

# HR INSIGHTS

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## 5 Important Issues to Monitor in 2017

New administrations bring new challenges to the professional realm, and the Trump administration is no exception. Many of the former administration's health care initiatives are being rolled back or halted. This leaves employers in an uncertain place in regard to compliance regulations and reform laws. This uncertainty comes in addition to the already complicated day-to-day tasks of an organization, leaving many feeling vulnerable.

The following are five important issues that should be closely monitored in 2017:

1. **Unraveling of the ACA and Ensuring Employees are Educated Health Care Consumers:** A new administration is now in office and President Donald Trump is vowing to repeal the Affordable Care Act (ACA). The first wave of this dismantling came in an executive order that directs federal agencies to waive, delay or grant exemptions from ACA requirements that may impose a financial burden. Other measures are promised to come later in the year, and experts agree that the "wait and see" approach is best for employers until a clear directive is issued. This means employers should focus their energy on increasing employee health care knowledge in order to make employees more educated consumers. Health care consumerism will likely only increase under this administration, so focusing on employee education is a must.
2. **Employee Retention and Engagement:** Employee retention and engagement is more difficult now than ever. With millennials projected to make up the dominant demographic of the workforce by 2020, employers need to rethink their company culture. To underscore the importance of fresh retention ideas, 44 percent of millennials say they would quit their jobs within two years if given the chance. Sixty percent say they wish to leave their current jobs by 2020. Now is the time to consider new retention and engagement initiatives.
3. **Paid Family and Medical Leave:** Paid family and medical leave is an important and enticing package for employees. In the United States, over 88 percent of private sector employees do not have paid leave options, according to the Department of Labor (DOL). And of the few that do have access, over 33 percent believe taking leave would put their jobs at risk. States like California,

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New Jersey and Rhode Island all have paid leave laws in place, with other states working on their own legislation. This staggering gap in benefit offerings makes paid leave packages especially appealing for younger workers.

4. **EEO-1 Form Update:** The Equal Employment Opportunity Commission (EEOC) has formally adopted modifications to the Employer Information Report (EEO-1), effective March 31, 2018. Beginning at this time, employers will need to report their total number of workers, their gender and race, their pay grade and job classification. The EEOC says this will help it more effectively investigate discrimination claims and pay disparities. In order to prepare for this new requirement, employers should begin compiling this information in 2017.
5. **I-9 and E-verify Updates:** The latest version of the I-9 form is now effective, as of Jan. 22, 2017. This means that employers must use the latest version for all new employees or face steep penalties. The form is not required for existing employees. The main changes include marking “N/A” in fields that would previously be left blank, verifying employment for individuals in person (not remotely via a webcam, for instance) and using a large blank field to leave notes instead of putting them in the margins.

As history shows, when there’s an administration change, employee benefits change as well. There will certainly be new legislation in the coming months, as promised by President Trump. HR needs to lead the way in communication and make adjustments to adhere to any new requirements.

The aforementioned issues describe only a handful of the new HR changes that are forecast for 2017. Contact Touchstone Consulting Group for more information on these issues and other HR-related questions.

