

MEMORANDUM

To: Subscribers to *Bank Compensation and Benefits Manual*

From: Sheshunoff Information Services

Subject: Highlights

Enclosed is your current update to *Bank Compensation and Benefits Manual*. Highlights include the following:

- **Supreme Court Sets Time Limit for Filing Pay Discrimination Claims.** Employers received two victories when the United States Supreme Court dramatically limited the time period for filing Title VII charges related to pay discrimination. The issues concerned allegedly discriminatory pay decisions made in the past, the effects of which are continuing to be felt in the present. (See Chapter 4.)
- **Trends in Health Care Costs.** In 2007, total health benefit cost rose by 6.1 percent. This duplicates the acceleration of healthcare cost that occurred in 2006 according to Mercer's *National Survey of Employer-Sponsored Health Plans*, released in March 2008. This is an average cost of \$7,983 per employee. New information in this update reviews how employers are taking measures to reduce their healthcare costs. (See Chapter 9.)
- **EEOC Issues Final Rules on Coordination of Retiree Health Benefits.** In December of 2007, the Equal Employment Opportunity Commission (EEOC) issued its final rules for employers who provide health plans to allow exemptions from the Age Discrimination in Employment Act (ADEA). Employers now can coordinate employee retiree health benefits with Medicare coverage. (See Chapter 9.)
- **Sarbanes-Oxley Creates Potential Criminal Liability for Public and Nonpublic Companies Alike.** Most bankers perceive the Sarbanes-Oxley Act (SOX) as applying only to publicly traded companies. Don't let that fool you though. Congress didn't leave nonpublic companies out of the laws reach for potential criminal penalties. (See Chapter 11.)
- **Health Insurance Portability and Accountability Act (HIPAA).** The Department of Labor issued final regulations for plan years beginning on January 1, 2008, for wellness programs under HIPAA. The new regulations coordinate well with the ADA restrictions for wellness programs. Some of the areas addressed are privacy, security rules, and nondiscrimination rules. (See Chapter 14.)

If you have comments, questions, or would like information on another Sheshunoff product, please call 1-800-456-2340. You also may visit our web site at www.sheshunoff.com.

FILING INSTRUCTIONS

Volume I

- Remove 1/08 title page through page xxxiv. Insert 7/08 title page through page xxxiv.

Tab: Part I — Compensation Practices

- Remove old Chapter 4, pages 4-i through 4-122. Insert updated Chapter 4, pages 4-i through 4-122.
- Behind page 4-122 insert new Chapter 4A, pages 4A-i through 4A-84.
- Behind page 4A-86 insert new Chapter 4B, pages 4B-i through 4B-6.
- Behind page 4B-6 insert new Chapter 4C, pages 4C-i through 4C-10.
- Remove old Chapter 4.1, pages 4.1-1 through 4.1-14, and discard.
- Remove old Chapter 4.2, pages 4.2-i through 4.2-6, and discard.
- Remove old Chapter 4.3, pages 4.3-i through 4.3-86, and discard.
- Remove old Chapter 4.4, pages 4.4-1 through 4.4-10, and discard.
- Remove old pages 6-i through 6-6. Insert updated pages 6-i through 6-6b.

Tab: Part II — Benefit Practices

- Remove old Chapter 8, pages 8-i through 8-116. Insert updated Chapter 8, pages 8-i through 8-134.
- Remove old Chapter 9, pages 9-i through 9-80. Insert updated Chapter 9, pages 9-i through 9-64.
- Remove old pages 11-i through 11-74. Insert updated pages 11-i through 11-74.
- Remove old Chapter 12, pages 12-i through 12-8. Insert updated Chapter 12, pages 12-i through 12-10.
- Remove old Chapter 14, pages 14-i through 14-28. Insert updated Chapter 14, pages 14-i through 14-28.