

FEBRUARY 2011

2011 GENERAL ASSEMBLY

# SHORT SESSION, BIG AGENDA



(Top photo) Front row from left: Public Affairs Managers Charles George and Allyson Hamilton-McIntire, Vice President of Public Affairs Bryan Sunderland, and Public Affairs Communications Manager Carrie Fiorella; Second row from left: Senior Policy Consultant John Cubine, Director of Public Affairs Chad Harpole, President and CEO Dave Adkisson and Manager of Political Affairs Beverly Standifer. (Bottom photo) Board member Dan Bork, Lexmark, and Rep. Arnold Simpson appear at the Capitol Annex to testify on behalf of HB 255.

## LEGISLATIVE TEAM TRACKING MORE THAN 300 BILLS

IN KENTUCKY, odd-year legislative sessions are known as the short session – only 30 days long. Originally conceived as a way to make simple corrections to state laws, the last five odd-year sessions have often been used to pass or revise budgets. This year's only substantive budget item is expected to be efforts to deal with the current Medicaid shortfall of \$600 million. Gov. Steve Beshear has suggested a move to shift money from fiscal years 2012 to 2011 to fix the budget gap and take advantage of additional federal money this year. It will be scrutinized, but lawmakers are expected to reach an agreement to fill the gap.

Besides Medicaid, lawmakers are dealing with a number of high-profile issues of importance to the business community. The Kentucky Chamber has a team of six business advocates on the ground in Frankfort, keeping an eye out for our members.



For more on the Chamber's legislative priorities this session, download our Legislative Agenda at [kychamber.com](http://kychamber.com).

### Legislative issues to watch

**TAX REFORM** — Unlike past efforts to "reform" the tax code to raise revenue, Senate Bill (SB) 1, proposed by Senate President David Williams, will create a tax code commission to recommend a completely new tax code to the General Assembly for an up or down vote. Their charge will be to make our code more conducive for business. The voting council members would consist of five economists, two Certified Public Accountants (CPAs), one Property Value Administrator (PVA), and one tax attorney. Business groups, including the Kentucky Chamber, will be consulted for input.

**MANDATORY SCHOOL ATTENDANCE** — Raising the high school dropout age is important for the future of Kentucky's economy. The Chamber has joined the governor and others in support of HB 225 because of the breadth of its impact. Beyond statistics that show dropouts make less money, are more likely to commit crimes and live less healthful lifestyles than those who graduate, they contribute negatively to an already declining workforce.

**IMMIGRATION** — There are currently three immigration bills, SB 6, House Bill (HB) 3 and HB 111, being considered. As the debate continues, lawmakers will consider two different approaches to addressing the issues: law enforcement or additional requirements on employers. It is important for businesses, particularly those who operate in multiple states, to have a single set of federal requirements to meet instead of a patchwork of federal, state and local laws that impose inordinate financial and administrative burdens.

**SCHEDULING OF PSEUDOEPHEDRINE** — In an effort to fight methamphetamine abuse, legislation has been proposed to require patients to have a prescription from a physician to purchase pseudoephedrine. This could lead to higher health care costs and employee absenteeism when a doctor's visit is required. The Chamber has urged legislators to perform a thorough cost analysis and explore other solutions.

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## 'Morning Joe' hosts to keynote Annual Meeting on July 12

JOE SCARBOROUGH AND MIKA BRZEZINSKI, hosts of MSNBC's *Morning Joe*, will provide the keynote address for the Kentucky Chamber Economic Summit and Annual meeting, scheduled for July 12, 2011.

Hosts of one of the most popular and most talked about cable shows on television, Scarborough and Brzezinski will offer their insights on the people and issues shaping our times, including a look at President Barack Obama, the divided Congress and what's ahead for the 2012 elections.

Scarborough and Brzezinski will culminate the day-and-a-half long Economic Summit and Annual Meeting, sponsored by Greenebaum Doll and McDonald.

Since 2006, the Kentucky Chamber's Economic Summit and Annual Meeting has proven to be a catalyst for change in the Commonwealth. During this one-of-a-kind event, Kentucky's top business leaders, educators and legislators converge in Louisville to discuss key issues that will affect the state's future for decades.

Visit [kychamber.com](http://kychamber.com) for registration details. Sponsorship opportunities are available. Contact Andrea Flanders, sponsorship development manager, at 502-848-8723 or [aflanders@kychamber.com](mailto:aflanders@kychamber.com).



Joe Scarborough



Mika Brzezinski

## Obama addresses business community

### ADKISSON PROVIDES REACTION TO PRESIDENT'S SPEECH ON PBS NEWSHOUR

PRESIDENT BARACK OBAMA paid a rare visit to the U.S. Chamber of Commerce on Feb. 7, signaling a departure from some of the rhetoric between the Obama Administration and the business lobby during this past election cycle. In his speech, the president expressed a willingness to work with the business community to create jobs and to continue to rebuild America's economy.

