

tmta talk

A publication of the
Tooling, Manufacturing &
Technologies Association

**FROM ROB'S
ROOST**
By ROB DUMONT
PRESIDENT & CEO

Working to Fill the Skills Gap

A concern constantly expressed by member companies is the extreme difficulty being experienced in finding suitable workers for manufacturing facilities. Today, we have an estimated 600,000 jobs going unfilled in the U.S. manufacturing sector due to a 'skills gap'. This number could grow to some 2 million by the year 2025 as "Baby Boomers" retire.

As I have observed in the past, it is one thing to admit that we don't produce a particular product in the U.S. and quite another to have to admit that we can't produce it. We are fast approaching the latter situation for a number of reasons in my view. Certainly, the outsourcing of manufacturing jobs and the closing of some 60,000 manufacturing plants in the last decade or so is one reason. A second and closely connected reason is that with the loss of those facilities, manufacturing becomes a much more tentative and less attractive career for young people who are better informed today than ever before in making career choices. The third reason, I would point out, is the negative portrayal manufacturing has had for so long in the main stream media as being a dirty, dark and often dangerous place to work.

The debate on what to do about the problem is ongoing and almost as frustrating as the issue itself.

(Rob's Roost continues on Page 7)



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TMTA Endorsed Providers

tmta Calendar of Events September 2017

4	Labor Day Federal Holiday TMTA Offices Closed
11	Patriot Day - Remembrance of September 11, 2001
20	TMTA Board of Directors Meets at TMTA Offices

Visit www.thetmta.com for detailed,
up-to-date information on all events.



Reminder: The Medicare Certification of Creditable (or Non-Creditable) Coverage Must Be Distributed by October 14, 2017

It's that time of year again when the Medicare Notice of Creditable (or Non-Creditable) Coverage is due. Prior to each year's Medicare Part D annual enrollment period (October 15 thru December 7) employers that offer prescription drug coverage must provide a Notice of Creditable (or Non-Creditable) Coverage to Medicare eligible individuals. No notice is required when prescription drug coverage is not offered; however, the disclosure obligation applies to all plan sponsors that provide prescription drug coverage, even those that do not offer the benefit to retirees.

Notices must be provided to all Part D eligible individuals who are covered under, or eligible for, the employer's prescription drug plan — regardless of whether the coverage is primary or secondary to Medicare Part D. "Part D eligible individuals" are generally age 65 and older or under age 65 and disabled, and include active employees and their dependents, COBRA participants and their dependents, and retirees and their dependents.

This creditable coverage notice alerts the individuals as to whether or not their prescription drug coverage is at least actuarially equivalent to the standard Medicare Part D coverage.

That means each group must determine whether the expected value of claims paid under its plan is equivalent to the value of claims that would be paid under the standard Medicare Part D benefit. BCBSM/BCN has determined whether each of their standard drug plans meets the creditable coverage standard. You can obtain this information from either BCBSM/BCN directly or by contacting your health insurance agent-of-record.

The October 14 deadline applies to insured and self-funded plans, regardless of plan size, employer size, or grandfathered status. The notices may be provided in annual enrollment materials, separate mailings, or electronically. At a minimum, the notice must be provided at the following times:

- Prior to the Medicare Part D annual Coordinated Election Period (10/15 thru 12/7 each year);
- Prior to an individual's Initial Enrollment Period for

Part D;

- Prior to the effective date of coverage for any Medicare eligible individual that joins the plan;
- Whenever prescription drug coverage ends or changes so that it is no longer creditable or becomes creditable; and
- Upon a beneficiary's request.

For more information, or to obtain a Model Disclosure Notice your company can give to your employees, visit www.cms.hhs.gov/creditablecoverage or the TMTA website at www.thetmta.com (go to the 'Company Forms & Information' page located under the 'Information/Networking' tab). If you need further assistance, contact TMTA's preferred insurance agent, Bill Percha, at 248-355-1414 or e-mail to billp@rcwa.net.

BCBCM/BCN Updating Counting Method for Determining Group Size in January 2018

Effective Jan. 1, 2018, Blue Cross Blue Shield of Michigan and Blue Care Network will follow the full-time equivalent counting method to determine group size.

What is the full-time equivalent counting method?

