

Benefits Buzz

April 2009

WINE SERGI
INSURANCE

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Key Issues Facing Business Owners

DID YOU KNOW?

New COBRA model notices as required by ARRA can be found on your client portal and at www.dol.gov/ebsa/COBRAmodeNotice.html.



COBRA Subsidy Action Items

The following implementation items for the COBRA Premium Assistance Rules are suggested by the Employee Benefit Institute of America:

- 1) Identify all current assistance eligible individuals (AEIs).
- 2) Identify all potential AEIs.
- 3) Prepare notice of extended election period and send it to all potential AEIs.
- 4) Prepare and send an additional notification of availability of premium reduction (and option to enroll in different coverage, if permitted by employer) to all individuals who are or were qualified beneficiaries based on any qualifying event that occurred on or after September 1, 2008 (other than potential AEIs).
- 5) Prepare and send an additional notification of availability of premium

reduction (and option to enroll in different coverage, if permitted by employer) with all new COBRA election notices.

- 6) Implement COBRA assistance for AEIs for COBRA coverage periods that start on or after February 17, 2009.
- 7) Implement the plan enrollment option.
- 8) Review, revise, and, if necessary, redistribute existing plan notices, disclosures and forms.
- 9) Prepare and distribute new notices and forms. Model notices can be found on your client portal and at www.dol.gov/ebsa/COBRAmodeNotice.html.
- 10) Review and revise COBRA administration procedures.

Source: EBIA

10 Signs Your Customer is Going Under

According to CFO.com, in order to reduce the risk of losing payments, be on the lookout for signs that your customer is having financial difficulties. The following are 10 telltale signs:

- 1) Changing payment patterns – Customer falling behind in making payments.
- 2) Shifting buying habits – A regular customer is no longer buying.
- 3) Constant nitpicking – Your low-maintenance client now has a list of demands.
- 4) Shrinking cash flow – If you have access to your customer's financial statements, watch for cash flow problems.
- 5) Large accruals – Companies in trouble have large accruals on their balance sheets.
- 6) Tight lips – Your customer would normally share financials and now won't.
- 7) High day sales outstanding – Trouble collecting receivables spells problems for you.
- 8) Managerial shuffling.
- 9) Persistent rumors – Keep your ears open... the rumors are often true.
- 10) Tax liens – A clear sign the company is going under.