As a member of the board of directors of the U.S. Chamber of Commerce, Kentucky Chamber President and CEO Dave Adkisson attended the speech in Washington, D.C., and had the opportunity to provide a reaction to the presidential address on several media outlets, including *PBS NewsHour*.



President Barack Obama spoke to board members of the U.S. Chamber of Commerce on Feb. 7.

CONTINUED ON PAGE 6

## Welcome new members!

Please help us thank these companies for investing in the Kentucky Chamber's mission by giving them your business.

### EQUITY PARTNERS

Masonic Homes of Kentucky  
C.I.Agent Solutions  
Industrial Services of America  
Soteria Imaging Services  
USI Insurance Kentucky

### GENERAL MEMBERS

Vinery Ltd.  
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Mirazon Group  
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Tanyard Park Apartments  
Union Springs Pharmaceuticals  
Bennetts Gas  
Burkesville-Cumberland County Chamber of Commerce  
Oldham County Water District  
Baynum Painting, Inc.  
DAVID Construction  
Lexington Public Library  
Jeff Ayres PT Therapy Center  
Drs. Sasser, Davis & Iglehart  
Gatterdams Electric Motors  
JMT Coffee DbA Espresso Medic/Social Media 4U  
Whitney M. Young Job Corps Center  
The Data Vault  
Green River Window & Door Company  
Kentucky Machine & Tool Company  
Summit Energy  
In Every Language  
Producers Dock  
PolyOne Corporation  
Independent II  
Summit Engineering, Inc.  
SawyerOne  
Moors Resort & Marina  
Harrod Concrete & Stone Co.  
Laurel Cookie Factory

## Mission to China scheduled for 2011

KENTUCKY BUSINESS LEADERS are invited to take part in a one-of-a-kind experience Oct. 8-16, 2011.

The 2011 Mission to China is an all-inclusive trip, which aims to educate Kentucky's business leaders on the economy and culture in China. During the tour, knowledgeable guides will take you through the large, modern cities of Beijing and Shanghai, as well as rapidly developing cities like Suzhou and Hangzhou.

"I give it a 10," said Curtis Warfield, Kentucky Chamber board member and CEO of National Patient Account Services, after participating in the 2010 trip. "I had an opportunity to meet with a number of Kentucky busi-

ness executives working in China, and I've learned so much about China and how to do business here."

The price of the trip is \$2,299 for Kentucky Chamber members and \$2,699 for non-members per person and is based on double occupancy. The fee includes roundtrip international airfare (does not include travel to and from JFK), four and five-star hotel accommodations and three meals each day. Upgrade options are available – add \$450 for single occupancy and \$6,000 to fly business class.

A nonrefundable deposit of \$200 is due with your registration and will be applied toward the total cost of your trip. The dead-



In 2010, delegates attending the Chamber's first Mission to China visited KFC in Shanghai. Yum! Brands is one of several Kentucky companies that has made a significant impact in China.

line for full payment is July 1, 2011.

Registration and additional trip details can be found at [kychamber.com/missiontochina](http://kychamber.com/missiontochina).

## KENTUCKY CHAMBER ACTION NETWORK



## Action Network launched to inform members on specific topics of interest

IN YET another step to advance its advocacy efforts through increased networking and communication opportunities for members, the Kentucky Chamber recently launched The Action Network which allows members to receive timely updates about areas of policy interest.

Members are invited to choose from the seven networks of their choice, and in return will receive timely updates on happenings in those areas through periodic e-mail updates or by visiting our blog, [kychamberblog.com](http://kychamberblog.com). The net-

work also asks participants to rally around critical issues by contacting their legislator when the time comes.

"In addition to being a way for us to keep our members more informed, this is also a mobilization effort that we hope will drive people to get involved in Frankfort when it really counts," said Bryan Sunderland, vice president of public affairs.

If you'd like to become a member of one of our Action Networks, sign up at [kychamber.com/actionnetwork](http://kychamber.com/actionnetwork) and select your network of interest.

## Chamber files brief to uphold precedent in slip-and-fall cases

THE KENTUCKY CHAMBER, joined by the National Federation of Independent Businesses and the Kentucky Retail Federation, filed another amicus brief with the Kentucky Supreme Court this week, this time in the matter of *Stapleton v. Citizens*. The plaintiff in Stapleton sued a bank after she slipped on ice and injured herself in the bank's parking lot. The trial court granted summary judgment in favor of the bank and the Kentucky Court of Appeals unanimously affirmed.

The Supreme Court is reviewing whether business owners owe a duty to customers to warn or remove natural conditions such as snow and ice. The current standard, which has been in place for decades, imposes no such duty unless actions by the business owner heighten or conceal the hazard of the natural condition. The Chamber argues that to overturn longtime precedent on this issue would be an unreasonable burden on businesses and the economy. Business owners would be required to take onerous and expensive measures to try to completely remove all snow and ice.

