

WEBINAR SERIES

# Returning to Work With Remote Users and Answers to FAQs from Our Community

June 16, 2021



# PrestigePEO Webinar

## Today's Presenters

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Andy Lubash



Melissa Yannalfo

### **Andy Lubash**, Founder & CEO - Presenter

As a founding partner and principal at PrestigePEO, Andrew is fundamental in promoting the PrestigePEO brand, negotiating employee benefit plan renewals, providing guidance on Workers' Compensation and EPLI renewals, and managing the PrestigePEO 401(k) plan.

### **Melissa Yannalfo**, Client Success Specialist - Host

Melissa Yannalfo is the Client Success Specialist at PrestigePEO. Melissa has an extensive background in account management with a focus on Human Resources and has a dedicated focus on the client experience through a holistic approach to the PEO Service Model. Melissa has been with Prestige for 3 years.

# Today's Agenda

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- Remote Employees
  - What all employers need to consider
- Payroll Update
  - Minimum Wage Updates
  - Form W4 – 2021 Update to the form
- Frequently Asked Questions by Department
  - Benefits
  - Payroll
  - Human Resources
- Future Webinars

## Webinar Forum

*All participants are muted.*

*Please type questions in the side navigation panel and we will try to address most questions during today's session.*

*Today's presentation will be posted online at [prestigepeo.com/blogs/](https://prestigepeo.com/blogs/)*





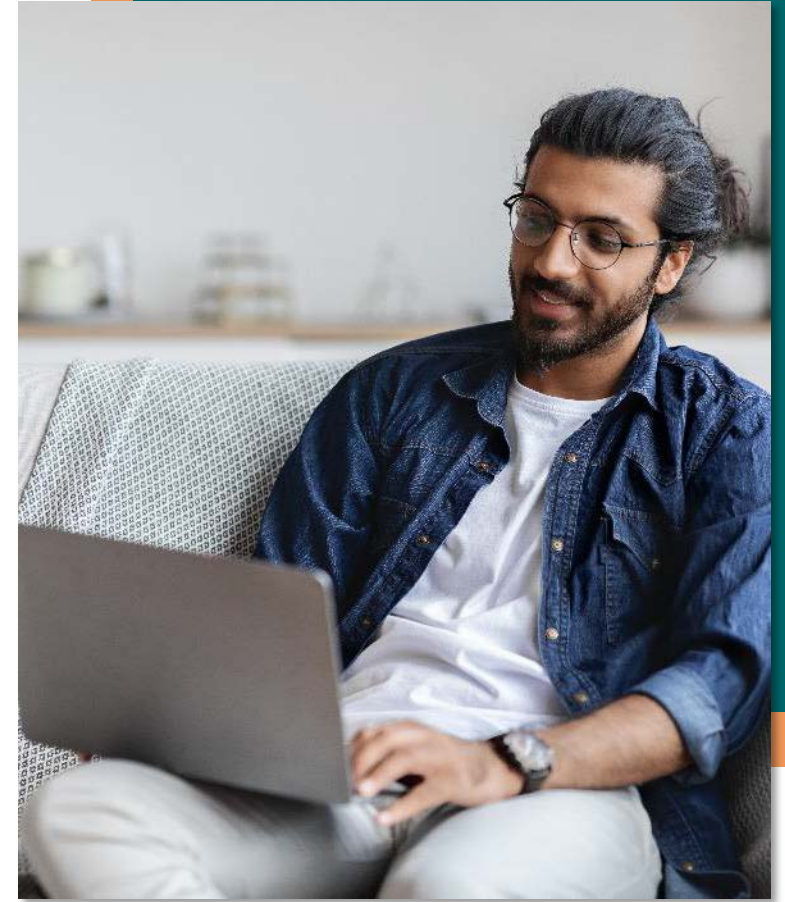
# Remote Employees

# Returning to Work With Remote Employees

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As many businesses begin to return to work business owners need to consider the new normal of Remote Working

- Remote working or telecommuting has become a recruiting tool for some companies while others are requiring their employees to return to the office.
- If an employer is offering some form of telecommuting there are many considerations to be taken into account, including but not limited to the following:
  - Applicable state withholdings, workers' compensation and unemployment
  - Compliance of posting requirements
  - Wage and hour and leave laws



