

Virginia

Regulatory Hot Tip 2014 – 8

Professional Insurance Agents Association of Virginia and DC, Inc.

Employee Manual Check Up for Your Business

Because I have run into this issue with clients several times over the last few months, I thought I would remind everyone that Employment Laws, Rules and Regulations --- change from time to time. In fact, they change frequently. As an Employer, you have to realize that one size does not always fit all. Importantly, over time, your Employee Manual becomes outdated as laws change.

How do you keep current? First, you keep current by having your human resource representative recommend, on an ongoing basis, modifications as they occur. If you rely on an outside consultant, who is not on retainer, you should inquire of them whether they will notify you when your Manual becomes outdated or even obsolete. If not, when they finish updating your Employee Manual, inquire as to how often you should consider having someone come in and revise your manual.

What are the risks of failure to revise your Employee Manual? Well, you could actually be in violation of the law. For example, suppose you have not updated your manual to take into consideration the newer health plan laws, or, what if your manual

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NolteLaw's practice focuses on general business matters (such as business formation, acquisitions, dissolutions and employment questions) and administrative law issues (such as rulemaking and compliance) affecting regulated entities. Our diverse client base includes restaurants, healthcare providers, contractors, fiber-optic and conduit installers, business entrepreneurs, telecommunications companies, insurance entities, financial institutions, mortgage loan originators, water & sewer providers, and insurance receiverships. Jo has served as attorney for the Virginia State Corporation Commission and as in-house counsel to a privately owned national corporation. She also owned and operated an insurance surplus lines brokerage agency and an insurance consulting business.

extends benefits for items no longer covered under your health care plan. When your employee brings such matters to your attention through a claim for which you no longer have coverage you could find yourself in a quagmire.

Even if your Employee Manual is up to date, confirm that you are using it properly and following its guidance. In order to survive in this slow growth economic climate, many of us are diversifying our core businesses in order to squeeze a penny out of every function that we can. If the character of your business has changed during the year, you need to confirm that your Employee Manual covers everything that you do in your business. For example, and particularly if you employ younger adults, does your manual have a social media policy and does it cover the latest and greatest social media guidelines? Do you need to have one? Consider the situation where your highest young salesman is involved in an accident on the way to see a potential client and runs into the vehicle in front of him because he is late and was texting the prospect that he was going to be a little late. Now, he is very late to the appointment if he even gets there at all. His prospect may have used up the only available window of time he has for months, and be unwilling to reschedule. Plus, your insurance salesman may have hurt not only himself, but the person whose car he rear-ended.

So, the lesson of this hot tip topic should not come as a surprise. In the same way that you update your client contracts (if you use them), your lease with your landlord, your business insurance coverage and a host of other items, you should diary a wellness check up with your human resources representative concerning your Employee Manual. This Hot Tip is just meant to trigger you to ask the question, how long has it been since I had someone review and consider my business employee manual? If the answer is more than a couple of years, consider scheduling an appointment sooner rather than later to have your corporate check up.