



# Quarterly

Your Keys to *Compliance*



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## Workplace Safety - OSHA Priority

*"There can be no work more rewarding and no job more fulfilling than helping to protect the lives and well-being of the working men and women who keep our nation strong. We can make a difference and we will."*

-John L. Henshaw, Assistant Secretary of Labor for Occupational Safety and Health

OSHA's vision is that "Every employer in the nation recognizes that occupational safety and health adds value to American businesses, workplaces and workers' lives."

The agency's new five-year Strategic Management Plan is designed to accomplish this objective and to support the Department of Labor's goal of fostering quality workplaces that are safe, healthy and fair. The plan specifies annual targets for reducing workplace fatalities, injuries and illnesses.

### Setting Targets and Goals:

OSHA recognizes that prevention efforts must focus on the root causes of persistent occupational safety and health problems. By 2008, OSHA's goal is to reduce the rates of workplace

fatalities by at least 15 percent and workplace injuries and illnesses by at least 20 percent. Each year, OSHA will emphasize specific areas to achieve this broader goal. In FY 2003-2004, OSHA will reduce construction fatalities by 3 percent, general industry fatalities by 1 percent and overall injuries and illnesses by 4 percent. Emphasis will be on high incident/high severity industries, amputations in manufacturing and construction, ergonomics, blood-lead levels and silica-related disease.

### Setting New Goals:

Faced with both new challenges and persistent safety and health issues, OSHA is committed to focusing its resources on achieving three primary goals:

1. Reduce occupational hazards through direct intervention;
2. Promote a safety and health culture through compliance assistance, cooperative programs and strong leadership; and
3. Maximize OSHA's effectiveness and efficiency by strengthening its capabilities and infrastructure.



## Notification Requirements under Proposed COBRA Regulations



The Department of Labor (DOL) has recently issued proposed regulations in connection with existing COBRA law. These new regulations, if finalized, will impose additional requirements on employers and plan administrators.

An important notice appears in the preface to the proposed regulations. This notice states, "effective with publication of these proposed regulations, the Department will no longer consider use of the model general notice in ERISA Technical Release 86-2...to be good faith compliance with the requirements of section 606(a)(1)." The proposed regulations encourage employers to adopt the new model notices provided by the DOL in conjunction with the proposed regulations.

The following outline, published by the Department of Labor, provides an overview of the proposed changes.

### General COBRA Notice

- Under the proposed regulations, the general notice would cover the basic information on COBRA that employees and their families need to know to protect their rights before a qualifying event occurs.
- The notice would be furnished to qualified individuals within 90 days after coverage begins.

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*COBRA Continued...*

- Plans could satisfy this notice requirement by including the required information in the summary plan description (SPD) and furnishing the document within the 90-day time limit.
- The proposal also includes a revised model general notice to make it easier for plan administrators to comply with the notice requirements.

**Employer Notice of Qualifying Event**

- Employers must notify plan administrators of certain types of qualifying events, such as loss of job, reduced working hours, death of the employee, and enrollment of an employee in Medicare.
- The proposal clarifies the required timing and content of the notice of a qualifying event.

**Employee/Family Member Notice of Qualifying Event**

- Employees or their family members must notify plan administrators of other types of qualifying events — divorce or legal separation and loss of dependent status under the plan.
- The proposal clarifies the content and timing of this notice.

*For more information on these or other Compliance Issues, contact your **Spetner Associates Compliance Check Specialist** at 800-737-4535.*

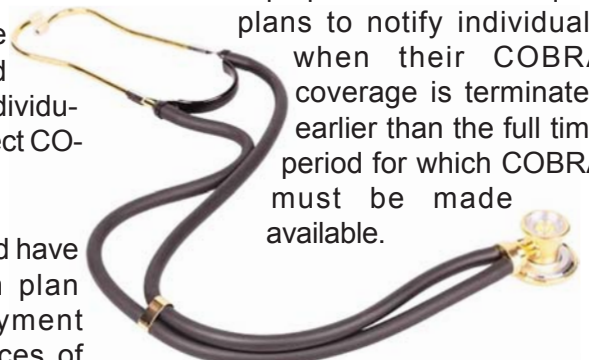
- The proposal would require plans to have reasonable procedures for requiring employees and their families to give this notice and for setting time limits as to when it must be given. Plans would be required to accept notices that meet the minimum content requirements of the proposal.

**COBRA Election Notice**

- Under the proposal, the COBRA election notice would contain all of the information individuals need to decide whether to elect COBRA coverage.
- The election notice would have to describe available health plan options, premium payment requirements, the consequences of failing to elect COBRA, and how COBRA coverage could be extended due to disability or a second qualifying event.
- The proposal also contains a model election notice that plans could use to comply with the election notice requirement.

**Other Notices**

- After receiving a notice of qualifying event from an employee or family member, plans would be required under the proposal to notify individuals whenever a plan determines that an individual is not eligible for COBRA.
- The proposal would also require plans to notify individuals when their COBRA coverage is terminated earlier than the full time period for which COBRA must be made available.



**Contact your Compliance Check Specialist today to receive the new DOL model COBRA notices!**