



# Compliance dashboard™



Know Your Compliance Obligations  
Minimize Your Risk

**Compliancedashboard™** Makes It Simple

Whether large or small, self-insured or fully insured, all private sector employers that sponsor health and welfare plans have obligations under ERISA<sup>1</sup> and other laws. In addition, many employers are unaware of these obligations and are surprised to learn of their liability for penalties and judgments when these obligations are not met.

#### **How Does Compliancedashboard Help?**

**Compliancedashboard** is a web based tool that helps employers understand their compliance obligations by giving them the information they need, when they need it. What's more, it helps employers fulfill their compliance duties through an interactive email and follow-up system that monitors the progress of each compliance activity.



<sup>1</sup> Employee Retirement Income Security Act

## Do You Know?

Many different types of health and welfare plans are covered by ERISA and have specific compliance requirements.

Plans that may be covered include:

- Medical Insurance
- Dental Insurance
- Health Flexible Spending Accounts (FSA)
- Group Term Life
- AD&D Policies
- Short and Long-term Disability
- Severance Programs
- Certain Voluntary Insurance Programs



## Most Plan Sponsors (employers) are ERISA “Plan Administrators”.

This designation carries with it direct responsibility for many compliance obligations and liability (both personal and corporate) for non-compliance.

## Both Plan Sponsors and Plan Administrators can be ERISA “Fiduciaries”

As Fiduciaries, they are held to a high standard of conduct, especially in terms of decision making and disclosures to plan participants.

# What makes Compliance dashboard unlike any other compliance resource?

Its multifaceted approach toward compliance assurance for health and welfare plans.

## Information Aggregator | Where do I find the information I need?

Employers often struggle with determining what laws affect their health and welfare plans and what steps they must take to comply with them. While there is a vast amount of material available, identifying trusted sources and pulling together the right information requires considerable time and research.

*Compliance dashboard gives you all the information you need in one easy-to-navigate web site. What's more, the information is **relevant**. It is written in plain English and tells you exactly what you need to know as an employer.*



- 1 Introduction
- 2 What You Should Know
- 3 Schedules
- 4 Form 5558
- 5 Additional Resources



## On-Time Execution | What do I need to do and when do I need to do it?

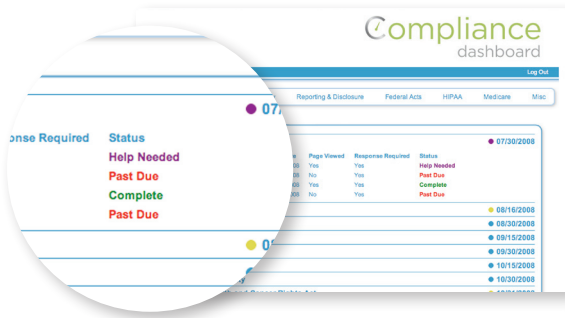
Finding the relevant laws is just the first step in the process. Employers are frequently overwhelmed as they attempt to process compliance information, and then determine how and when to apply it.

*Compliance* dashboard breaks down an employer's compliance responsibilities into clear and understandable topics, which are summarized on a compliance calendar. Employers receive email reminders to review these topics as appropriate. If a compliance topic is date sensitive, an employer will receive all of the information they need at the right time to complete the task. In short, it gives employers the compliance information they need, when they need it.



## Verification and Follow-up | Who will make sure it gets done?

The compliance process often breaks down after an employer determines that a compliance task is required. Other priorities arise and the task is put on hold and sometimes forgotten. In addition, Human Resources site leaders may not understand their role in executing a compliance task or forget to pass out required notices.



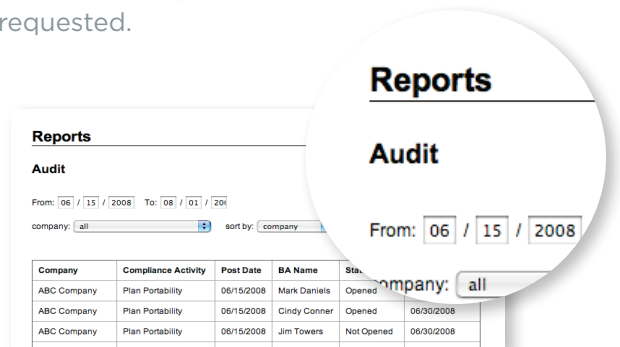
*Compliance* dashboard monitors compliance by requiring a response from users after a task is completed and sends out automated reminders when a required task is past due. The Home page gives each user an at-a-glance view of the status of each compliance task. In addition, an Administrator in a multi-location group can easily monitor the status of all users assigned a compliance task.