The number of full-time equivalent, or FTE employees, is determined using a 30-hour-per-week standard for full-time employees, plus a prorated count for part-time and seasonal employees during the preceding calendar year:

- An employee working 130 or more hours a month is considered full-time.
- An employee working less than 130 hours a month is considered part-time.
- The number of full-time equivalent employees for each month is calculated using the 120-hour-per-month method.
- No more than 120 hours should be counted in a month for any employee working fewer than 130 hours.
- Find the sum of the number of full-time employees and full-time equivalent employees for each month in the year and divide by 12 to obtain the full-time equivalent count.

Why has this change been made?

Michigan's Department of Insurance and Financial Services has advised insurance carriers to follow its definition of group size using the full-time equivalent method of counting employees.

This means group size is as follows: Small is 50 or fewer full-time equivalent employees and Large is 51 or more full-time equivalent employees.

How is the full-time equivalent counting method different from the method used before?

BCBSM and BCN have previously used eligible employee counts to determine if a group was a small or large employer under the Affordable Care Act. The Michigan Insurance Code defines an eligible employee as:

- An eligible employee is a common-law employee who works on a full-time basis with a normal work week of 30 hours or more.
- An eligible employee includes an employee who works on a full-time basis with a normal work week of 17.5 to 30 hours if the employer permits and if this eligibility criterion is uniformly applied to all of the employer's employees and without regard to health status related factors.

BCBSM and BCN will continue to use the definition of eligible employee to determine eligibility and for calculating participation.

Michigan Pharmacists Can Dispense Naloxone Under Statewide Standing Order

On May 25, 2017, Gov. Rick Snyder issued a standing order to allow pharmacists to distribute naloxone — a fast-acting, life-saving antidote — to members at risk of experiencing an opioid related overdose without a prescription.

Pharmacists statewide have the authority to dispense Narcan® Nasal Spray, the Intramuscular Naloxone Rescue Kit (naloxone, syringe and needle), or the Evzio® auto-injector to eligible individuals (at-risk individuals or other persons who are able to assist a person at risk of experiencing an opioid-related overdose).

For a claim to be covered by Blue Cross Blue Shield of Michigan or Blue Care Network, the intended recipient must be covered under the purchaser's prescription drug contract and the product dispensed must be a covered benefit under the contract.

With the statewide standing order, approved pharmacies (they must register with the state to become approved):

- Can dispense naloxone to BCBSM or BCN members; and
- Will educate consumers on how to administer naloxone.

The standing order protects an approved pharmacist from liability in a civil action for damages resulting from dispensing, administration, or failure to administer the naloxone antidote.

Changes to Child Age Rating Structure Take Effect in 2018

In 2018, there will be one age band for children between ages 0 and 14. After age 14, single-year age bands will have increasing age factors for ages 15 to 20. The child rating factors will be increased.

Since 2014, states have had the option to create their own standard age curve, including child age factors. Michigan will continue to use the default federal standard age curve. See the following table:

Federal Standard Age Curve for Children		
Age	Premium ratio before 2018	2018 and beyond premium ratio
0-14	0.635	0.765
15	0.635	0.833
16	0.635	0.859
17	0.635	0.885
18	0.635	0.913
19	0.635	0.941
20	0.635	0.970
21	1.000	1.000

In December 2016, the Centers for Medicare & Medicaid Services (CMS) released the U.S. Department of Health and Human Services Notice of Benefit and Payment Parameters 2018 final rule.

The final rule amends provisions on age rating for children for plan or policy years beginning on or after Jan. 1, 2018.

Why will the child age rating structure change? CMS updates to the child age rating structure for 2018 and beyond are intended to better reflect the health risk of children and to provide for a more gradual transition as individuals move from ages 20 to 21.

Drug List Quick Guides No Longer Published — Now Updated Online

BCBSM and BCN Pharmacy Services have discontinued publishing: The Custom Quick Guide and The Custom Select Quick Guide. Instead, the Custom Drug List and the Custom Select Drug List are updated online monthly to provide timelier information,

Both drug lists are searchable, contain the most up-to-date information, are available on www.bcbsm.com, and can be printed as needed.



We would like to take this opportunity to welcome the following new members to the Tooling, Manufacturing & Technologies Association:

- ❖ **Tool-X LLC** of Deerfield, FL; they specialize in nano products, in particular an extreme pressure additive made with carbon nanoparticles that works in both cutting oil and water based metal working fluids; visit their website at www.Tool-X.net.
- ❖ **Virtual Services, LLC** of Eastpointe, MI; they specialize in engineering software and services including CAD/CAM/CAE/SolidWorks/CATIA; visit their website at www.VirtualSvs.com.