Additionally, the "no duty" rule currently does not act to discourage Kentucky businesses from removing snow and ice, as their main goal is not to avoid liability but instead to attract customers through competition, quality and service.

## The Kentucky Chamber salutes our Key Investors!

### COMMONWEALTH PARTNERS



### CHAIRMAN'S CIRCLE

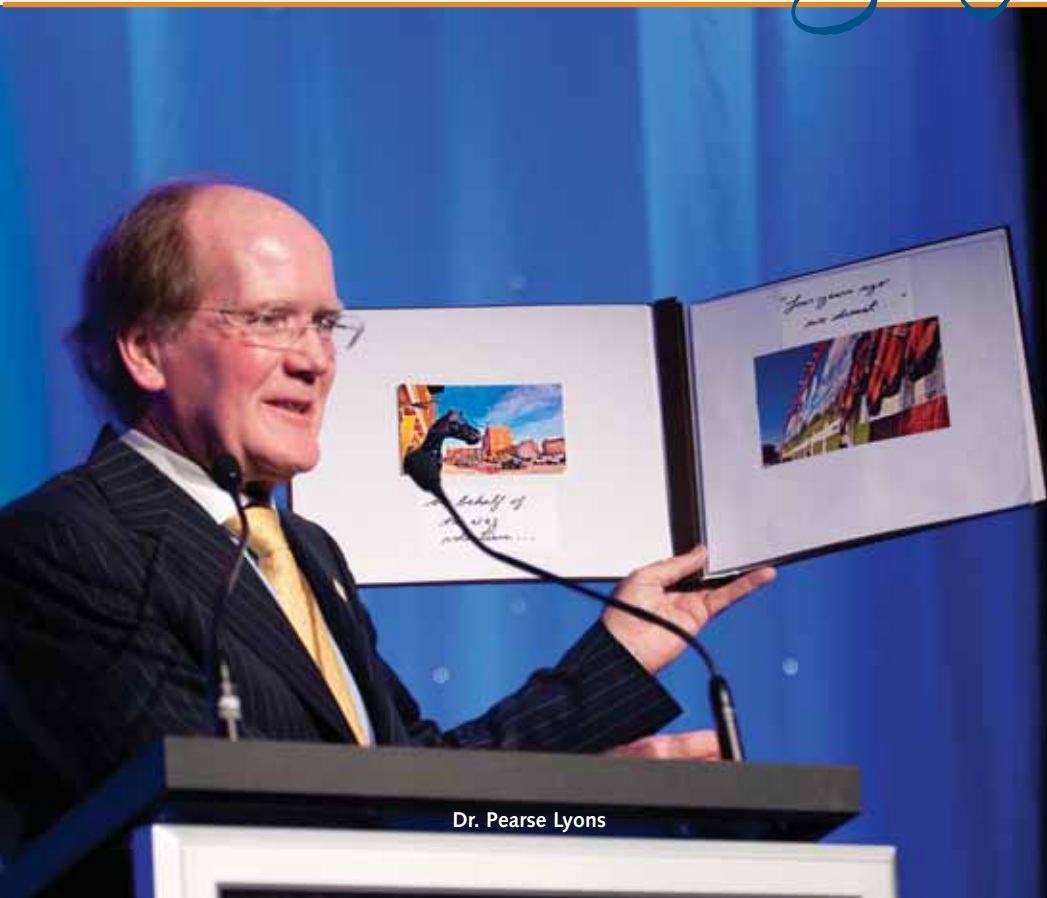


### PRESIDENTIAL ADVISORS

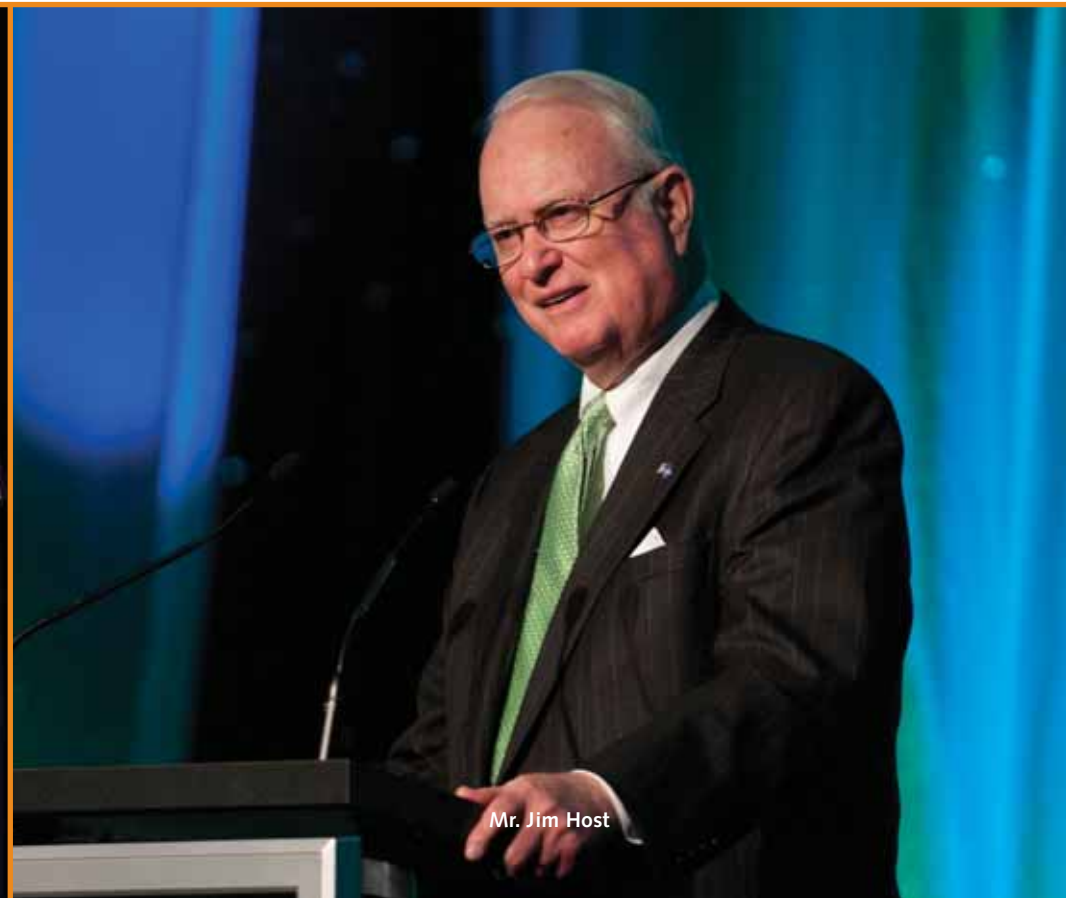


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Brenntag Mid-South	Gray Kentucky Television	Lourdes Hospital	Pfizer	UK HealthCare
Century Aluminum of Kentucky	International Coal Group	Maker's Mark Distillery	Pikeville Medical Center	
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CSX Transportation	Kentucky Farm Bureau Insurance	Mountjoy Chilton Medley	Signature HealthCARE	
Dana Holding Corporation		NACCO Materials Handling Group	Specialty Foods Group	



Dr. Pearse Lyons



Mr. Jim Host



Kentucky Chamber Chairwoman Deb Moessner



Former Gov. Ernie Fletcher



"Shining Bright" by Lexington artist Dan Neil Barnes

PHOTOS BY TIM WEBB

## Lyons, Host receive Chamber's Commonwealth Legacy Award

ON FEB. 3, Jim Host and Dr. Pearse Lyons became the first recipients of the Kentucky Chamber's Commonwealth Legacy Award for their leadership on two specific projects – the KFC Yum! Center and the Alltech FEI World Equestrian Games.

"The Alltech World Equestrian Games and the KFC Yum! Center have left a profound impact – and a lasting legacy – on Kentucky, which is why we are here tonight to honor Pearse Lyons and Jim Host," said Deb Moessner, chairwoman of the Kentucky Chamber of Commerce. "Over 500 government, education and business leaders from throughout Kentucky are in Lexington to recognize two amazing accomplishments and to honor two dynamic leaders who made them possible."

