

# Compliance dashboard®



Making sense of compliance

# Know Your Compliance Obligations. Minimize Your Risk.

Employers that sponsor employee benefit plans have obligations under various federal laws. These employers are often unaware of their obligations and are surprised to learn of their liability when these obligations are not met.

## Compliance 101

**1 Many different types of benefit plans are covered by ERISA and/or the Public Health Service Act (PHSA) 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
- Long-term Disability
- Severance Programs
- Certain Voluntary Insurance Programs
- 401(k)

**2 As Plan Sponsors, private sector employers are generally “Plan Administrators.”**

Plan Administrators are directly responsible for many compliance obligations and liability (both personal and corporate) for non-compliance.

**3 Both Plan Sponsors and Plan Administrators can be “Fiduciaries.”**

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

## How it works

### 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. Identifying trusted sources and correct information requires considerable time and research.

**Compliance**dashboard® gives you all the information you need in one easy-to-navigate website. The information is relevant and easy to understand. Icons present an at-a-glance view of your responsibilities.

### ON-TIME EXECUTION

#### What do I need to do and when do I need to do it?

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 both long-term and date-sensitive topics when needed.



## How Does Compliancedashboard® Help?

**Compliancedashboard®** is a turnkey compliance solution that helps employers understand their compliance obligations by giving them the information they need, when they need it. It helps employers fulfill their compliance duties through an interactive email and follow-up system that monitors the progress of each compliance activity.

### What's at stake

#### Plan Administrator Liability

Typically, an employer that sponsors a group health plan is:

- Directly responsible for ensuring most compliance obligations are met
- Liable for penalties if legal duties are not satisfied

#### Fiduciary Responsibility

Fiduciaries may be held to a very high standard of behavior and can be held personally liable for failure to perform their duties in accordance with the governing laws and plan documents.

#### DOL/IRS Audits

All benefit plans are subject to investigation by the DOL.

- DOL has the power to subpoena documents and witnesses
- Compliance procedures and documentation are key components of DOL investigations

#### Benefits Liability

Compliance defects in documentation or eligibility can cause an employer to provide unintended benefits or benefits outside the plan terms that may not be covered by insurance.

#### Corporate Transaction Issues

Due diligence surrounding the sale/merger of a business unit often involves the inspection of legal compliance.

- Proper documentation and record keeping are inspected
- Deficiencies can impact the business transaction

#### Document Request Liability

Plan participants have the right to request and inspect plan documents. Statutory penalties and lawsuits may occur if employers do not maintain compliant documents.

### VERIFICATION AND FOLLOW-UP

#### Who will make sure it gets done?

The compliance process often breaks down if employers are unsure how to handle a task. Human Resources site leaders may not understand their role in executing a compliance task or forget to distribute required notices.

**Compliancedashboard®** 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. Administrators in a multi-location groups can easily monitor the status of all users assigned a compliance task, too.

### AUDIT TRAILS

#### How do I document our compliance efforts?

Whether for internal reviews or outside agencies and courts, employers need the ability to document their compliance actions and procedures. Unfortunately, many employers find themselves at a loss when this information is requested.

**Compliancedashboard®** maintains ongoing reports of compliance activities with dates, names and acknowledgements. These reports can 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.



## Who Can Benefit from **Compliancedashboard**®?

**Small employers** without dedicated HR staff or a who 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.

**Large employers** with a dedicated human resources department. While HR staff may be knowledgeable in this aspect of group insurance, they are typically inundated with day-to-day HR responsibilities that are more time-sensitive or pressing. They may not have the time to follow-up and ensure compliance instructions are understood and carried out.

**Multiple location employers** who distribute compliance information from a home office 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** where no one is designated with accountability for assuring that compliance tasks are fulfilled. Responsibility for health plan compliance is often not clearly defined or understood among the various entities involved in plan administration. In many cases, individual employers are not educated on their compliance responsibilities.