their oversight capabilities.

Starting in September 2012, the 10% threshold will be replaced by state-specific thresholds that reflect the insurance and health care cost trends in each state. The final rule clarifies that HHS will work with states in developing these thresholds. The rule requires insurance companies to provide consumers with easy-to-understand information about the reasons for unreasonable rate increase and to post the justification for those increases on their website as well as on the HHS health care reform website, www.healthcare.gov.

HHS is accepting comments through July 18 from the public on applying the rule to individual and small group coverage provided through association health plans.

By: *Stephen Miller, CEBS, online editor/manager for SHRM*



CCSHRM May Legal Update

In review...

Special thanks to our May Legal Update sponsors Parker Poe and Ogletree Deakins. Through their legal expertise, attendees enjoyed a full day of legal updates and discussions of key topics in the HR arena.

Based on the comments we received, our new location (DiGiorgio Center, Winthrop University) proved to be excellent for our event. Many felt our attorneys were easily accessible and very knowledgeable. Other comments stated the event was well organized and flowed easily covering relevant timely topics.

Thanks to all who made this event successful!



Employers & Lawyers, Working Together



CCSHRM June Luncheon Meeting "What's TRUST got to do with Profitability? Everything!"

Marlia Emery, TeamWide Solutions will present our program comparing performance and achievement statistics of organizations with cultures of high trust and low trust. She will also explain how to determine the qualities of a trusting organization introducing the TRUST Model as framework for developing a culture of trust to improve performance.

Register via our website www.carolinasshrm.org or contact Jill Mikels at jill.mikels@ycnga.com.

Meeting sponsored by:



Special July Breakfast Meeting...

Mark your Calendar NOW!

July 28, 2011
8:00 am ~ 9:30 am
The Employers Association
3020 West Arrowood Road
Charlotte, NC 28273
Cost: Free to CCSHRM members
\$15 for non-members

A joint effort between CCSHRM and The Employers Association, Kenny Colbert, president, The Employers Association, will present, "When the Compliance Officer Knocks on your Door".

Sponsored by Payroll Plus
Register @ www.carolinasshrm.org



This program has been approved for 1.0 re-certification hour toward PHR and SPHR re-certification through the Human Resource Certification Institute (HRCI). The use of this seal is not an endorsement by HRCI of the quality of the program. It means that this program has met HRCI's criteria to be pre-approved for recertification credit.

BOARD MEMBERS

Michele Lorusso, President
CCSHRMPresident@gmail.com

April Simpkins, VP— Programs
april@hrsurveys.net

Kayci Black, VP—Finance
SHRM Foundation
kblack@employersassoc.com

Diane Borella, VP—Membership
Diane.Borella@sunbeltrentals.com

Jill Mikels, VP—Administration
Jill.Mikels@ycnga.com

Russ Knight, Past President
OLDRUSS@aol.com

Members At Large

Julie Voges
jvoges@chmuseums.org

Rita Revels
Rita.revels@schaeffler.com

Greg Day
President Elect/Non-Dues Revenue
gregday@talentconnections.net



CORE LEADERSHIP

Keith Wheeler
Special Events/2011 Professional of the Year
kwheeler@benefitcontrolsnc.com

Cheryl Forlines
Professional Dev/Govt Relations
ForlinesCheryl@JohnDeere.com

Christine Turner
ctturner@sces.org
Melissa Gladden
mgladden@carolinarecruitment.com
Workforce Readiness

Anicia Stevenson
College Relations/Scholarships
Anicia.Stevenson@comporium.com

Sherry Archie
Website/E News
Sherry.archie@foundersfcu.com

DOL Regulations on the Way....

401(k) Plans

The U.S. Department of Labor (DOL) soon will issue a final rule on investment advice, according to Assistant Secretary of Labor Phyllis Borzi, who highlighted upcoming regulations from the DOL's Employee Benefits Security Administration at the International Foundation of Employee Benefit Plans' Washington, D.C., Legislative Update on May 24, 2011.