Gov. Steve Beshear, and former governors John Y. Brown Jr., and Ernie Fletcher were among an impressive line-up of speakers during the event. Other speakers included Moessner; Lonnie Ali, co-founder of the Muhammad Ali Center; First Lady Jane Beshear; Wayne Martin, president of Gray Kentucky Television; John Nicholson, executive director of the Kentucky Horse Park; Shirley Willinghamz, provost of the University of Louisville; and William E. Summers V, senior vice president of business development for Central Bank & Trust.



Front row from left: Kentucky Chamber Chairwoman Deb Moessner, Jim Host, Pat Host, Gov. Steve Beshear, First Lady Jane Beshear, Dan Neil Barnes, Deirdre Lyons, Pearse Lyons, Gov. Martha Layne Collins. Second row from left: Mary Pat Regan, Wayne Martin, Gov. Ernie Fletcher, John Nicholson, Lonnie Ali, Gov. John Y Brown Jr., Shirley Willinghamz, and William Summers V.

## Best Places to Work in Kentucky announced

THE KENTUCKY SOCIETY for Human Resource Management (KYSHRM) State Council, in conjunction with the Kentucky Chamber of Commerce, announces the winners in the Seventh Annual Best Places to Work in Kentucky competition. The winner rankings will be announced at an awards dinner, presented by Fisher & Phillips, LLP on Wednesday, April 20 at the Lexington Convention Center. Winners from across the state have been selected in two categories: small/medium-sized employer (companies of 25 to 249 U.S. employees) and large-sized employer (companies of 250 U.S. employees or greater).