# Remote Users – State Withholding



Determination of proper state withholding has always been a challenging determination even prior to COVID

- Many states provide their own guidance regarding how, and if, a telecommuter creates a tax nexus
- Employers need to determine (Prestige can assist) if they have telecommuters who may meet a state specific nexus and what the proper state withholding for those employees should be
- New York has a convenience of the employer rule which requires companies based in New York with employees living and working remotely in other states to pay New York taxes if they meet certain criteria. This can be difficult for New York employers, especially if they have remote employees in states where there is no state income tax.
- Five other states (Arkansas, Connecticut, Delaware, Nebraska and Pennsylvania) also have some form of a convenience rule

# Remote Users – Posting Requirements

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- Mandatory federal and state posting notices must be available to all employees regardless of where they are located
- If employees do not have access to the physical posters located in the office, the posters must be available to them remotely
- Mandatory updates must be provided in a timely fashion
- Prestige provides these posters to all remote users via PRISM
- Prestige remote users are provided an email when applicable updates are available



# Remote Users – Other Considerations

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## **Workers' Compensation**

Employers are required to have workers' compensation coverage where the employee is physically working

## **Unemployment Insurance**

Typically, an employer reports wages in the state where the employee is physically working.

## **Wage & Hour and Leave Laws**

Employers must comply with Fair Labor Standards Act (FLSA).

They need to consider applicable state wage and hour laws, as well as leave laws for remote workers as they can differ from state to state



# Payroll Update

# Payroll Update – W4 Differences

Minimum Wage Update				
Jurisdiction	Effective Date	2021 Minimum Wage	2021 Tipped Minimum Wage	2021 Monthly Salary Threshold
Connecticut	8/1/2021	\$13.00	\$6.38	
Delaware	10/1/2021	\$10.25		
Florida	9/30/2021	\$10.00	\$6.98	
Nevada (No Health Benefits offered)	7/1/2021	\$9.75		
Nevada (Health Benefits offered)	7/1/2021	\$8.75		
New York, remainder of state (Fast Food)	7/1/2021	\$15.00		
Oregon	7/1/2021	\$12.75		
Oregon (Urban)	7/1/2021	\$14.00		
Oregon (Non Urban)	7/1/2021	\$12.00		
Pennsylvania	10/3/2021			\$3,380.00

# Payroll Update – W4 Differences

Separate here and give Form W-4 to your employer. Keep the worksheet(s) for your records.

<b>Form W-4</b> Department of the Treasury Internal Revenue Service		<b>Employee's Withholding Allowance Certificate</b> ▶ Whether you're entitled to claim a certain number of allowances or exemption from withholding is subject to review by the IRS. Your employer may be required to send a copy of this form to the IRS.		OMB No. 1545-0074 <b>2019</b>
1 Your first name and middle initial		Last name		2 Your social security number
Home address (number and street or rural route)		3 <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married, but withhold at higher Single rate. Note: If married filing separately, check "Married, but withhold at higher Single rate."		
City or town, state, and ZIP code		4 If your last name differs from that shown on your social security card, check here. You must call 800-772-1213 for a replacement card. ▶ <input type="checkbox"/>		
5 Total number of allowances you're claiming (from the applicable worksheet on the following pages)		5		6 \$
6 Additional amount, if any, you want withheld from each paycheck				
7 I claim exemption from withholding for 2019, and I certify that I meet <b>both</b> of the following conditions for exemption.				
• Last year I had a right to a refund of <b>all</b> federal income tax withheld because I had <b>no</b> tax liability, <b>and</b> • This year I expect a refund of <b>all</b> federal income tax withheld because I expect to have <b>no</b> tax liability. If you meet both conditions, write "Exempt" here		7		
Under penalties of perjury, I declare that I have examined this certificate and, to the best of my knowledge and belief, it is true, correct, and complete.				
Employee's signature (This form is not valid unless you sign it.) ▶				
8 Employer's name and address (Employer: Complete boxes 8 and 10 if sending to IRS and complete boxes 8, 9, and 10 if sending to State Directory of New Hires.)		9 First date of employment		10 Employer identification number (EIN)

For Privacy Act and Paperwork Reduction Act Notice, see page 4. Cat. No. 10220Q Form W-4 (2019)

