

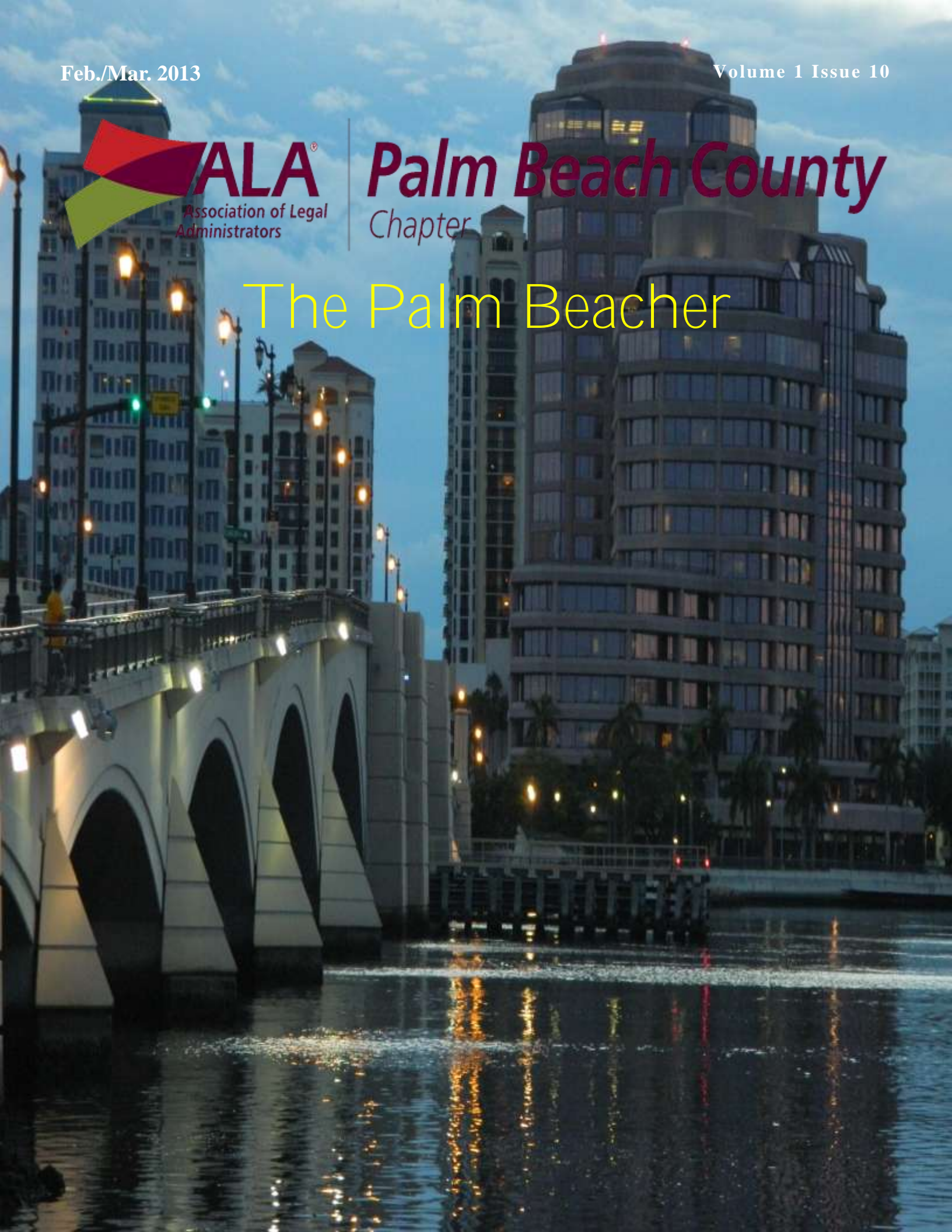
Feb./Mar. 2013

Volume 1 Issue 10



Palm Beach County Chapter

The Palm Beacher



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Your connection
to knowledge, resources and networking

President's Message



Gloria E. Hernandez, CLM
Burlington & Rockenbach, P.A.
geh@flappellatelaw.com

It seems like only yesterday I was taking the oath as President of our Chapter. As they say...time flies when you're having fun! Yes! Fun! Although it is a huge responsibility and hard work keeping abreast of every little detail of the workings in the Chapter and coordinating with the Regional and National officers, I have enjoyed every minute of it!

