

GOV'T SHUTDOWN, ETC. The impacts already felt, and to be felt, in the workplace are far too extensive to adequately report here in abbreviated form. Default is uncharted territory, particularly regarding its impact on pensions, 401(k)s, employment levels, etc. We have neither the time nor the space to effectively comment on this fiasco.

NO PENALTY Although the requirement to notify employees about state- and federal-run healthcare exchanges effective Oct. 1st remains in force, DOL suspended any penalties for failure to do so. ACA added a provision to FLSA requiring notice to FLSA-covered employees effective Oct. 1 of each year, as well as to new employees at time of hiring. While penalties are waived for 2013, employers should still be concerned with potential employee lawsuits if they fail to do so.

SPEAKING OF NOTICES Employers with health plans that include prescription drug benefits must notify their Medicare-eligible employees by Oct. 15th each year whether their benefit is "creditable coverage" vis a vis the Medicare Part D prescriptions drug plan. [Not aware of any penalty waivers here.—ed.]

"The best mind-altering drug is...TRUTH."

Lily Tomlin

CEO PAY RATIO REGULATIONS SEC announced proposed regulations under Dodd-Frank regulatory reform law that requires publicly-traded companies to publish the ratio between CEO's "total compensation" to that of a "median" employee. Under these regs, employers have discretion re: methods to determine "median" employee but must include all full-time, part-time, seasonal, temps and international employees—including subsidiaries. Following a 60-day comment period, final rules will be issued, with reports due for first fiscal year beginning after final rule date. www.sec.gov/news

DOUBTS ON PERFORMANCE MEASURES According to Mercer's Global Performance Management Survey, only 3% of organizations worldwide report their overall performance systems provide exceptional value. Most fail to see a solid connection between desired outcomes and their current programs, yet few seem willing to actively support dynamic performance and career development processes. Only a minority have made changes in their practices to achieve better outcomes. Key drivers include manager skills, executive commitment, calibration and technology.

*"Be nice to people on your way up.
You might need them on the way down."*

Jimmy Durante

WORKERS RETIRING EARLIER For a while, workers anticipated working longer to make up for low savings. They couldn't "afford to retire." Those plans have been trumped by poor health or economic realities, i.e., lay-offs or employer-induced retirements. Retirement ages are not always in the workers' control according to recent survey by PNC Financial Service's Perspective on Retirement survey. Those with insufficient savings now expect to retire at age 67, compared to 68.2 years from an earlier survey.

OVER-BILLING LAWYER? A court-appointed public defender in Dayton, Ohio, was recently audited as the highest-paid public defender. Some invoices sought reimbursement for 20-hour days and one for 29 hours in a day.

U.S. WORKERS LACKING According to recent report by the Organization for Economic Cooperation and Development, American adult workers (16-65) are below average when it comes to skills needed to compete in global economy, and we seem to be slipping among the 21 countries studied. Survey measured literacy, math, and computer skills. Most educated U.S. test-takers (graduate or professional degrees) scored above average in literacy but below in math and digital skills. [What good is creating jobs if we lack the talent to fill them?—ed.]

"The best executive is the one who has enough sense to pick good people to do what he wants done, and self-restraint enough to keep from meddling with them while they do it."

Theodore Roosevelt

JOB-HUNTING ETIQUETTE The rudeness of employers is well-known—no feedback after interviews, obvious form letters, etc. There is another side to the equation—rude job-seekers. No-shows for appointments or even failure to appear for first day of work are examples of this syndrome. People are entitled to change their minds, but the "human decency contract" should require they at least call with an explanation.

WHAT IS "TRUTH?" Measles, once nearly eradicated in America, is making a comeback thanks to a number of skeptics who refused to have children vaccinated—based on discredited belief of a linkage of the vaccine to autism. Twenty of these "naysayers" are from a church near Dallas, whose pastor declared, "Medical facts are facts, but we know the truth. That always overcomes facts."

The contents of this newsletter are necessarily brief and do NOT constitute legal advice. No final conclusions should be drawn without further review and consultation. Please advise if you want it discontinued or addressed to someone else. We also welcome questions and comments.

Thank you,
Pete Loomis

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