### SPONSORSHIPS AND ADVERTISING

Key sponsorship benefits include a table of 10 at the event, recognition on the Best Places to Work in Kentucky website, exhibit space for silver sponsors and above and recognition in the Best Places to Work in Kentucky Magazine. Contact Andrea Flanders at 502-848-8723 for sponsorship details. The release of the Best Places to Work in Kentucky Magazine will coincide with the awards dinner in April. This full-color publication will include winner profiles, timely HR-related articles and advertisements. The magazine will be distributed to nearly 20,000 professionals across the state. Contact Andrea Flanders at 502-848-8723 for advertising details. For more about Best Places to Work in Kentucky, or to register for the awards dinner, visit [bestplacestoworkky.com](http://bestplacestoworkky.com).



Winners listed alphabetically; Rankings to be announced April 20. Kentucky Chamber members are noted in bold.

### Small/Medium Companies

Air Hydro Power  
Benefit Insurance Marketing  
**Big Ass Fans**  
Bottom Line Systems, Inc.  
**Connected Nation**  
Creative Lodging Solutions  
**Dean Dorton Allen Ford\***  
**Fellon-McCord**  
Fowler Measle & Bell PLLC  
**Greater Louisville Inc.**  
Jackson Purchase Medical Associates PSC  
**Kentucky Employers' Mutual Insurance**  
**Kingsbrook Lifecare Center**  
Lockett & Farley  
**Martin County Health Care**  
MassMutual Financial Group:  
The Kentucky/West Virginia Agency  
**Mountjoy Chilton Medley LLP**  
**Pikeville College**  
**River Road Asset Management, LLC**  
**Sazerac Company**  
**Software Information Systems, LLC**  
Somerset Nursing and Rehabilitation Facility  
**Sturgill, Turner, Barker & Moloney, PLLC**  
**Town & Country Bank and Trust Company**  
**Traditional Bank, Inc.**  
**Ward, Hocker & Thornton, PLLC**

\*Only Dean Dorton Ford, PSC employees were surveyed prior to merger.

### Large Companies

Appriss Inc.  
**Baptist Hospital East**  
Booz Allen Hamilton, Inc.  
**Central Bank & Trust**  
**Central Baptist Hospital**  
**Corning Incorporated**  
**Crowe Horwath LLP**  
Domtar Distribution Group  
Edward Jones  
**Employment Plus, Inc.**  
**First Federal Savings Bank**  
**Frankfort Regional Medical Center**  
**Genentech**  
Harrison Memorial Hospital  
**Hazard Community & Technical College**  
Heritage Bank  
**Hilliard Lyons**  
**Hosparus**  
Independence Bank  
ISCO Industries, LLC  
**Kentucky Orthopedic Rehab Team (KORT)**  
**Kindred Healthcare, Support Center**  
**KPMG LLP**  
**Lexington Clinic**  
**National Patient Account Services**  
**Neace Lukens**  
**ORR Corporation**  
**Pikeville Medical Center**  
Senior Care, Inc., Support Center  
Simpson County Schools Board of Education  
**Somerset Community College**  
**Stites & Harbison PLLC**  
Stock Yards Bank  
**Stoll Keenon Ogden PLLC**  
Sun Tan City  
SurePoint Lending  
Trilogy Health Services, LLC  
**Wyatt, Tarrant & Combs, LLP**  
Zappos Kentucky Family

## Saving time, money among benefits of Paychex HR and payroll services

AFTER HUMAN RESOURCES Coordinator Rena Brock, of Capital Family Physicians in Frankfort, transitioned the group's payroll and other human resource services over to Paychex, she said the administrative process was improved in more ways than she could even mention.

Paychex, Inc. is a leading provider of payroll, human resource, and benefits outsourcing solutions for small- to medium-sized businesses. Members of the Kentucky Chamber are entitled to a 25 percent discount on all services offered by Paychex through the Chamber Power Buys program.

Capital Family Physicians began using Paychex in the summer of 2007, on the recommendation of an accounting firm it had worked with. It now takes advantage of a number of the Paychex services, including web-based payroll administration on the HRIS platform and the online W-2 service.



"There are so many excellent features to the Paychex services," Brock said. She said the HRIS tool (called HR Online) is especially helpful because it offers so many options for both employees and administrators and is very user friendly.

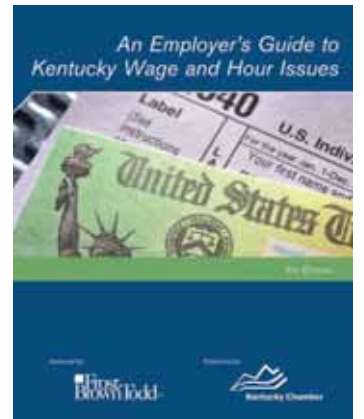
One important feature that sets Paychex apart is its integration with BeneTrac benefits enrollment and administration technology. This allows users of Paychex Preview payroll and BeneTrac to automatically update employee demographic and benefits information across systems, increasing accuracy and timeliness of data exchange. Overall, the administrative systems are easily transferred for a streamlined, efficient process.