## Audit Trails | How do I document our compliance efforts?

Whether for internal review purposes, or to submit to an outside agency or court, employers need the ability to document the procedures they have established and the compliance actions they have taken. Unfortunately, very few employers take the time to record their compliance efforts and find themselves at a loss when this information is requested.

*Compliance* dashboard maintains on-going reports of compliance activities with dates, names and acknowledgements. These reports can clearly demonstrate an employer's good faith efforts to comply with applicable laws and regulations. They can also be used internally to identify potential problem areas.



## Compliance Matters

Employers who do not fulfill their obligations under the laws that govern their health and welfare plans expose themselves to a wide variety of fines, penalties and potential law suits.

**A plan participant filed a lawsuit against an employer who did not provide a copy of a Summary Plan Description (SPD) after written requests.**

The case eventually settled, but not until the employer paid significant attorney fees and paid the participant \$24,000 as part of the settlement.

**COBRA compliance is an actively litigated area with many pro-employee and beneficiary interpretations by the courts.**

In a 2005 case, a court ordered a plan administrator (employer) to pay \$279,840 in penalties for failure to provide COBRA notices to two qualified beneficiaries. In another lawsuit, the court ordered an employer to pay a COBRA qualified beneficiary's medical expenses of approximately \$125,000 and attorney fees of \$27,000.

**Employers often do not understand that most of their group insurance benefit plans (such as medical, dental, vision, life, LTD, STD) are subject to ERISA.**

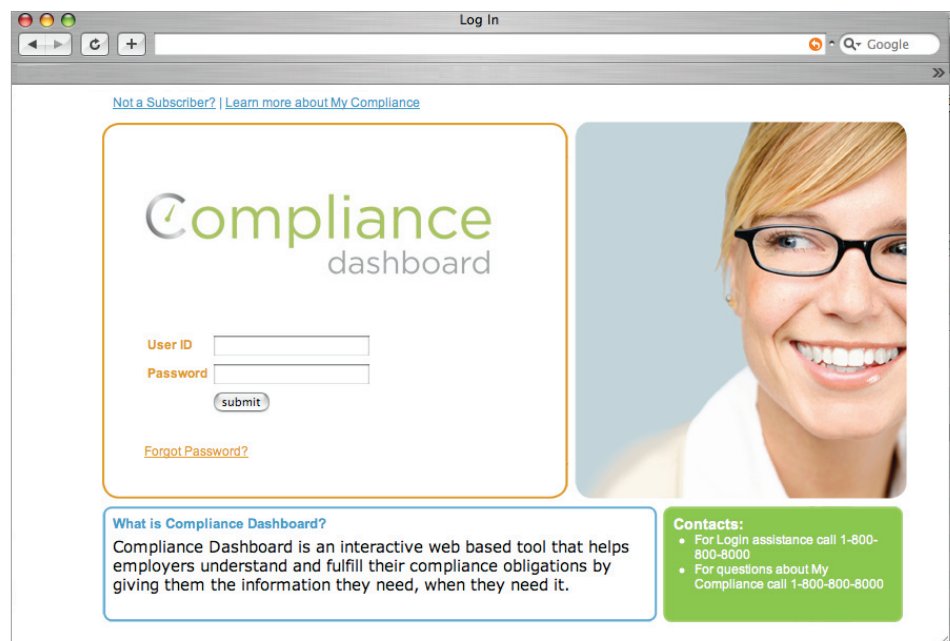
Failing to follow ERISA's reporting and disclosure requirements, such as filing a Form 5500, can result in penalties of \$1,100 per day for each plan not properly reported.

## Who Can Benefit from Compliancedashboard™?

**Employers** who do not have a dedicated HR staff or have a small staff with multiple responsibilities. Staff members are typically not trained or educated in this aspect of group insurance, and in many cases, these employers are unaware of their obligations and the fiduciary standards to which they are being held.

**Employers** with multiple locations who distribute compliance information from a home office or central location to multiple regional offices. Home office personnel do not always have the time or ability to train regional offices on health and welfare plan laws, nor can they follow-up and ensure compliance instructions are understood and carried out.

**Multiple Employer Plans** including Trade Association Trust Funds and Taft Hartley Welfare Funds, where responsibility for health plan compliance is often not clearly defined or understood among the various entities involved in plan administration. In many cases, no one is accountable for assuring that compliance tasks are fulfilled or for educating the individual employers on their compliance responsibilities.



**Compliance**dashboard is a product of:

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