MI Governor Signs "Good Jobs" Bill

Michigan Governor Rick Snyder has signed into legislation a package of bills (Senate bills 242-244) to allow qualified companies that create hundreds or thousands of Michigan jobs to receive tax incentives. The law is designed to help diversify Michigan's economy and attract new, large-scale employers and hopefully create emerging industries and bring people who left the state when their jobs were eliminated back to Michigan.

The legislation states:

- A company that creates at least 250 jobs that pay at least 125% of the average regional wage or a company that creates at least 3,000 jobs would be eligible to receive 100% of employee withholding taxes for 10 years.
- A company that creates at least 500 jobs paying at least the average regional wage (\$18.57 to \$27.77 per hour across the state) would be eligible to receive 50% of employee withholding taxes for 5 years.

Overall Michigan could approve 15 such projects per year for incentives, and obligate the state to give up revenues of up to \$200 million. The bill sunsets on De-

ember 31, 2019 with the option to renew or close to new businesses.

Starting in 2010 as a part of a major tax code overhaul, business taxes were lowered across the board and moved away from an overabundance on tax credits. Now we are sending "the signal that we are pressing forward to ensure the strongest possible future. We are ensuring a future economy that is diversified and will stand on solid footing, with new jobs for Michiganders for the foreseeable future," says Gov. Snyder.

"We've been attracting businesses to Michigan but they tend to be these smaller businesses," said Gov. Snyder. "Now we're finding success with larger organizations saying they want to come to Michigan...but we need a closer, and that's what this is about. We have an opportunity to literally see companies that could bring thousands of new jobs to our state, that could open up new industry areas for us and expand our base of manufacturing, of creativity and technology."

Treasury: Be Alert for State Debt Payment Scam

From the Michigan Department of Treasury

The Michigan Department of Treasury is asking residents to be alert for a new scam that implies the federal government will pay their outstanding state tax debts or other state debts.

Within the last month, the state Treasury Department has noticed an increase in cases where individuals are attempting to pay their outstanding state debts with routing numbers from two U.S. Department of Treasury Bureaus — the Financial Management Service (FMS) and the Bureau of the Public Debt (BPD). Individuals are using these federal routing numbers with their Social Security Number as the checking account number and listing the bank as either the FMS or the BPD.

As a part of this scam, the U.S. Department of Treasury warns that groups are holding seminars throughout the United States that fraudulently teach attendees to use these federal routing numbers to resolve their outstanding government debts.

Individuals who think they may have an outstanding state tax debt or other state debt are encouraged to call the state Treasury Department's Office of Collections at 517-636-5265.

For more information about state tax debt or other state debt collections, go to www.michigan.gov/treasury.

OSHA Application to Electronically Submit Injury and Illness Data

From the U.S. Department of Labor, Occupational Safety and Health Administration (OSHA)

On August 1, 2017, OSHA launched the Injury Tracking Application (ITA). The Web-based form allows employers to electronically submit required injury and illness data from their completed 2016 OSHA Form 300A. The application will be accessible from the ITA webpage.

Earlier, OSHA published a notice of proposed rulemaking to extend the deadline for submitting 2016 Form 300A to Dec. 1, 2017, to allow affected entities sufficient time to familiarize themselves with the electronic reporting system, and to provide the new administration an opportunity to review the new electronic reporting requirements prior to their implementation.

The data submission process involves four steps: (1) creating an establishment; (2) adding 300A summary data; (3) submitting data to OSHA; and (4) reviewing the confirmation e-mail. The secure website offers three options for data submission. One option will enable users to manually enter data into a web form. Another option will give users the ability to upload a CSV file to process single or multiple establishments at the same time. A third option will allow users of automated recordkeeping systems to transmit data electronically via an application programming interface.

The ITA webpage also includes information on reporting requirements, a list of frequently asked questions and a link to request assistance with completing the form. For more information, visit www.osha.gov.

New Online OSHA Whistleblower Form

OSHA has revised its online whistleblower complaint form to help users file a complaint with the appropriate agency.

Whistleblowers are not required to file this form as OSHA accepts complaints made orally (telephone or walk-in at any OSHA office or in writing, and in any language). OSHA administers more than 22 whistleblower protection laws on violations from securities, trucking, airline, nuclear power, workplace safety and health, consumer protection laws, and more.