The need for timely investment advice is more important than ever given the rise in the number of 401(k) plans, Borzi noted. She said that the DOL has sent its rule on investment advice to the Office of Management and Budget (OMB) and is expecting a final rule in a few months.

The proposed rule, if adopted, recommended the following changes:

- A plan fiduciary would be required to authorize the advice arrangement, including selection and monitoring of the arrangement.
- Computer models used to offer advice would have to be certified as objective and unbiased by a plan fiduciary independent of the investment advisor or its affiliate.
- Entities providing investment advice and their employees would be prohibited from receiving compensation from any party, including any affiliate of the advisor, on the basis of their recommendations.
- An annual audit of investment advice arrangements would be made by an independent auditor.



Also, the DOL continues to work on finalizing a proposed rule that would update and expand the definition of "fiduciary" under the Employee Retirement Income Security Act (ERISA) to cover more broadly those who provide fee-based investment advice to retirement plan sponsors and participants, she stated. Under the present definition of "fiduciary," trustees are "left holding the bag when things head south," she said. The rule would provide for more accountability and transparency, she asserted.

The DOL is moving forward on rulemaking about enhancing employer-sponsored defined contribution plans through annuities and other options that provide an income stream after retiring. Borzi said the DOL was trying to see what it can do "to educate the public about the importance of lifetime income streams without requiring it."

The DOL is nearly finished with the development of its rules on fees, Borzi noted. For plan years beginning after Oct. 31, 2011, plan sponsors must provide participants with quarterly reports detailing plan and investment fees and expenses. And the DOL has announced that it intends to extend the applicability date to Jan. 1, 2012, for an interim final disclosure rule covering fee disclosures from retirement plan service providers to employers who are plan sponsors and fiduciaries. The DOL still has not sent to OMB a final rule on disclosures from retirement plan service providers to employers, but officials expect that they will send it for review in the next week or two, according to Borzi.

The DOL is seeking comments on expanding or modifying current rules regarding the electronic distribution of employee benefit plan information. "There are people who still prefer paper," she observed.

Health Care Reform

On the health care reform front, Borzi remarked that the DOL has issued eight sets of regulations and considerable subregulatory guidance. Some have criticized the DOL for having too much guidance, she said. The reform law is "new to everybody," she remarked, saying that in the first couple of years the department will focus on "compliance assistance, not compliance enforcement. But if you're in violation of the law, we'll go after you."

Allen Smith, J.D., is SHRM's manager of workplace law content.

Source: www.shrm.org/legalissues/federalresources/assistantsecretaryDOL.aspx



Chapter Meetings & Events



Regular Chapter Meetings are held the 3rd Thursday of each month
 Hilton Garden Inn (Dave Lyle Blvd)
 11:45 am to 1:15 pm—Program and Lunch (unless otherwise noted below)
REGISTER FOR AN UPCOMING MEETING BY VISITING OUR WEBSITE AT
WWW.CAROLINASSHRM.ORG

www.carolinasshrm.org

DATE	TOPIC	RESOURCE PARTNER
June 16	Monthly Meeting <i>"What's TRUST got to do with Profitability? Everything!"</i>	Blackbridge Financial
July	No Regular Monthly Meeting <i>Board and Core Leadership Strategic Planning Meeting</i>	
July 28	Special Breakfast Meeting <i>"When the Compliance Officer Knocks on your Door"</i> Location: The Employers Association Time: 8:00 am until 9:30 am	Payroll Plus
August 18	Monthly Meeting	Eric Mohn Law Firm
September 15	Monthly Meeting HR Roundtable 11:45 am until 4:30 pm	Founders Federal Credit Union

Not a member of CSHRM? Join today and begin networking with other HR professionals!

Contact Diane Borella (diane.borella@sunbeltrentals.com) or visit our website (www.carolinasshrm.org) to learn more!



2011 Strategic Partners