## Key Differences

- Following the elimination of personal exemptions in 2018, withholding allowances were also eliminated beginning in 2020; instead, employees can now claim deductions and dependents
- The redesigned Form W-4 lists three (3) options you can choose from when accounting for multiple jobs
- The redesigned Form W-4 makes it easier to adjust your withholding to account for tax credits and deductions
- The old Form W-4 never mentioned income from self-employment; the redesigned Form W-4 can be used to have taxes taken out of your regular job's paycheck to cover a side job

**Form W-4**  
 (Rev. December 2020)  
 Department of the Treasury  
 Internal Revenue Service

**Employee's Withholding Certificate**  
 ▶ Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay.  
 ▶ Give Form W-4 to your employer.  
 ▶ Your withholding is subject to review by the IRS.

OMB No. 1545-0074  
**2021**

**Step 1: Enter Personal Information**

(a) First name and middle initial Last name  
 Address  
 City or town, state, and ZIP code

(b) Social security number  
 ▶ Does your name match the name on your social security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to [www.ssa.gov](http://www.ssa.gov).

(c) ☐ Single or Married filing separately  
☐ Married filing jointly or Qualifying widow(er)  
☐ Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)

**Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Step 5.** See page 2 for more information on each step, who can claim exemption from withholding, when to use the estimator at [www.irs.gov/W4App](http://www.irs.gov/W4App), and privacy.

**Step 2: Multiple Jobs or Spouse Works**

Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs. Do **only one** of the following.

(a) Use the estimator at [www.irs.gov/W4App](http://www.irs.gov/W4App) for most accurate withholding for this step (and Steps 3-4); or  
 (b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or  
 (c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld. ▶ ☐

**TIP:** To be accurate, submit a 2021 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.

**Complete Steps 3-4(b) on Form W-4 for only ONE of these jobs.** Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3-4(b) on the Form W-4 for the highest paying job.)

**Step 3: Claim Dependents**

If your total income will be \$200,000 or less (\$400,000 or less if married filing jointly):

Multiply the number of qualifying children under age 17 by \$2,000 ▶ \$

Multiply the number of other dependents by \$500 . . . . ▶ \$

Add the amounts above and enter the total here . . . . . 3 \$

**Step 4 (optional): Other Adjustments**

(a) **Other income (not from jobs).** If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income . . . . . 4(a) \$

(b) **Deductions.** If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here . . . . . 4(b) \$

(c) **Extra withholding.** Enter any additional tax you want withheld each pay period . . . . . 4(c) \$

**Step 5: Sign Here**

Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.

Employee's signature (This form is not valid unless you sign it.) Date

**Employers Only**

Employer's name and address First date of employment Employer identification number (EIN)

For Privacy Act and Paperwork Reduction Act Notice, see page 3. Cat. No. 10220Q Form W-4 (2021)

A woman with curly hair and glasses, wearing a white shirt, is smiling and looking towards a man. The man, also smiling, is wearing a blue shirt and is gesturing with his hand. They are sitting at a desk with a laptop, papers, and a pen holder. The background is a blurred office setting with large windows. The image is overlaid with a teal and orange geometric design.

# Benefits FAQ's



# What is a Flexible Spending Account (FSA)?

- An arrangement through your employer that lets you pay for many out-of-pocket medical and/or dependent care expenses with tax-free dollars. There are 2 types of FSA's.
- Healthcare FSA
- Dependent FSA

	Healthcare FSA	Dependent Care FSA
Purpose	Lets you pay for many out-of-pocket medical, dental and/or vision expenses with pre-taxed \$. Eligible expenses include copayments, and deductibles or co-insurance	Allows working parents the ability to set aside pre-tax \$ to pay for childcare for children under 13 years of age.
IRS 2021 Annual Maximum	\$2,750	\$10,500
IRS Annual Carryover Maximum ( into 2022)	\$1,000	Unused funds may not be carried over into a new year.

# What is a Qualifying Life Event (QLE)?

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- A QLE is a change in your situation that can make you eligible for a Special Enrollment Period, allowing you to enroll in, stop or change your health insurance outside of the yearly Open Enrollment Period.
- Types of qualifying life events include:
  - Birth or adoption of a child
  - Marriage or Divorce
  - Loss or gain of other coverage
- To submit a request for a qualifying life event, log in to PrestigePro or contact your Benefit Specialist.