The new whistleblower form may be found at <https://www.osha.gov/whistleblower/WBComplaint.html>. In addition to the online form, workers can find detailed information on employee whistleblower rights, including fact sheets at <http://www.whistleblowers.gov/>.

Virtual Services

17401 E. Ten Mile Road
Eastpointe, MI 48021

(844) 757-5569

Virtual Services is excited to join TMTA and continue working with many of our Automotive Customers. Our



*Mark Ratliff, President and
CEO of Virtual Services, LLC*

mission is to provide CAD/CAM/PLM, 3D Printing, Software, Implementation Services, Consulting and on-going support to our customers. The company first opened in 1983 and has provided support to 1,500 Automotive Suppliers globally.

Our software sales, consulting, and support services include SolidWorks, Catia, NX, Teamcenter and Autodesk directly and through our affiliate companies.

Our approach is to have an initial meeting with an Automotive Supplier to understand their requirements and goals; we call this a Strategic Value Analysis (SVA). Once defined, we can provide the correct solution to meet their objectives.

For manufacturers of jigs, fixtures, molds, gauges, special tools and machines, we are able to support the goal of creating “better tooling in less time and at a lower cost”. We accomplish this by leveraging fully integrated software solutions and implementing process improvements that allow you to improve quality and reduce cost by optimizing design.

I look forward to meeting each of you. If I can be of assistance, please reach out to me at (844) 757-5569. My e-mail is mark.ratliff@virtualsvs.com.

INVEST A FEW MOMENTS IN
THINKING.
IT WILL PAY GOOD INTEREST.

National Manufacturing Day 2017

National Manufacturing Day is observed annually on the first Friday in October — October 6, 2017 this year. It was created to address common misperceptions about manufacturing by giving manufacturers an opportunity to open their doors and show, in a coordinated effort, what manufacturing is and what manufacturing is not. Manufacturing Day empowers manufacturers to come together to address their collective challenges so they can help their communities and future generations thrive.

To get involved in Manufacturing Day, open your company's doors and take up the important work of inspiring our young people to pursue careers in manufacturing and engineering. By working together, manufacturers can begin to address the skilled labor shortage they face, connect with future generations, take charge of the public image of manufacturing, and ensure the ongoing prosperity of the whole industry.

One of the participants of Manufacturing Day is TMTA member **National Bronze Mfg. Co.**, located at 28070 Hayes Rd., Roseville, MI 48066. Since 1911, National Bronze has been, and continues to be, a leading manufacturer and supplier of bronze based products including bronze bushings, bearings, and other industrial components. They also supply bronze, brass, and copper bar stock to manufacturers worldwide.

National Bronze will open its doors for an exclusive plant tour in celebration of Manufacturing Day 2017 on October 6, 2017 at 5:00pm. Their state-of-the-art facility includes fully automated machining centers, and metal service centers specializing in copper alloy metals. The combination of raw material supplier and machined component manufacturer allows National Bronze to control the entire process from raw bar stock to finished machined parts. This is a fully functional production machining facility so protective eyewear will be provided and open toe shoes are prohibited.

For more information on what your company can do and/or to register your events to celebrate Manufacturing Day 2017, visit www.mfgday.com.

Manufacturing Facts from MFGDAY.com:

- For every \$1 of goods produced, manufacturing generates an additional \$1.37 for the economy.
- Manufacturing contributes \$2.09 trillion dollars to the economy.
- Each manufacturing job creates another 2.5 more jobs in local goods and services.

- 90% of Americans believe manufacturing is important for a strong national economy, BUT, only 37% of parents encourage their kids to enter manufacturing and only 18% of people view manufacturing as a top career choice.
- \$77K is the annual average salary of mfg. workers.
- 90% of mfg. workers have medical benefits.
- Manufacturers are responsible for almost 3/4 of all private sector R&D.