Brock says the savings on Paychex has brought added value to Capital Family Physicians' Kentucky Chamber membership. The partnership with Paychex helps member businesses reduce administrative tasks and contain costs to help boost their opportunities for success and growth.

"We're very grateful for the discount that the Chamber grants to Paychex services clients," said Brock.

## Updated version of *An Employer's Guide to Kentucky Wage and Hour Issues* now available

THE KENTUCKY CHAMBER has partnered with the law firm of Frost Brown Todd to bring you the updated and revised 5th edition of this popular handbook. The comprehensive guide covers both state and federal issues, while presenting dozens of everyday situations and examples to illustrate how the regulations apply to your business. This guide contains more than 200 wage and hour topics, such as how to properly determine exempt vs. non-exempt status, calculating overtime, correctly classifying independent contractors, processing garnishments, keeping accurate records, and the requirements for providing breaks and meal times. To place your order, visit us at [kychamber.com/bookstore](http://kychamber.com/bookstore) or call Casey Adams at 502-848-8727.



### PRE-K FACTOID

## Parents play primary role in developing their children's future work habits, characteristics

THE SKILLS NEEDED to be a successful and productive employee begin at home and early in a child's life. Communication, language and vocabulary skill-building starts at birth, and sets the stage for a child to become a lifelong learner – a valuable employee characteristic. Parents play the primary role in developing these, and other abilities in their child. The *My Baby Handbook*, found online at [infantnurture.org](http://infantnurture.org), includes many examples of activities, such as reading or the use of hand signs, parents can engage in with their infant to promote the development of these skills.

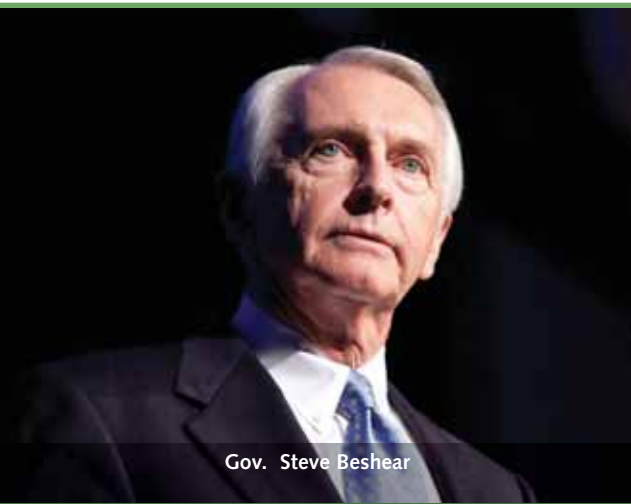
# KYCHAMBERBLOG.COM



The official public affairs blog from the Kentucky Chamber  
Visit [kychamberblog.com](http://kychamberblog.com) to get the latest Kentucky Chamber news and information about business-related legislation in Frankfort and Washington, D.C. The Chamber's newly redesigned blog is updated several times per week and features posts about education, government efficiency, health and wellness, global competitiveness, and energy and environment.

# 16th Annual Kentucky Chamber Day

Presented by



Gov. Steve Beshear



Senate President David L. Williams



House Speaker Greg Stumbo



Senate Minority Leader R.J. Palmer



House Minority Leader Jeff Hoover

## Tax code, Medicaid and education debated at Kentucky Chamber Day

**DURING THE 16TH ANNUAL** Kentucky Chamber Day dinner, presented by Fidelity Investments, Kentucky President and CEO Dave Adkisson, legislative leaders and the governor entertained the record crowd of over 1,200 and provided enough political banter to last the remainder of the 2011 session.

Adkisson spoke first, commending the legislators for their 2010 accomplishments and unveiling the Chamber's 2011 agenda.

Political speakers included House Minority Floor Leader Jeff Hoover, Senate Minority Floor Leader R.J. Palmer, House Speaker Greg Stumbo, Senate President David L. Williams and Gov. Steve Beshear. Rep. Hoover touted the House's proposal to withhold pay from legislators during a special session if necessitated by their failure to pass a budget, while Sen. Palmer advocated tax reform and reducing government as ways to stimulate the economy. Speaker Stumbo discussed the House's goals, including raising the dropout age and implementing employer responsibility in immigration reform.

Sen. Pres. Williams discussed the Senate's ambitious "Agenda for Prosperity," stating Kentucky must reform its tax code and education system in order to compete with surrounding states like Tennessee. Gov. Beshear concluded the evening reiterating his goals for the session — to raise the dropout age and shore up the Medicaid budget by expanding managed care.