Three of my goals as President were to raise the Chapter's profile in the community, open up communication between the Chapter's Board and the members, and earning the Presidents' Award of Excellence for the Chapter. I believe that, together, we have accomplished those goals in several ways!

One way was when we hosted the very successful Community Connection Golf Tournament, and when we partnered with one of our business partners by participating in their semi-annual career fair. A special

topic seminar was held that was well-attended by the legal community. Plus members continually received Chapter information via timely emails throughout the year that encouraged everyone to participate in the Chapter's activities. Also the Chapter's newsletter was revamped and renamed to bring you more information about the Chapter and National events.

Last, but certainly not least, I am happy to report that our Chapter has earned the Presidents' Platinum Award of Excellence from ALA! This award is named in honor of ALA's Past Presidents and is intended to recognize chapters' efforts in achieving effective chapter management. The Platinum designation is the highest level awarded in the Presidents' Award of Excellence program.

My sincerest appreciation goes to the individual members of the Board of Directors and Committee Chairs who helped to accomplish these goals and make this one of the best experiences in my professional life. Their advice and opinions throughout the year were invaluable to me.

I learned valuable lessons along the way such as knowing when to quietly listen to others' advice and to respect more than one point of view. Learning to manage my time more efficiently is still a struggle, but I'm getting better at it. Patience is still elusive, but then again, I don't pray for it!

Thank you and God Bless!!

February

March

Maryellen A. Castellano
 Brenda Danaei, CLM
 Susan G. Gavsie
 Gloria E. Hernandez, CLM
 Colleen Jacob
 Eileen B. Michelbrink
 Devika Peters
 Florence Sherman
 Jamie Stanton
 Jennifer Tracy, CLM



Mary C. Aguiar
 Kimberly Ayers
 Cheryl Freel
 Meryl S. Frid
 Kathleen M. Goodrich
 Paula R. Johnson
 Elizabeth Schwartz



Palm Beach County
 Chapter

LEGAL EXPO 2013

- Free Admission and Parking
 - New Products and Services
 - Networking
 - Door Prizes*
 - Drinks & Hors d'oeuvres
- * Must be present to win

VENDORS

Exhibitor and Advertising Opportunities available, for more information contact
 Gloria E. Hernandez
 (561) 721-0400
 geh@flappellatelaw.com or
 Visit our website at www.pbcala.org



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To register, please send an email to PBCLegalExpo@gmail.com

Happy Anniversary!

We celebrate these members for their years of membership!



**Albert Fielder, Jr.
Lance E. Howden**



**Sandra L. Bolin
Brenda J. Danaei, CLM
Donald L. MaGruder*
James W. Menendez, CLM*
May I. Tucholski
Joy R. Wilson***



**Beth E. Anderson
Marcy R. Dorr
Kathleen M. Goodrich
Marilyn Fong
Susan L. Jennings*
Pattie L. McElvy*
Roxanne Nelson, CLM
Michael F. Spillane
Jennifer Tracy, CLM
Angela Voicu
Barbara A. Waldron
Audrey L. Yeager***

* Chapter Past President



Annual Conference & Exposition

Attention Members!

Earn a scholarship to the 2014 Annual Convention in Toronto, Ontario, Canada! Attend the following events in 2013 for a chance to win:

- Legal Expo March 22, 2013
- Golf Tournament May 17, 2013
- Attorney Appreciation Luncheon
- BP/Member Socials
- Member Meetings

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April 14-17, 2013 National Harbor, Maryland

Leadership Meeting Recap...

The newly elected Board of Directors, along with new and returning Committee Chair members, were hard at work on February 21, 2013, at the offices of Carlton Fields. They took time out of their very busy schedule to help plan the Chapter's activities for the 2013-2014 year. We would like to welcome our newest committee chair members Nicole Cutsinger (Media) and Susan Gavsie (Speakers)! Please thank them the next time you see them at one of our meetings for their efforts and dedication to the Chapter!



Clockwise:
Debbie Giordano,
Lori DeMayo,
Nicole Cutsinger,
Jay Montgomery,
Michele Parcels,
Laura Stolzman



Clockwise:
Michele Parcels,
Laura Stolzman
Debbie Giordano,
Nicole Cutsinger,
Jim Menendez,
and Dawn Tasca.

