

EEOC Reports Record Number of Discrimination Charges

According to information released by the Equal Employment Opportunity Commission (EEOC), in 2011 the agency received a record number of discrimination charges and obtained a record amount of relief for discrimination claimants.

In a press release issued January 25, 2012, the agency stated that it received 99,947 discrimination charges against private sector employers in FY 2011 (which ended September 30, 2011). This is up slightly from the 99,922 it received in 2010. Charges alleging retaliation under all of the statutes the EEOC enforces accounted for the highest overall percentage of private sector complaints received (37.4%), followed closely by race discrimination complaints (35.4%). Claims of religious discrimination, while not as numerous as retaliation and race discrimination claims, increased by a little over 9%, which was the highest percentage of increase of any of the charge categories. [**MORE**](#)

Quick Quiz Answer: "On Call" Time Under the FLSA

The best answer to last week's Quick Quiz is, "No", it is not likely that Alan's time between calls would be found to be work-time under the federal Fair Labor Standards Act. The idle time during which an otherwise off-duty employee is available to be called upon to do something might or might not be compensable FLSA "hours worked", depending upon the situation. Generally, the question is whether this idle time while "on call" is spent predominantly for the employer's benefit as opposed to the employee's. The answer usually turns upon the extent to which the employee is able to use the time effectively for personal purposes. [**MORE**](#)

Sixth Circuit Decides McDonnell Douglas Applies to FMLA Interference Claims

Donald v. Sybra, Inc., No. 10-2153, 2012 WL 117612 (6th Cir. Jan. 17, 2012) has settled the issue of whether FMLA interference claims should be evaluated under the McDonnell Douglas framework in the Sixth Circuit. The Donald court held that the McDonnell Douglas test applies. Under the familiar McDonnell Douglas burden-shifting framework, an employee must first establish a prima facie case of discrimination or retaliation. If the employee succeeds, the burden of production shifts to the employer to articulate a legitimate, nondiscriminatory reason for the action taken against the employee. Upon this showing, the burden shifts back to the employee to prove that the employer's proffered reason was pre-textual. [**MORE**](#)

IRS Reduces Program for Requesting Tax Status Determination Letters

On January 3, 2012, the Internal Revenue Service issued Revenue Procedure 2012 6, which formally changes and eliminates certain features of its determination letter program for qualified retirement plans. According to an earlier announcement of these changes (in IRS Announcement 2011-82), the IRS concluded that the features being eliminated are “of limited utility to plan sponsors in comparison with the burdens they impose.” However, the changes will significantly restrict the determination letter service on which plan sponsors could previously rely for establishing plan qualification. [**MORE**](#)

Important New Understanding about Essential Benefits? Not Everyone Thinks So

The Department of Health and Human Services today released a document intended to preview the kinds of benefits most health plans must offer starting in 2014. But one consumer advocate said it does not provide nearly enough information to be helpful.

The federal government in December gave states significant leeway to decide what “essential benefits” must be included in coverage sold to individuals or small businesses under the 2010 health law. The law mandates coverage within 10 benefit categories; it’s up to each state to decide specifics, such as how many doctors’ visits or what drug services the plans will be required to offer. States can use several options to base those benefit requirements, including what some existing health plans in the state offer. [**MORE**](#)

State of the Union: Time to Trim the Regulatory Fat in Health Care?

As president, Barack Obama has presided over the largest expansion of U.S. health care services since the creation of Medicare. But that doesn't mean the president is immune to cutting back, too.

As Obama continues to shift away from touting the Affordable Care Act and focus on its implementation, it's clear that streamlining federal regulations will be a top priority for the White House this year. And as one of the nation's most heavily regulated sectors, health care stands to be significantly affected. [**MORE**](#)

IRS Provides Guidance on Reporting 2010 Roth IRA Rollovers and Conversions

On its website, the IRS has posted guidance on how taxpayers should report 2010 Roth IRA rollovers and conversions on their 2011 income tax returns. During 2010, a taxpayer may have rolled over eligible distributions from a retirement plan to a Roth IRA, converted amounts from a non-Roth IRA to a Roth IRA, or made an in-plan Roth rollover (after September 27, 2010). If so, the taxpayer must report half of the taxable amount of these 2010 rollovers and conversions on their 2011 tax return unless the taxpayer: (1) elected to include the taxable amount in income for 2010 by filing a 2010 Form 8606 and completing Part II or Part III or both, as applicable, and checking the box on line 19, the box on line 24 or both; (2) recharacterized the 2010 rollover or conversion to a Roth IRA; or (3) received a distribution in 2010 or 2011 of any of the taxable amount (in which case, the taxpayer may have to report an amount other than half on their 2011 tax return). [**MORE**](#)

Annual Reporting Requirements for Incentive Stock Options and Employee Stock Purchase Plans

For any exercise of an incentive stock option (ISO) or transfer of a share previously purchased pursuant to a tax-qualified employee stock purchase plan (ESPP) where the purchase price paid for the share was (a) less than 100% of the fair market value on the date of grant or (b) not fixed or determinable on the date of grant, the Internal Revenue Code requires companies to: furnish, by January 31, 2012, annual information statements to the participant who exercised the ISO or transferred the ESPP share; and file, by February 28, 2012 (for paper filers) or by April 2, 2012 (for electronic filers), an information return with the IRS (please note that companies may request an automatic 30-day extension of this deadline by filing a Form 8809, Application for Automatic Extension of Time to File Information Returns, with the IRS on or before the applicable filing deadline). [**MORE**](#)

Kaiser Health Tracking Poll – January 2012

As the Supreme Court prepares to hear legal challenges to the health reform law in March, most Americans expect the Justices to base their ruling on their own ideological views rather than their interpretation of the law, according to the January Health Tracking Poll. Other key findings include: The public doubts the Supreme Court renders judgments based solely on the law. Three-quarters (75%) say they think that, in general, Justices let their own ideological views influence their decisions while 17 percent say they usually decide cases based on legal analysis without regard to politics and ideology.

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