PHOTOS BY KELLIE CARTER

From top: Attorney General Jack Conway and Kentucky Chamber Chairwoman Deb Moessner, Anthem Blue Cross and Blue Shield; Kentucky Chamber President and CEO Dave Adkisson and past Chamber Chairwoman Jean Hale, Community Trust Bank; Past Chamber Chairman Darby Turner, Greenbaum Doll and McDonald, and Donna Hodsdon, The Lane Report; Elizabeth McCoy, Planters Bank, Luther Deaton, Central Bank and Trust, and Agriculture Commissioner Richie Farmer; Dave Freibert and Charles George, Kentucky Chamber; Nick Rowe, Kentucky American Water, and Paula Hanson, Dean Dorton Allen Ford; Past Chamber Chairmen Bill Jones, U.S. Bank, and Craig Guess, Vanguard Contractors; Kevin Canafax, Fidelity Investments; More than 1,200 attended Kentucky Chamber Day on Jan. 6.





Kentucky Chamber President and CEO Dave Adkisson appeared on PBS NewsHour on Feb. 7 to provide a reaction to President Barack Obama's speech to the U.S. Chamber of Commerce.

**FROM THE FRONT**

**Adkisson: Obama's speech a good message for the business community**

"I think it was a major gesture, after several contentious months, between the business community and the administration," Adkisson told *NewsHour's* Gwen Ifill. "I think it was a good message for the business community to hear and an important gesture in which a new relationship can be built."

While the president didn't directly address some of the high-profile differences such as health care and energy, he did offer support for revenue-neutral tax reform that would lower the corporate income tax. During his speech he also promoted free trade deals and promised to help eliminate outdated and unnecessary regulations.

"Today, American companies have nearly \$2 trillion sitting on their balance sheets, and I know that many of you have told me that you're waiting for demand to rise before you get off the sidelines and expand, and that with millions of Americans out of work, demand has risen more slowly than any of us would like," said Obama. "We're in this together. But many of your own economists and sales people are now forecasting a healthy increase in demand. So I just want to encourage you to get in the game."

The interview can be found on [pbs.com/newshour](http://pbs.com/newshour).

**FROM THE FRONT**

**Legislative issues to watch**

**CORRECTIONS REFORM** — For more than a year, the Kentucky Chamber has highlighted corrections costs as one of the areas of state government needing significant reform. As noted in the Leaky Bucket report, Kentucky has unusually high incarceration rates in relation to a relatively low crime rate. The Pew Center on the States has been working on a viable solution to this problem for the last year and has offered proposed solution. The Chamber is a strong proponent of these reforms and will push for passage.

**PENSION REFORM** — Legislators made headway in reforming the state's pension systems in 2008. This past year, they made progress in helping the teachers' retirement system gain more solid footing. These efforts were a good first start. Independent reports indicate that the systems will still go broke if we don't make additional changes. SB 2 would establish a 401(k) type of retirement system for all new state employees, legislators and judges beginning July 1, 2012. While there are up-front costs to changing to a defined contribution system, the long-term solvency requires a move in this direction.

**STATEWIDE SMOKING BAN** — Smoking in enclosed public places, including the workplace, hotels and restaurants would be prohibited under HB 193. The bill would also establish a fine schedule for both individuals and businesses that are found in violation of the law. In a survey sent to Chamber members this past summer, 86 percent of Chamber members said they favored a smoking ban inside public buildings in Kentucky. Business leaders see this as a matter of public health – something that impacts their bottom lines.

**EDUCATION REFORM** — Now that our businesses and students must compete not only with their peers from neighboring counties and states, but those from around the world, it is vital that our education system produce what the modern workforce needs. This session, multiple education bills have been filed to work toward this goal. SB 13 seeks to increase the number of students succeeding in advanced placement science, technology, engineering and math (STEM) courses through incentive pay for teachers of those subjects. Voluntary charter schools, public schools that utilize innovative academic and management techniques to meet student needs, would be allowed by SB 3. High school students who are academically ready as juniors could graduate early and move on to college and a career with SB 69. If passed, these bills have the potential to improve the workforce business needs.

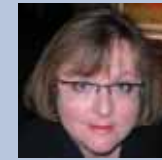
**ENERGY** — The Chamber has long been a supporter of Kentucky's coal industry and the protection of Kentucky's low-cost utilities. In the 2011, there are several bills that could threaten our energy stability and low electric rates by



Kentucky Chamber Vice President of Public Affairs Bryan Sunderland and Rep. Brad Montell discuss business policy issues.

**SENIOR POLICY ADVISORS**

In addition to its core lobbying team, the Chamber also has three senior advisors for consultation on policy development.