Leadership Meeting Cont...

L-R:
Nicole Cutsinger,
Jim Menendez,
Dawn Tasca,
Jennifer Tracy,
Marilyn Fong



L-R:
Nicole Cutsinger,
Jim Menendez,
Dawn Tasca,
Jennifer Tracy,
Marilyn Fong,
Sandra Bolin,
Jay Montgomery

February Social...

Lots of smiles all around! The membership committee did a fantastic job in planning the Chapter's first social of the year in February. Our members and business partners had a grand ol' time at Mojitos in downtown West Palm Beach. Lots of food and drinks were enjoyed while catching up with old friends and meeting new ones. Chapter socials are a benefit of membership - don't miss the next one in June!



February Social Cont...





Palm Beach County Chapter

2nd Annual Community Connection Golf Tournament

Ability Overcoming Disability

VINCEREMOS

Therapeutic Riding Center, Inc.

A NON-PROFIT ORGANIZATION



Every golfer will receive:

- Welcome gift bag
- Box lunch
- Includes Banquet Dinner and Silent Auction/Awards Reception
- Coupon to register for PB Golf Center's \$1,000 Giveaway

Date: Friday - May 17, 2013

Time: 11:00 pm Registration
 1:00 pm Shotgun Start
 5:30 pm Dinner/Silent Auction

Facility: Madison Green Golf Club
 2001 Crestwood Blvd. North
 West Palm Beach, FL 33411

Registration:

Individual Golfer: \$150

Foursome: \$600

Early Bird Foursome: \$500

Dinner/Silent Auction:

\$45/pp or \$75/couple

Early Registration Ends May 3, 2013!

Register Online:

<http://tinurl.com/PBCALA-Golf1>

For more information contact:

PBCCALA@gmail.com

Sponsorships available!
 Barefoot Horseman Sponsors:

Prizes! Prizes! Prizes!
 Prizes awarded to Contest Winners:

- Closest to the Pin
- Longest Drive
- Hole-in-One

Mike Brady

Tournament Director at Madison Green



HALSEY & GRIFFITH

OFFICE SOLUTIONS

2nd Annual Golf Tournament Sponsorship Opportunities



MADISON GREEN GOLF CLUB

FRIDAY - MAY 17, 2013

1:00 - 7:00 P.M.

VINCEREMOS SPONSOR - \$5,000

BAREFOOT HORSEMAN SPONSOR - \$3,000

HORSE-IN-ONE SPONSOR - \$1,500

HORSE WITH NO NAME BEVERAGE CART SPONSOR (TWO AVAILABLE) - \$1,500

CARROTS BOX LUNCH SPONSOR - \$750

HORSE STABLE PAVILION SPONSOR - \$500

CLOSEST TO THE FENCE POST (PIN) SPONSOR (THREE AVAILABLE)- \$500

LONGEST HORSE DRIVE SPONSOR - \$500

PUTTING GREEN FIELD SPONSOR - \$500

DRESSAGE WEBSITE SPONSOR - \$500

MULLIGAN MARES SPONSOR - \$500

WATERING HOLE SPONSOR - \$100

GALLOPING HORSE CART SPONSOR - \$100

WILD HORSES FOURSOME (AFTER MAY 3, 2013) - \$600

YOUNG COLT FOURSOME (PRIOR TO MAY 3, 2013) - \$500

LONE RANGER - INDIVIDUAL GOLF TICKETS - \$150

SADDLES & TACK MERCHANDISE SPONSOR

BANQUET DINNER/SILENT AUCTION \$45/pp or \$75/Couple

REGISTRATION ONLINE:

<http://tinyurl.com/PBCALA-Golf1>

Contact for more information:

Gloria E. Hernandez, CLM
(561) 721-0400
PBCCALA@gmail.com

February Meeting Recap

Henry Smith, of Smith & Downey, P.A., was our speaker at the February member meeting. Mr. Smith spoke on the very important topic that will affect all of us - the Patient Protection and Affordable Care Act - or in the vernacular of the day, Obamacare. See below and the following pages for his presentation outline.



SUMMARY OF HEALTH REFORM'S 2014 "PLAY OR PAY" AND "PLAY AND PAY" RULES

[Note that the following is only a very general summary of these very complex rules, many aspects of which are awaiting regulatory clarification. Naturally, the following should not be viewed as legal advice for any particular situation, but instead should be viewed only as a starting point for additional discussion.]