**Qualifying Life Events must be requested within 30 days of the event. If they are not requested within 30 days of the event you will not be able to make a change until the next Open Enrollment Period. All QLE requests will require supporting documentation.**

# How Do I Find an In-Network, Participating Provider or Facility?

Medical			Dental
OXFORD	UNITED HEALTHCARE	EMBLEM	METLIFE
<ul style="list-style-type: none"><li>- Log into <a href="http://www.myuhc.com">www.myuhc.com</a></li><li>- Click on Find a Provider</li><li>- Click Medical Directory</li><li>- Click Employer and Individual Plans</li><li>- Select the plan you are looking for</li><li>- Continue with answering the questions online to find in-network care.</li></ul>	<ul style="list-style-type: none"><li>- Log into <a href="http://www.myuhc.com">www.myuhc.com</a></li><li>- Click on Find a Provider</li><li>- Select Medical Directory</li><li>- Click Employer and Individual Plans</li><li>- Select the plan you are looking for</li><li>- Continue with answering the questions online to find in-network care.</li></ul>	<ul style="list-style-type: none"><li>- Log into <a href="http://www.emblemhealth.com">www.emblemhealth.com</a></li><li>- Click on Find a Provider</li><li>- Select Large Group Plans</li><li>- Select EmblemHealth EPO Value</li></ul> <p>Note: When searching for a provider or facility outside of NY, NJ or CT, you will need to click on First Health network, and you will be directed to a new search page.</p> <ul style="list-style-type: none"><li>- Click "Ok"</li><li>- Click "Start Now"</li></ul>	<ul style="list-style-type: none"><li>- Log into the MetLife portal at <a href="https://online.metlife.com">https://online.metlife.com</a></li><li>- Register to search providers.</li></ul>

# How Do I Obtain a Medical and/or Dental Member ID Number?

Medical		
OXFORD	UNITED HEALTHCARE	EMBLEM
Once enrolled: <ul style="list-style-type: none"><li>- Log into <a href="http://www.myuhc.com">www.myuhc.com</a></li><li>- Register with your name and SSN</li></ul>	Once enrolled: <ul style="list-style-type: none"><li>- Log into <a href="http://www.myuhc.com">www.myuhc.com</a></li><li>- Register</li></ul>	Once enrolled: Reach out to your Benefit Specialist

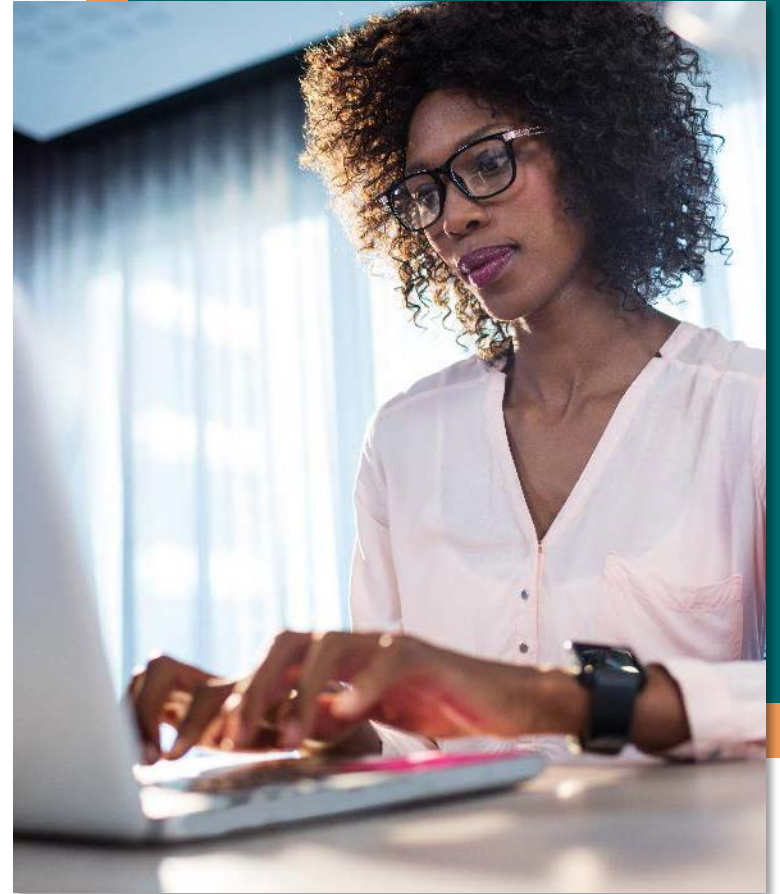
Dental
METLIFE
<ul style="list-style-type: none"><li>- MetLife does not send out personalized member ID cards.</li><li>- Employees can register on the MetLife portal at <a href="https://online.metlife.com">https://online.metlife.com</a></li><li>- Once registered, employees can print a paper ID card, view their benefits, search providers and see their claims.</li></ul>



