Labor Board Upholds Employer’s Confidentiality and Media Policies

The National Labor Relations Board (NLRB) has ruled that an employer’s confidentiality and media policies did not violate the National Labor Relations Act (NLRA), finding instead that a work rule is lawful if, when reasonably interpreted, it does not interfere with workers’ rights protected by the NLRA.

In *LA Specialty Produce Company*, the NLRB decided that both a confidentiality policy prohibiting employees from disclosing proprietary client and vendor lists, and a media policy prohibiting employees from acting as a spokesperson for the company were both lawful.

The Board concluded that a reasonable employee would understand the difference between disclosing lists containing proprietary customer and vendor information and sharing the identities of customers or vendors.

Likewise, the Board held that the media policy did not preclude employees from talking to the media about terms and conditions of employment, rather, they were prohibited from speaking to the media on behalf of the company.

EBRI Study: 80/20 Rule Holds for Healthcare Expenditures

A recent report published by the Employee Benefits Research Institute (EBRI) titled: *It’s The Prices, Stupid: Why The United States Is So Different From Other Countries* reveals that while healthcare utilization by American workers and dependents is lower when compared to other industrialized nations, high cost claimants are what is driving overall
Taking a page out of the Pareto Principle, the study concludes that more than 80 percent of total healthcare spending by those with employer-based coverage is attributable to 20 percent of covered individuals. The data represents 5.8 million lives and covers the years 2013-2017. Those in the age group 50-64 were persistently high-cost claimants over the study period.

One-third of individuals consistently in the top 10 percent of claimants had diabetes. Among those in the top 10 percent for all five years, prescription drugs accounted for 52 percent of total healthcare spending, outpatient services accounted for 29 percent, inpatient services accounted for 15 percent, and office visits accounted for 3 percent.

A Summary of the publication is available.

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**2020 Qualified Plan Limits Announced By IRS**

The Internal Revenue Service (IRS) has announced the 2020 cost-of-living adjustments for tax-qualified retirement plans.

Effective January 1, 2020, the limits on annual contributions, annual compensation that can be taken into account, pretax or Roth elective deferrals, and most catch-up contributions for participants over age 50 will increase based on the cost-of-living index.

Several of the more relevant limits for tax-qualified retirement plans appear in the table below:

<table>
<thead>
<tr>
<th>Criterion/Limit</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Compensation</td>
<td>$285,000</td>
<td>$280,000</td>
</tr>
<tr>
<td>Elective Deferrals</td>
<td>$19,500</td>
<td>$19,000</td>
</tr>
<tr>
<td>Catch-Up Contributions</td>
<td>$6,500</td>
<td>$6,000</td>
</tr>
<tr>
<td>Defined Benefit Plan Limits</td>
<td>$250,000</td>
<td>$225,000</td>
</tr>
<tr>
<td>Defined Contribution Plan Limits</td>
<td>$57,000</td>
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</tr>
<tr>
<td>Deferral Limit</td>
<td>$19,500</td>
<td>$19,000</td>
</tr>
<tr>
<td>Highly Compensated Employee Threshold</td>
<td>$130,000</td>
<td>$125,000</td>
</tr>
</tbody>
</table>

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**NLRB Extends Time for Submitting Comments on Definition of “Employee”**

The National Labor Relations Board (NLRB) has extended the time for submitting comments on its proposed rule concerning the definition of “employee” under Section 2(3) of the National Labor Relations Act (NLRA). The proposed rule would exclude from the NLRB’s jurisdiction undergraduate and graduate students who perform services for financial
affiliated organizations, enabling them to realize their mission while maintaining their status as economically viable entities.

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compensation in connection with their studies.

The original notice of proposed rulemaking was published at 84 FR 49691.

The submission window will remain open and interested parties may file comments no later than Wednesday, January 15, 2020.