1. Covered Employers – The rules apply to covered for-profit, non-profit and governmental employers that employed, on average, at least 50 FTEs during the preceding calendar year. For purposes of determining whether the employer is a covered employer in the 2014 calendar year, the employer may use a shorter “look-back” period of six consecutive calendar months in 2013 instead of the entire calendar year. Employers average their number of employees across the months in the year to determine whether they meet the large employer threshold.

For this purpose, FTE is defined as an employee who provides, on average, at least 30 hours of service per week (or 130 hours of service in a calendar month). The FTE count also includes a number of full-time employee equivalents "determined by dividing the aggregate number of hours of service of employees who are not FTEs for the month by 120." (Example: In addition to its 40 employees who work at least 30 hours of service per week, Employer has 20 PTEs who each work 24 hours per week. In the aggregate, the PTEs work 480 hours per week or 1920 hours per month. 1920 divided by 120 is 16, so Employer's 20 PTEs are counted as 16 FTE equivalents which, when added to the 40 employees working over 30 hours per week, result in Employer being subject to the rules.) For purposes of determining working hours, all hours for which an employee actually performs duties, as well as all hours for which the employee is paid but does not actually perform duties (e.g., vacation, disability, leaves of absence, etc.) are counted.

An employer must generally take into account only work performed in the United States. Therefore, employees working overseas generally will not have hours of service, and will not qualify as full-time employees for purposes of determining an employer's status as a covered employer and calculating any potential penalty.

An employer is not subject to these rules if the employer's workforce exceeds 50 FTEs for a limited period during the measuring calendar year (either 120 days or four calendar months or less) and all of the employees in excess of 50 who were employed during that period of no more than 120 days or four months were seasonal workers. For this purpose, a seasonal worker is defined as a worker who performs services on a seasonal basis (as defined by the Secretary of Labor), including retail workers employed exclusively during the holiday season.

February Meeting Recap Cont...

The determination of an employer's status as a covered or non-covered employer is made on a controlled group basis under the aggregation rules of Code section 414(b), (c), (m) and (o). However, each individual company is considered separately for purposes of the actual penalty assessment.

If an employer was not in existence during the preceding calendar year, the determination of whether the employer is a covered employer is based on the average number of employees that the employer is reasonably expected to employ in the current calendar year.

2. How Does an Employer "Play" in Order to Avoid the 2014 "Play or Pay" Penalty?

To avoid the Play or Pay penalty, an employer must offer "substantially all" of its FTEs (as defined), and their dependents, the opportunity to enroll in "minimum essential coverage" under an employer sponsored health plan. Under IRS proposed regulations, an employer will satisfy this requirement if it offers coverage to all but 5% (or, if greater, 5) of its FTEs and their dependents. "Dependents" are narrowly defined to include only an employee's child as defined in Code Section 152(f)(1). The definition does not include an employee's spouse.

Under transition relief provided in the IRS proposed regulations, an employer will not be liable for failure to offer dependent coverage in 2014 if it takes steps during the 2014 plan year to offer coverage to FTE's dependents.

The law does not define "minimum essential coverage." Instead, it specifies that minimum essential coverage will be defined in to-be-issued HHS regulations and will include coverage under government sponsored programs (including Medicare, Medicaid, CHIP, TRICARE, veteran's health care and health care for Peace Corps volunteers), certain employer-sponsored plans, certain plans in the individual market within a State, certain grandfathered health plans and certain other coverage, such as a State health benefit risk pool.

The law does provide that "minimum essential coverage" does not include "excepted benefits" under section 2791 of the Public Health Services Act (e.g. accident or disability income insurance, on-site medical clinics, limited scope dental or vision benefits if provided under a separate policy, long-term care insurance and hospital indemnity insurance).

3. What is the "Play or Pay" Penalty that Becomes Effective in 2014?

Sometimes referred to as the "No Coverage Penalty", this penalty is imposed if a covered employer fails to offer substantially all of its FTEs and their dependents the opportunity to enroll in minimum essential coverage, and at least one of its FTEs enrolls in health coverage purchased through a State exchange with respect to which a premium tax credit or cost sharing reduction is allowed or paid to the employee. The employer is assessed a penalty calculated by multiplying the number of FTEs employed during the applicable month by 1/12th of \$2,000.

