



Notable Knows

Volume 6 Issue 2

Summer 2007

Group Medical Benefits – How to get the best rate the first time!

ESAO
8044 Montgomery Rd.
Suite 700
Cincinnati, Ohio
45236

- Phone: 513-792-2260
- Fax: 513-792-2261
- Web:
www.ohioemployer.com

Finally, a break from the headache of group medical insurance! If your employees must complete medical questions on group medical applications, this is an important read.

Before today, employers received preliminary quotes from multiple insurance companies. The employer then had to roll the dice on which insurance company's application should be completed by the employees. Too often, final rates came back much higher than the proposed rates. The employer then had the unfortunate choice of completing yet another set of applications, buying the renewal of the current carrier or buying the higher rates from the new insurer. **NOT ANYMORE!**

Now employees can complete ONE application and a computer program populates FOUR insurance company applications! No more guessing on which application to complete because they are all completed for you. The employer now receives FINAL rates of multiple carriers instead of PRELIMINARY.

This program is only available from Jim Scarborough at Benefit Resources, Inc. Please contact Jim at 800-422-7844 or Jim@BenefitResourcesInc.net

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New Health Savings Account Rules Make Medical Plans

Health Savings Accounts are medical plans for groups and individuals that allow tax deductible contributions to special savings accounts. These accounts are used to pay expenses not covered by insurance with pre-tax dollars. These accounts accumulate year after year instead of requiring spending by year end. Initial rules made these plans cumbersome for most employers. Several rounds of rule changes have made these new plans more viable for employers and individuals. Health Savings Accounts, or HSA's, are priced more competitively than traditional medical plans. For more information on HSA's and whether or not they fit your situation, please contact Jim Scarborough of Benefit Resources, Inc. at 800-422-7844 or Jim@BenefitResourcesInc.net

Avoid Payroll Hassles with these 6 Tips

Whether your business is a startup or has been in business for years, there's one task your company must do- payroll.

For most businesses, payroll is a detailed and complicated process. It is easy to make mistakes costing your company lost time and money. Many companies avoid payroll challenges by outsourcing. Here are six tips whether you prepare payroll or hire a payroll service provider.

1. Collect everything to calculate employee's pay

In order to do *zero-to-gross* calculations you need to know how much each person earned during the pay period. This includes time worked, hourly rate of pay and legal overtime rate or salary. Recent raises, promotions and other taxable benefits such as gifts, bonuses and the personal use of a company car should also be included.

Adding these items will give you each person's gross pay. This process becomes more complicated as you add more employees.

2. Gather all the information for paycheck deductions

Gross-to net calculations are needed to calculate deductions. You'll need filing status and number of exemptions from each employee's W-4 and the latest tax tables for every applicable taxing authority (federal, state and local). Next calculate Social Security and Medicare taxes. Note that Social Security taxes have wage base limits. Add these and any other deductions together and subtract from the gross to arrive at the net amount.

3. Add the total hours paid for all employees

To check for accuracy, add total hours paid for all employees. If your accountant or payroll service offers you a "trial register" before processing checks, it should include the total number of hours worked by everyone. If you have previously created your own sum of hours worked, separated into regular and overtime hours, this is your first line of defense against inaccurate checks. The sums should match. If they don't, dive into the details and verify all checks and figures again.

4. Add the total voluntary deductions for all employees.

A second way to check payroll accuracy without verifying every detail is to add all voluntary deductions. Start by adding all voluntary deductions with constant amounts not those that vary between pay periods. These might include savings bonds, credit union, employee-paid health insurance or uniforms. Then check your sum against the payroll register sum after the payroll is processed.

5. Estimate the net pay amount in advance.

You should know in advance whether your final payroll register is correct. The total net pay from the last pay period is one place to start (keeping in mind any new hires, firings or raises).

Using the total of net pay against the register's amount is better than using gross pay because a difference may flag a mistake in deductions. Gross pay totals alone won't uncover this mistake.

6. Create your own running totals.

Even though check amounts appear accurate, one way to discover a mistake is to total taxes paid year-to-date for federal and state income tax. If you do payroll yourself, have someone else check your work. This is a good idea no matter who does the work. Many companies realize the importance of involving multiple people in the payroll process for accurate payrolls. You should too.

Contact **Matt Haverstick** for more information about PSA