**Senior Policy Advisor on Education & Communication**  
Diana Taylor



**Senior Policy Advisor on Small Business & State Government**  
Bob Gray



**Senior Policy Advisor on State Budget and Fiscal Policy**  
John Cubine

regulation on the disposal and recycling of coal ash (HB 237) and a mandate that Kentucky's electric companies add renewable energy to their portfolio. While the Chamber supports the use of voluntary renewable energy resources, such as biomass products like woodchips, algae and switch grass, we are against mandates that would raise cost to consumers and businesses. The Chamber strongly supports SB 34, which would lift Kentucky's statewide nuclear power moratorium and allow for the construction of a nuclear power facility in the state to complement and diversify Kentucky's utility portfolio that already includes coal, natural gas and hydroelectric power.

**UPCOMING SEMINARS AND EVENTS**

Kentucky Worksite Wellness Conference	March 1, 2011	Lexington
8th Annual Ky. Workers' Comp Conference	March 8-9, 2011	Lexington
OSHA Recordkeeping	March 15, 2011	Lexington
Health Savings Accounts: Update	March 17, 2011	WEBINAR
9th Annual Ky. Environmental Conference	March 24-25, 2011	Lexington
Remaining Union-Free Under the NLRB	March 31, 2010	Bowling Green
7th Annual Best Places to Work in Kentucky	April 20, 2011	Lexington
Ramping Up Recruiting	April 21, 2011	WEBINAR
OSHA 10 Hour General Industry Compliance	April 26-27, 2011	Louisville
OSHA 30 Hour General Industry Compliance	April 26-29, 2011	Louisville

For further details and pricing information, visit [kychamber.com](http://kychamber.com)



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# PREVENT NOW OR PAY LATER

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## 3rd Annual Kentucky Worksite Wellness Conference

March 1, 2011  
Hilton Lexington Downtown  
Lexington, Ky.

The focus of wellness is changing: employers are more focused on keeping healthy employees healthy — not just encouraging unhealthy employees to change their lifestyles. Improving the health of at-risk employees, while maintaining the wellness levels of already healthy employees is the key to lower health care costs and higher workplace productivity. Employers who take aggressive action toward implementing wellness programs will see decreased health care costs, increased awareness for both low- and high-risk employees, and reduced absenteeism, which can save the company thousands of dollars on down-time, temporary employment and other factors that come into play when employees cannot work due to illness.

This conference will help you understand exactly what it takes to create and implement an effective wellness program, how to measure your return on investment, how to create a culture of health and the legal implications you need to be aware of when implementing or maintaining a worksite wellness program. This is a must attend event for any company that is serious about worksite wellness.

Register online at [kychamber.com](http://kychamber.com)

HUNDREDS OF DECISIONS to, “prevent now or pay later” are made in business everyday. For example, should you schedule preventive maintenance for company vehicles or drive until the tires fall off? This decision is a no-brainer, but not all are this clear. Each decision involves estimating the value of prevention versus doing nothing. This is especially true for wellness at the worksite.

The scenario for the wellness decision is similar for most companies: employee-related cost increases result in financial pain, which leads to a search for solutions. In the short-term, companies have managed to escape the financial pain of rising costs by switching carriers or cost-shifting, but neither approach is sustainable.

So why are costs going up and what are better options? The primary driver of cost increases is chronic disease such as obesity, diabetes, etc. The Center for Disease Control estimates that about 75 percent of the health care cost burden is attributable to chronic disease. So what causes chronic disease? Findings from several studies indicate that about 70-91 percent of major chronic diseases can be directly linked to modifiable lifestyle behavior. In summary, to get to the root of the cost problem, worksite wellness programs must change employee behavior.

Why don't more companies invest in wellness? Companies may hesitate to invest because of past wellness failures, they may be too impatient to wait for the long-term benefits, or they may not understand the short-term benefits of a well-designed wellness program.

Upon implementing a wellness program that changes employee behavior, what benefits should you expect? Documented long-term benefits include: improved health behaviors, reduced sick leave, workers compensation, long-term and short-term disability costs and health care costs (particularly for the self-insured). Benefits more difficult to document include improved work effectiveness and decision-making. But what if company leadership cannot wait for long-term benefits? Good news, there are short-term benefits associated with wellness programs.



GUEST COMMENTARY  
BY TROY ADAMS, PH.D.

*Troy Adams is COO of WellSteps, and the keynote speaker for the Kentucky Chamber's 3rd Annual Worksite Wellness Conference, March 1, 2011.*

First, diabetics that change lifestyle can be diagnosed as “non-diabetic” in about six weeks. Second, high-risk pregnancy programs that encourage prompt and regular medical care can result in positive returns in under a year. Third, medical self-care programs often result in savings in a year or less. Fourth, smoking cessation programs have resulted in short-term savings by reducing bronchitis related sick leave and medical costs. Fifth, stress reduction programs have reduced physical complaints such as migraines, joint pain and other conditions. Finally, employers can get a quick return on investment by focusing on injury prevention at work and at home. Injuries manifest as health care, sick leave, disability and sometimes workers compensation costs.

In summary, any company can apply wellness strategies that result in short-term returns. Remember, once short-term returns are realized some of the savings should be invested in long-term strategies.

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# NEWS

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