However, before calculating the Play or Pay penalty, the number of the employer's FTEs is reduced by 30. That is, the monthly penalty calculation is: $1/12\text{th } \$2,000 \times (\text{FTE} - 30)$. If an employer is aggregated under the controlled group rules for purposes of determining covered employer status, the 30-employee reduction for purposes of calculation of the penalty is allocated ratably among the group based on the number of each employer's FTEs.

In addition, for purposes of both the Play or Pay penalty calculation and the Play and Pay penalty calculation discussed below, FTEs include only employees providing on average at least 30 hours of service per week (or 130 hours of service per month) and does not include any FTE equivalent employees. (That is, the conversion of part-timers to FTEs rule is used only to determine if the employer meets the 50 employee coverage threshold discussed above).

February Meeting Recap Cont...

Because the potential employer penalty is determined based on the number of the employer's FTEs in any given month, and that number is subject to constant change, IRS proposed regulations provide for an optional "safe-harbor" determination method as an alternative to the month-to-month calculation of FTE status. This complex safe-harbor allows employers to use all or part of a calendar look-back "measurement period" for counting hours of service and using that determination prospectively in a corresponding "stability period". Under proposed regulations, the safe-harbor requirements differ based on whether employees are new employees or ongoing employee, and in the case of new employees, whether the employees are expected to work full-time or are variable or seasonal employees. In addition, proposed regulations provide that an employer may apply different measurement and stability periods for different pre-approved categories of employees (e.g., collectively bargained and non-collectively bargained employees, employees located in different states, etc...)

As a general rule, employees qualify for a premium subsidy or reduced cost sharing if they meet certain income requirements for assistance (generally, they must have household income between 133-400 percent of the federal poverty line).

4. What is the "Play and Pay" Penalty that Becomes Effective in 2014?

Sometimes referred to as the "Unaffordable Coverage Penalty", this penalty applies if the employer offers to substantially all of its FTEs (and their dependents) the opportunity to enroll in minimum essential coverage under an eligible employer sponsored plan, and at least one FTE enrolls in health coverage purchased through a State exchange with respect to which a premium tax credit or cost sharing reduction is allowed or paid to the employee because the employer's coverage is considered to be either "unaffordable" or it does not provide "minimum" value to the employee.

Employer provided coverage is deemed "unaffordable" if an employee's contribution for the lowest cost, self-only coverage exceeds 9.5% (subject to adjustment) of the employee's household income. Because it will be difficult for employers to determine their employee's household incomes, employers can take advantage of one three affordability safe harbors to determine whether the plan they offer is affordable. Under the Form W-2 safe harbor the employer can avoid the penalty if the employee's contribution for the lowest cost, self-only coverage does not exceed 9.5% of the wages the employer pays the employee for the calendar year, as reported in Box 1 of Form W-2. Alternatively, employers may choose to use a safe harbor based on the rate of pay for employees or a safe harbor based on the federal poverty level.

In order to provide "minimum value" to the employee, the employer sponsored plan must pay at least 60% of "the plan's share of total allowed costs of benefits provided under the plan". HHS issued proposed regulations providing guidance on methodologies for determining minimum value. The proposed regulations provide that employers may chose between three methodologies to determine minimum value - a minimum value calculator, a safe harbor checklist of required benefits and an independent actuarial certification. The minimum value calculator, which will be made available by HHS and the IRS, will allow employers to enter information about their plan's benefits and cost sharing terms into the calculator to determine whether the plan provides minimum value. Additional detail and guidance is still needed with respect to each of these methodologies.

The penalty is a monthly penalty calculated by multiplying number of FTEs who receive a premium tax credit or cost sharing reduction for health coverage purchased through an exchange by 1/12th of \$3,000.

However, this penalty in any month is capped at an amount equal to 1/12th of \$2,000 multiplied by the number of FTEs of the employer (less the 30 employee threshold). The result of this cap is that the penalty imposed on an employer that offers minimum essential coverage will never be more than the penalty imposed on an employer that does not offer coverage.

February Meeting Recap Cont...

