



BASIC ERISA Essential



Coast to Coast Administration



**BASIC services over
18,000 employers
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Technology Driven HR Solutions to Take Your Company Further

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HR Solutions should be simple. **Keep it BASIC.**

ERISA



- What is ERISA?
- Who has to comply with ERISA?
- What is an ERISA Welfare Benefit Plan?

ERISA Compliance



Group Welfare
Benefits
Medical, Dental



1- 99 employees
SPD & SMM
100+ employees
Form 5500



Regulated by DOL's
Employee Benefits
Security
Administration
(EBSA)



Fines that could
range from \$110
per day to over
\$2,233 per day

ERISA Essentials



If it applies to you...we
take care of it!



Prevent Costly
Fines and Litigation



Certified Compliance
Experts

Ensure your company is compliant with all ERISA regulations.

➤ ERISA Essentials - We've got you covered!

- WRAP Summary Plan Description (SPD)
- Plan Document
- Summary of Material Modification (SMM)
- ERISA/PPACA Required Model Notices
- PCORI 720 Form Instructions
- Form 5500 & Filing if applicable
- Schedule A & C and Summary Annual Report (SAR) if applicable
- Non-Discrimination Testing (additional charges apply)

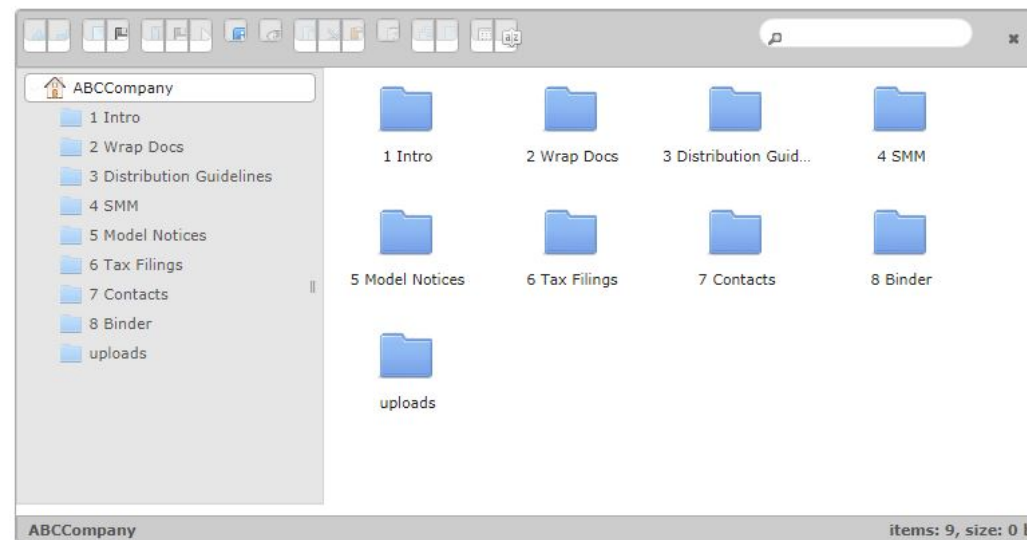


➤ Compliance Portal



24/7 access to your **secure online ERISA documents**

File Repository



➤ Compliance Blog

The Importance of a WRAP SPD

Posted on July 26, 2018 by ERISA Compliance in WRAP SPD

What exactly is an SPD? An SPD (Summary Plan Description) is a reader-friendly document that informs ERISA welfare benefit plan participants about their plan and how it operates. It's an extremely helpful tool for both employers and employees. It simplifies the administrative burden an employer is normally forced to carry, and makes the form 5500 filing process much easier. It also gives employees detailed information about their benefits which can prevent missteps in the future. **Which employers need an SPD and why?** Private sector employers of any size who sponsor an ERISA welfare benefit plan are required to provide an SPD to all eligible employees who participate in the plan. A welfare benefit plan includes health, dental, vision, life, disability plan, FSAs, HRAs and employee assistance programs (EAPs). **What makes an SPD special?** Often, employers...

CMS Disclosure

Posted on February 13, 2018 by ERISA Compliance in Medicare Part D

As part of the disclosure requirements under Medicare Part D, employer-sponsored group health plans that offer prescription drug coverage to Part-D eligible individual are required to submit an electronic disclosure notice to the CMS on an annual basis, reporting whether that coverage is creditable or non-creditable. A plan sponsor must submit a new disclosure to CMS no later than 60 days after the beginning of each plan year-i.e. **by February 28, 2018 for calendar year plans**. This requirement applies not only to employer-sponsored retiree health plans but to employer-sponsored plans extended to active employees and their covered spouses who are enrolled or are Medicare-eligible. Disclosure is made online using the Disclosure to CMS Form available on the CMS website ("Disclosure to CMS Form"). In addition to the annual disclosure, plan sponsors must submit...



➤ WRAP Plan Document

Description

- All ERISA covered benefit plans, including group health plans and other welfare plans must, by law, be administered in accordance with a written plan document.
- ERISA, HIPAA and other Federal Laws require the plan document to contain certain specific provisions.

What to do

- It is to be kept in your files, along with the benefit booklets and insurance certificates for each benefit.

➤ SPD & Summary of Material Modification

SPD Description

- Summary of the provisions of the plan in language understandable to the average participant; gives details on the administrative operations of plan, claim procedures, and statement of ERISA-protected rights.

SMM Description

- Summary of any material modification to the plan and any change in information required to be included in the SPD.



SPD & SMM Penalty

- A penalty of up to \$110 a day per request for a plan administrator's failure to furnish requested information within 30 days, unless failure results from matters reasonably beyond the plan administrator's control. (*ERISA §502(c)(6)*)

➤ Summary of Benefits and Coverage (SBCs)

Description

- Documents received from your Medical, Dental & Vision Carriers that describe the benefits & coverages.

Who Must Furnish

- The Employer is responsible for distribution to eligible participants.

➤ Summary of Benefits and Coverage (SBCs)

When Provided

- At initial enrollment and then reissued each year thereafter.

Penalty

- A willful failure can trigger a \$1,176 penalty for each affected individual.





ERISA/PPACA Model Notices

- **Description:**

- ERISA and the Affordable Care Act requires group health plans to provide a number of information notices to employees and other individuals eligible for benefits under the plan.

- **Who Must Furnish:**

- The Employer is responsible for distribution to eligible participants.

- **When Provided:**

- Some are annual and others are at different times of the year

Tax Filings & Reports

**Form
5500**

Annual Return/Report
of Employee
Benefit Plan

**Summary
of Annual
Report**

An annual statement in
narrative form that
summarizes the latest
annual report (5500)
for the plan

PICORI

Groups that have a self-insured
plan or a self-insured HRA you
are required to pay the PCORI
Fee and “may” have to pay the
fee if the Employer contributes
to the employees Flex.



5500 Penalties

- As of January 15, 2021, the DOL per day penalty for failure to properly file an annual report has increased from \$2,233 to \$2,259, with no maximum.
- In addition, the IRS can also assess a penalty for late filers up to \$250 a day, up to a maximum penalty of \$150,000 per plan year.



➤ Delinquent Filer Voluntary Correction Program (DFVCP)

Problem Averted

- Allows Plan Administrators to file overdue 5500s, the Department of Labor's Employee Benefits Security Administration (EBSA) is providing plan administrators with the opportunity to pay reduced civil penalties for voluntarily complying with the annual reporting requirements.



QUESTIONS



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HR solutions should be simple.
Keep it BASIC.

Disclaimer

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