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New overtime rules start December 1

Major changes to the federal overtime rules are going into effect on December 1, and this could mean big changes in the workplace. Some 4.2 million employees who aren't eligible for overtime now will become eligible under the new rules. This could prompt many businesses to reduce overtime hours, hire new workers, raise or lower salaries, convert salaried employees to hourly employees, and adjust bonuses and commissions.

Many white-collar employees who have never tracked their hours will now need to learn to do so, including many who telecommute or have flexible schedules.

As a general rule, employees must be paid time-and-a-half if they work more than 40 hours in a week, unless the employee is "exempt." Currently, employees are "exempt" if they earn at least \$23,660 per year; are paid on a salary basis; and perform managerial, professional, or administrative tasks. Employees who do *not* have managerial, professional, or administrative jobs are exempt if they earn more than \$100,000.

Here's what's changing on December 1:

◆ The minimum salary for exempt employees will more than double, to \$47,476. That means anyone making less than \$47,476 annually will be entitled to overtime, no matter what kind of job they have.

◆ Employees who don't have managerial, professional or administra-



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tive jobs will be eligible for overtime if they make up to \$134,004 a year.

- ◆ These new figures will be indexed to keep up with inflation.
- ◆ In determining whether an employee earns enough to be exempt, an employer can now count bonuses and commissions. However, these payments can be included only up to 10% of the threshold, and only if they're paid at least quarterly according to a formula set in advance.

Almost all small business owners will want to consult with a lawyer and consider whether it makes sense to adjust their compen-

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Medical errors are the third leading cause of death in the U.S.

If someone asked you to list the leading causes of death in the United States, you might name heart disease, cancer, car accidents, strokes, and other problems.

But would you think of “medical mistakes”?

According to researchers at the prestigious Johns Hopkins University, you should.

In a study published in the British Medical Journal,

they found that medical errors caused more than 250,000 deaths a year in the U.S. between 2000 and 2008. Only heart disease and cancer caused more fatalities during that period.

That means medical mistakes were responsible for about 700 deaths a day, or

nearly 10 percent of all deaths in the country.

When most people think of medical errors, they might imagine a botched surgical procedure or a doctor failing to diagnose a serious condition until it's too late to treat it. Those are certainly errors, and can show a lack of skill or training. But perhaps more common today are the sorts of inadvertent but deadly slip-ups that happen due to our increasingly overburdened health care landscape.

These can include busy hospital nurses giving someone the wrong dosage of a medication or giv-

ing drugs meant for one patient to another, doctors ordering a prescription without getting a full report of other drugs the patient is taking and checking for interactions, and communication breakdowns when a patient is moved within a hospital or discharged to another facility.

Why aren't medical errors more widely reported? One reason is that doctors and nurses can be reluctant to admit that a patient died due to a preventable mistake.

But according to the authors of the study, another problem is that even if a patient dies due to an error, the Centers for Disease Control and Prevention will count the “cause of death” as the underlying sickness for which the patient was seeking treatment. So if a cancer patient dies due to being given the wrong drug in a hospital, this will be treated as a death due to “cancer,” even if the cancer itself wasn't fatal.

Not only that, but the Johns Hopkins researchers only looked at errors made by medical personnel. The number of people who die due to medical mishaps would be far higher still if the statistics included hospital equipment failures, malfunctioning medical devices, and dangerous prescription drugs.

People who are injured due to a medical mistake have a right to seek compensation, just as they would for a car accident. Often, people suspect a medical error, but they are reluctant to pursue their rights because they assume that health care mistakes are rare and unlikely. This study should go a long way toward putting things in perspective.



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The danger of waiting too long to do estate planning

Some people never get around to writing a will or planning their estate until the last minute, when they have grown old and have a serious illness.

Other people write a simple will when they're young, but never review or update it until something happens that makes them think that death is imminent.

While any estate planning is better than none, the vast majority of mistakes and problems occur when people procrastinate planning their estate and then try to do it in a hurry.

If you wait until the last minute, it might be very difficult to locate all the documents you need to properly execute an estate plan. And you might not

have sufficient time to take advantage of all the techniques that are available to save taxes and properly take care of your heirs.

In addition, last-minute changes to your will can be very disturbing to family members. A great many will contests are the result of heirs whose expectations were upset by eleventh-hour amendments.