5. Transition Relief for Fiscal Year Plan.

If an employer maintains a fiscal year plan as of December 27, 2012, the employer will not be subject to the Play or Pay/Play and Pay penalties until the first day of the fiscal plan year starting in 2014 with respect to any employee who is eligible to participate in the plan as of December 27, 2012, provided that the employee is offered affordable, minimum value coverage not later than the first day of the 2014 plan year. Further relief is provided for employers that have a significant percentage of their employees already eligible for or covered under a fiscal year plan as of December 27, 2012.

New Members Spotlight

Carol S. Morris, Office Administrator Proskauer



Carol is new to Proskauer, having joined the firm in December 2012. She previously worked as an Administrator/Manager at Broad and Cassel in Miami and Akerman Senterfitt in Ft. Lauderdale. Carol has a BA and a Masters degree in Public Administration. Prior to and in between her stints in the legal field, Carol has been a City Clerk, City Manager and, most recently, an Intergovernmental Representative for the South Florida Water Management District. Her years in the public sector has definitely given her a different perspective. Carol also serves on the Mentor Action Committee of the South Florida Chapter of the ALA.

Carol's "hobby" is running marathons (preferably half's) as a member of Team in Training, which fundraises for the Leukemia and Lymphoma Society. Be forewarned, she is always fundraising! Carol's next event is the Nike Women's Half Marathon in Washington DC in April. It is an inaugural race - donations are always tax deductible and welcome at her website: <http://pages.teamintraining.org/sfl/nikewhlf13/cmorrisgcn>. After the race in Washington, DC, Carol is planning to run the Disneyland Half Marathon in California later this year.

Oh, and in her spare time, she is "Mom" to her 15 year old daughter, Lexi!

John C. Hopkins, FRP Searcy Denney Scarola Barnhart & Shipley, P.A.



John, or "Hop" as some call him, has worked for the Searcy firm for the past 25 years, although he temporarily left the firm for a couple of years in the 90's. During his tenure, John has been challenged with positions involving skills he did not possess at the time, but he has always been able to self-teach and successfully tackle just about any challenge handed to him. John attended Franklin University, Columbus Technical Institute and Barry University.

John and his wife, Julie, Principal at Hope-Centennial Elementary School, own six acres in Jupiter Farms which they share with their two dogs, four cats and a collection of armadillos, opossums, gopher turtles, a variety of snakes (including Diamondback Rattlers), and usually a gator or two in the pond.

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Palm Beach County Chapter

BOARD OF DIRECTORS

The Association of Legal Administrators (ALA) was formed in 1971 to provide support to professionals involved in the management of law firms, corporate legal departments and government legal agencies. ALA provides educational opportunities and services to more than 10,000 members representing more than 5,300 employers in 21 countries. ALA is structured into six regions with more than 100 chapters in the United States, Puerto Rico, Canada and New Zealand.

Gloria E. Hernandez, CLM, President
Debbie Giordano, Vice-President
Marilyn Fong, Treasurer
Sue Recchia, Secretary
Dawn Tasca, Immediate Past President
Jim Menendez, CLM, Past Past President

ALA's mission is to improve the quality of management in legal services organizations; promote and enhance the competence and professionalism of legal administrators and all members of the management team. The Association's members are law office administrators who manage such areas as finance, human resources, systems and technology, facilities, marketing and practice development.

Please contact:
Michele Parcels, Membership Chair
for membership information
(561) 686-3307
mparcels@nasonyeager.com

Calendar of Events

- | | |
|--------------------------|---|
| February 12, 2013 | Member Luncheon - Speaker: Henry Smith, Esq.
Topic: Patient Protection and Affordable Care Act
(Obamacare) |
| February 14, 2013 | Valentine's Day! |
| February 26, 2013 | Board Meeting |
| March 20, 2013 | Webinar: Initiating Alternative Fee Arrangements |
| March 22, 2013 | Legal Expo at PBC Convention Center |
| March 23, 2013 | Burton Awards Submission Deadline |
| March 26, 2013 | Board Meeting |
| April 9, 2013 | Member Luncheon
Installation of new Board of Directors |
| April 14-17, 2013 | ALA Annual Convention & Expo |
| May 17, 2013 | 2nd Annual Community Connection
Golf Tournament, Silent Auction and
Reception - Vinceremos! |

Happy
Valentines

St. Patrick's
Day

Visit our website!
www.pbcala.org

If you have news you'd like to
see included in the newsletter,
please email
geh@flappellatelaw.com