# Can I make Changes to my benefits mid year?

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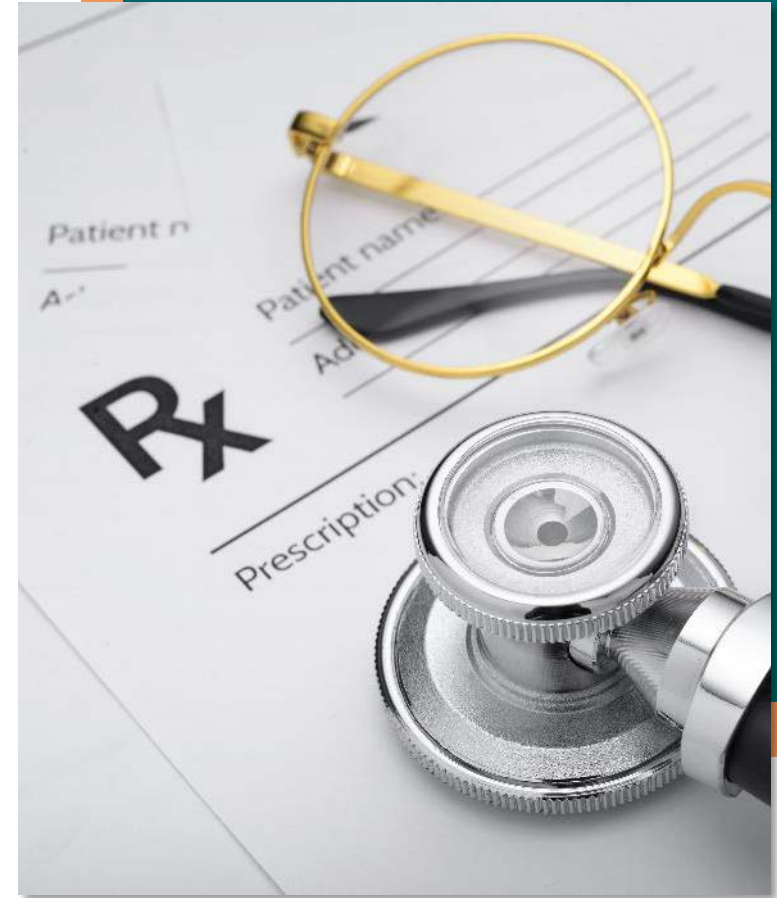
Changes are only allowed at Open Enrollment or in the event of a qualified life event.



# What can I do if my prescription is denied?

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- Contact your Benefits Specialist who will research why the drug was denied.
- There may be limitations as to pre-authorization, step therapy, or quantity limits.
- Depending on the issue, the Benefit Specialist will contact the Providers office to have them reach out to Medical Management.