Estate planning is a critical part of your overall financial planning. Most people would never buy a stock or other investment and then completely ignore it for 20 years. In the same way, you should review and update your estate plan every few years, or whenever there's a significant change in your circumstances.

New overtime rules will mean changes in the workplace

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sation and employment practices in light of the new rules.

Here are some changes that business owners will likely be considering – some of which will benefit employees overall, and some of which might not:

- ◆ Workers who earn just under the \$47,476 threshold might be given a raise to \$47,476 in order to avoid overtime.

- ◆ Salaried workers who earn between \$23,660 and \$47,476 and regularly work more than 40 hours a week might be converted to hourly workers, with their hourly rate determined by their current salary and the average number of hours they currently work. The result would be that these employees' overall compensation would stay the same, even though they will now be receiving overtime pay.

- ◆ Businesses that regularly ask employees to work more than 40 hours a week might find it advantageous to reduce these employees' hours and

instead hire part-time workers or temps.

- ◆ Some companies might try to turn employees into independent contractors – although this is difficult and can get a business into a lot of trouble if it's done incorrectly.

- ◆ Companies might want to adopt clearer policies about what constitutes "work." For instance, they might want to prohibit employees from checking their work e-mail at home if doing so could trigger overtime.

Businesses that fail to follow the new rules can be subject to stiff fines as well as back pay and other penalties. And any changes that a company makes will also need to take into account *state* overtime regulations, which are still in effect despite the federal change.



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Do you really understand your Miranda rights?

Everyone has seen police read suspects their Miranda rights on TV, but do you really understand them?

Perhaps surprisingly, there is no one single form of Miranda warnings. Police departments across the country use hundreds of different versions. But the basic idea is that, before police question you while in custody, they must tell you that (1) you don't have to answer, (2) any answers you provide will be used against you, (3) you can speak to a lawyer beforehand, (4) you can have a lawyer present during questioning, and (5) if you can't afford a lawyer, one will be appointed free.

Back in 1966, the Supreme Court ruled that if police don't give these warnings first, then suspects' answers to questions can't be used against them in court. (The case involved a suspect named Ernesto Miranda.)

If you or someone you know is ever taken into custody by police and questioned, the best advice is simple: You have the right to remain silent, and *you should remain silent*. You have the right to consult an attorney beforehand, and *you should consult an attorney*.

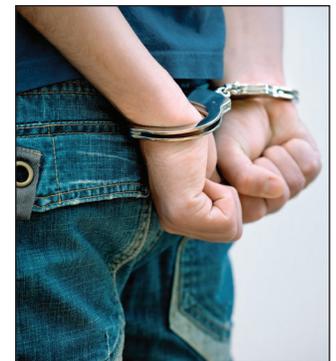
Refusing to answer questions and talking to a lawyer first is the way that you will most likely avoid further trouble.

Many people who have been arrested make the mistake of answering police questions because they don't fully understand their rights. This is especially likely if they're young, they don't speak English well, or they're extremely nervous.

Many highly educated people also make this mistake. They are often very good speakers, and they think that if they just explain everything in detail, the police will let them go.

What they don't realize is that a police interrogation is a very special situation, with rules and purposes that the police fully understand but that they don't understand at all. Only by staying silent and consulting a lawyer first can they level the playing field and limit the chances of further problems.

The Miranda rights are there for a reason – they're to help you. Even if you're completely innocent, it's best to refuse to answer questions and talk to a lawyer. That's the best way to establish your innocence and stay out of trouble.



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Divorcing? Record your home on your smartphone

If you're getting divorced and you'll be moving out while your spouse stays in the house, it's a good idea to use your smartphone to make a video record of the home at the time you left it.

For one thing, you might not be able to take everything that's important to you with you at the time you

move, especially if you're going to a smaller place. And once you move out, you'll have little control over the home's maintenance and upkeep.

As a result, whether accidentally or on purpose, your spouse might throw out, destroy or sell belongings of yours that have significant monetary or sentimental value. Your spouse might also let the house fall into disrepair, or there might be some damage to the home, which could lower its value.

Without a video record of the condition of the home at the time you left, it can be hard to establish what things were there and what issues are your spouse's responsibility.

At a time when nobody else is home, record yourself walking through the house – both inside and outside – noting the condition of the property and filming any items that are important to you and discussing them on the video. This can be very helpful to an appraiser later.

You should also include a shot of that day's newspaper, noting the date, so your spouse can't claim the inventory was made earlier than it really was.

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