INFLATION TALK

CPI-W Urban Wage Earners and Clerical Workers

Month	82–84	1967	57–59
June	238.813	711.352	827.29*
May	238.609	710.744	826.59*
April	238.432	710.215	855.97*
March	237.656	707.906	823.29*
Feb	237.477	707.371	822.67*
Jan 2017	236.854	705.517	914.04*
Dec	235.390	701.154	815.44*
Nov 2016	235.215	700.634	814.83*

CPI-U All Urban Consumers

Month	82–84	1967	57–59
June	244.955	733.775	853.37*
May	244.733	733.110	852.60*
April	244.524	732.486	851.87*
March	243.801	730.320	849.35*
Feb	243.603	729.727	848.66*
Jan 2017	242.839	727.439	846.00*
Dec	241.432	723.224	841.10*
Nov 2016	241.353	722.986	840.82*

Note: June 2017 CPI-W represents a 1.5% increase from one year ago; CPI-U a 1.6% increase.

* Base Year 1957–59 is no longer released. BLS has issued the following conversion factors from the 82–84 year:

CPI-W—.2886674 CPI-U—.2870447

(Rob's Roost continued from Page 1)

There is hope — alas — it is recognized that we need to create an incubator of sorts where a manufacturer can turn to get young people with basic skills training to bring into a facility and train for a career in manufacturing.

Young people, and as importantly, their parents need to accept that college and university education is not the only answer to success and indeed, college and university is not for everyone. Skilled occupations provide a huge opportunity for young people seeking to make a good living (and not start out with a huge college debt).

The Society of Manufacturing Engineers, SME, through its Education Foundation has created PRIME, Partnership Response in Manufacturing Education, “establishing centers of excellence in manufacturing education in high school by working with industry to influence and tailor the technological and curricula offerings available to students to prepare them for skilled careers”. Thus far PRIME is partnering with 40 schools in the U.S. including Jackson Area Career Center (JACC) and Cornerstone Schools in Detroit.

TMTA will be working with the Cornerstone Education Group and its Cornerstone Manufacturing Career Pathway Program. We see this as an opportunity to get young people involved and interested in the exciting and good careers available to them. Cornerstone is focused on developing character, gifts, talents, and understanding of the manufacturing industry, through learning experiences inside and outside the classroom that prepare them to launch successful careers.

Your company can become part of the solution to this very real ongoing problem with the skills gap by getting involved with Cornerstone and PRIME.

TMTA member **Detroit Edge Tool Company** has, according to John Ebbing a TMTA Board member, been involved with Cornerstone for some time and is finding the experience to be very positive. Contact carol.mansfield@cornerstoneschools.org for more information.

**For more information about
the TMTA, our advocacy, events
and benefits, visit us at
www.thetmta.com**

**TMTA ENDORSED
SERVICE PROVIDERS**

Blue Cross Blue Shield/BCN

(Health insurance program)

TMTA contacts:

Bill Percha 586-904-9700 (cell)

Elaine Burger-Laskosky 248-488-0300, ext. 1309

Call-A-Doctor - (Telehealth Program)

Provider contact:

Ed Stines 248-524-3221, ext. 21

CAPTRUST (formerly Freedom One Financial)

(401(k) Retirement program)

Provider contact:

John Young 248-620-8100

Euler-Hermes - (Credit insurance program)

Provider contact:

Jay Poplawski 248-355-1414, ext. 158

John M. Packer & Associates

(Unemployment cost control program)

Provider contact:

Nathan Wiest 800-482-2971

Practical Power LLC - (Electrical savings program)

Provider contact:

Mark Bunting 248-726-7598

Ralph C. Wilson Agency, Inc.

(Insurance management)

Provider contact for Benefits coverages:

Robert Farris 248-355-1414, ext. 109

Provider contact for P&C and WC coverages:

Jay Poplawski 248-355-1414, ext. 158

Reliance Standard/Ameritas

(Life/Dental insurance programs)

TMTA contacts:

Bill Percha 586-904-9700

Rachel Hindelang 248-488-0300, ext. 1310

Results Systems Corporation

(Business management consulting)

Provider contact:

Paul Hindelang 248-244-8550

SVS Vision - (Safety & vision programs)

Provider contact:

Monica Dya 800-611-3683 or www.svsvision.com

Schena Roofing & Sheet Metal Co., Inc. - (roofing)

Provider contact:

586-949-4777

Schooley-Mitchell - (telecom/credit card management)

Provider contact:

Sean Fox 513-683-8881

TMTA receives a benefit from some of its Endorsed Providers when you, as a member, patronize them. This is one way we are able to maintain the level of dues.

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Individual & Group Coverages Available
Contact Bill Percha
at 248-355-1414
(Tell Bill that TMTA sent you!)**



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