# Payroll FAQ's

# What is the 2021 wage base limit for Social Security and Medicare?

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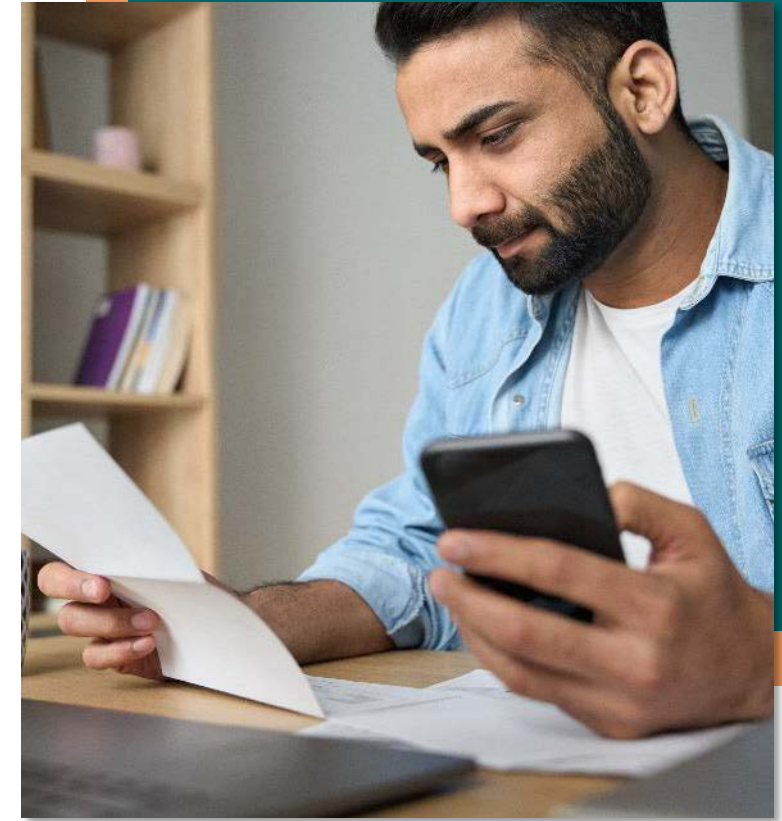
- The Social Security wage base limit for 2021 is \$142,800, with a 6.2% tax rate. Medicare does not have a wage base limit.
- All wages are subject to Medicare tax of 1.45% up to \$200,000, the Medicare tax rate increases to 2.35% on wages above \$200,000.



# What are the differences between Regular and Supplemental payments?

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- Regular wages are taxed based on marital status and number of withholding allowances (Federal and State, where applicable). Supplemental wages are taxed 22% Federally (37% over \$1 million).
- Many States tax supplemental wages using the percentage method. New York for example, has a supplemental tax rate of 9.62%.



# What is the 2021 Retirement Contribution limit?

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For 2021, all employees can contribute up to **\$19,500** through 401(k), 403(b) and most 457 plans, while those 50 years of age and older can contribute an additional **\$6,500**.

# Human Resources FAQ's

# Can clients require employees to be vaccinated ?

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- The EEOC states that employers can require employees to be vaccinated for COVID-19 but must make "reasonable accommodations" for employees who don't get vaccinated because of a disability, religious beliefs, or pregnancy.
- Mandating vaccinations can be tricky as each situation is different and must be understood prior to making decisions.

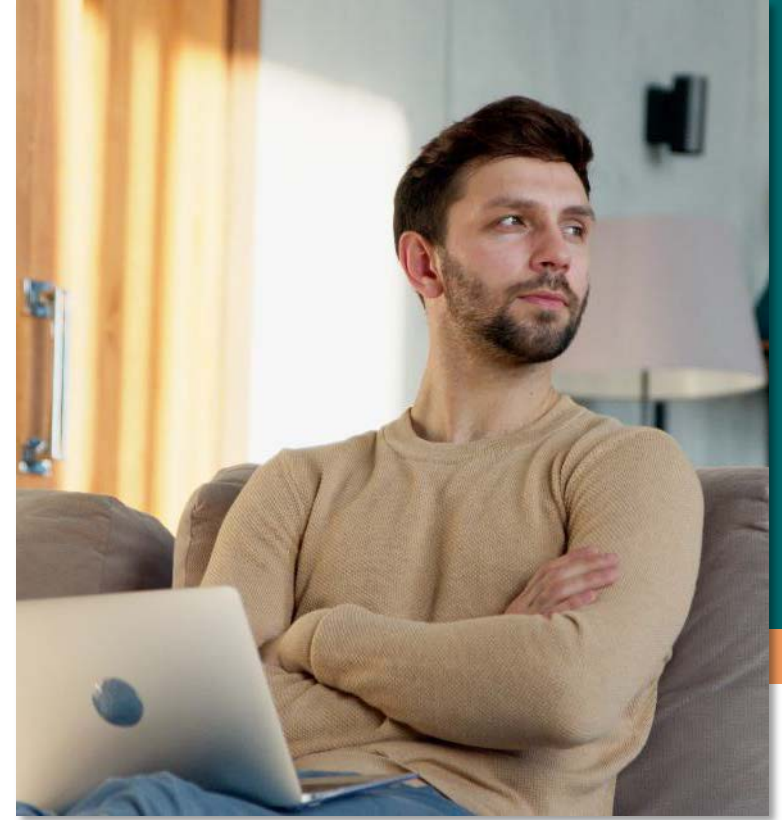


# What if I have an employee that is resistant, or refuses to return to the workplace after being remote?

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Each situation is different. The following questions should be used to determine how to handle each situation:

- Are there established policies and safety protocols in place?
- Does reasonable accommodation or ADA accommodation come into play?
- Is a leave of absence an option?
- Is a flexible policy an option and if so what are the benefits?
- Is in-person work necessary to perform the role?



# How do we handle the unmasking issues and those not vaccinated?

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There are 3 options we provide our clients while keeping in mind that not all states have adopted the CDC guidelines.

## Option 1:

- The most conservative and low risk option is continuing to require employees to mask and social distance.
- Ensure to launch a thorough and clear communication initiative so employees understand why you are continuing with the masking and distancing.
- Provide your managers with direction on how they should handle possible conflicts that could happen in the workplace over mask policies.

## Option 2:

- This is more burdensome on employers and increases the risk of legal liabilities. With this option, you can require employees to show proof of vaccination before allowing them to stop masking and distancing.
- This requires employers to collect and protect the privacy of the employee's vaccination status. This information must be kept separate from personnel files.
  - It is recommended that employers keep a list of workers whose vaccination status has been confirmed rather than copies of the vaccination cards.
- This option raises questions about how to appropriately distinguish between vaccinated and unvaccinated employees while protecting their confidential medical info.

# How do we handle the unmasking issues and those not vaccinated?

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## Option 3:

The honor system:

- Using this system to determine who has been vaccinated and can remove their masks carries some level of risk including many of those discussed in the previous options.
- Without tracking, you can run the risk of being cited for not maintaining a workplace free from recognized hazards.
  - You may encounter employees who claim to be vaccinated when they are not. This scenario can increase the likelihood of unvaccinated employees being exposed to each other without safeguards in place thus potentially increasing infection rates in the workplace.

## In Summary:

- Whether you verify an employee's vaccination status or not, visitors, customers, and coworkers will believe they can readily distinguish the vaccinated from unvaccinated if your policy permits the fully vaccinated to forgo masking and distancing.
  - This not only raises potential privacy concerns but may increase likelihood of conflict or confrontations and claims of discrimination
- You should consider these issues and what risks your business is able to tolerate before completely doing away with masks.

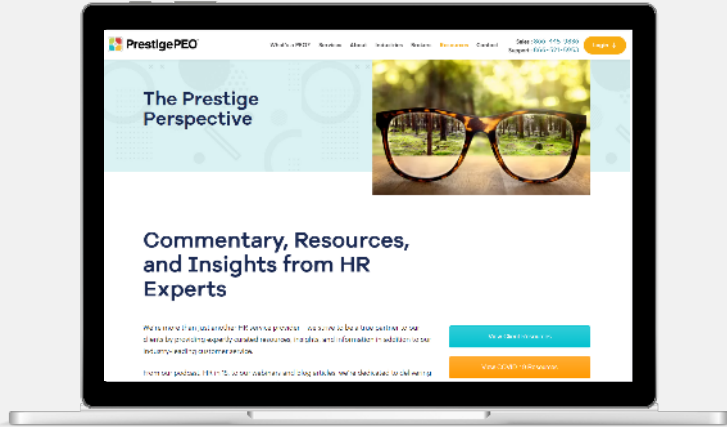
# Future Webinars

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If there are any topics or questions you would like to see covered in one of our future webinars please reach out to your Human Resource Business Partner

# PrestigePEO Communications



Today's presentation will be posted on **PrestigePEO.com** under

- **The Prestige Perspective** [prestigepeo.com/blogs](https://prestigepeo.com/blogs)
- **COVID-19** [prestigepeo.com/covid-19/](https://prestigepeo.com/covid-19/)

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You started your business because you had a great idea. We started our business to handle the rest.