



THE GBP *May/June* BRIDGE

BRIDGING THE GAP WITH COMMUNICATION



May

- 7 Happy Anniversary
Julie Johnson
6 years with GBP!
- 10 Mother's Day
- 13 Happy Birthday
Teresa Flower
- 16 Armed Forces Day
- 25 Memorial Day
GBP Office is Closed
- 26 Happy Birthday
Dee Alfson
- 29 Happy Anniversary
Marilyn Jordan
2 years with GBP!

Jun

- 14 Flag Day
- 18 Happy Anniversary
Melanie Honomichl
2 years with GBP!
- 21 Father's Day
- 21 Summer Solstice,
Summer Begins!
- 24 Happy Anniversary
Kellie Papanikolas
6 years with GBP!

Contact GBP Risk Solutions

Giving Better Perspective on Risk Solutions

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Share significant dates with us!
Email liz@gbprs.com

Dear GBP

By: Thelma Ghigliotty Diaz

Dear GBP:

Someone told me that this new American Recovery and Reinvestment Act affects how I handle COBRA coverage for my employees. Is this true?

Signed,

Looking for the Answers

Dear Looking:

Yes, if you have more than twenty employees and are required to offer your insurance program on a continuation basis under COBRA, then the American Recovery and Reinvestment Act (ARRA) affects you. More specifically, it affects your employees (and their eligible dependents) who have lost their employment or will lose their employment anytime between September 1, 2008 and December 31, 2009 involuntarily due to lay offs, downsizing, or other circumstances.



The new legislation provides for a federal government subsidy of 65% of the COBRA premiums for up to a maximum of nine (9) months. The eligible COBRA beneficiary subsequently pays only 35% of the COBRA premium for this period of time. This subsidy is designed to help more people afford the COBRA coverage until they can find other employment and benefits.

As an employer, you have several responsibilities in this regard.

First, your initial responsibility was to notify those currently enrolled for COBRA, as well as those previously eligible for COBRA, of the possibility of a COBRA premium subsidy. The time frame for those outgoing notices was March 19 - April 19, 2009.

Second, when a COBRA beneficiary is eligible for the premium subsidy, you, the employer, must pay the 65% COBRA premium payment in your monthly remittances to the insurance carrier(s). You will then take a tax credit on your payroll reporting form (941) for the amount of premium subsidy paid for the previous month or quarter, depending on how often you file.

Finally, your ongoing responsibility is to ensure that your COBRA notification paperwork includes all of the updated wording and forms provided by the Department of Labor that pertains to the new ARRA legislation.

If you would like to receive the sample communications and forms provided by the Department of Labor, please feel free to contact your GBP Benefits Team.

We encourage you to be a well informed and compliant employer, so please do not hesitate to contact us!

GBP Benefits Department 520-571-7737

Going Green

By: Liz Parker

Commit to responsible, sustainable consumption!

Check out how long each of these products take to decompose in the environment...

- Banana Peel: 3-4 weeks
- Paper Bag: 1 month
- Cardboard: 2 months
- Wool Sock : 1 year
- Tinned Steel Can: 50 years
- Aluminum Can: 200-500 years (if recycled, it can be reused within 6 weeks!)
- Disposable Diapers: 550 years
- Plastic Bags : 20-1000 years
- Plastic Jug: 1 million years
- Glass : 1-2 million years
- Styrofoam: 1+ million years

Rick's Pick™

By: Rick Gregson

rick@gbprs.com



Economy got you down? Don't stop dining out and don't stop drinking wine – you can do both. You may need to get a little creative though, so I suggest 'CORKAGE'. Bring your own wine to the restaurant – it saves you money and you know what you are getting.

But please be considerate of our restaurant friends. First, call them for reservations and ask if they will allow you to bring your own wine. If so, ask how much they charge for corkage - opening your wine bottle and providing correct glasses. No matter what they charge it is not just for opening and pouring your wine. Restaurants need and deserve income from all aspects of the meal and IF they allow you to bring your own bottle they are doing you a favor. Just a warning, there is no such thing as 'meatage' – you can't bring your own steak to the restaurant and ask them to cook it.

So eat at your favorite restaurant and if interested ask about bringing your own wine.

Let me know what you are drinking.

Cheers~

Rick Gregson



Vacant Property—Insurance Challenges

By: Julie Johnson

The news is filled with stories about the unfortunate reality of vacant properties. Homes and businesses alike are standing empty. Many owners may have purchased homeowners/dwelling or business insurance policies while the homes or businesses were occupied and now that there is a vacancy may have incorrectly assumed they are secure with that coverage in place.

Vacant or unoccupied property presents special challenges. The premium charged for occupied property does not take into consideration the increased exposure of vacant and/or unoccupied property. The insurance provided by most policies is limited, and may not respond at all if the property has been vacant for more than 60 consecutive days prior to a loss!

Many, if not most, insurance companies will cancel coverage immediately if they become aware of the vacancy. Even if the policy is not cancelled there may be major problems in the event of a loss. The occupancy status is considered essential to the insurance company. When the use and/or occupancy of a property changes many insurance companies no longer want to insure the property. Of major importance:

- Insurance is suspended on glass (window/block) breakage
- Vandalism and theft is not covered
- There is no coverage for freezing of a plumbing, heating, air conditioning, or automatic fire protection sprinkler system, or of a household appliance caused by freezing if a structure has insufficient heat, and/or the water system has not been shut off and drained.

Depending on the policy and insurance company involved, the entire policy may be void in the event of a vacancy or non occupancy. At GBP Risk Solutions, we pride ourselves on finding solutions for our clients. Please contact us if your property undergoes an occupancy change and we will help guide you through the necessary steps to obtain proper coverage.

The GBP Bridge Staff

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