



Making sense of compliance.



## What makes **Compliancedashboard** unlike any other compliance resource?

Its comprehensive approach toward compliance assurance for employee benefit plans.

# Know Your Compliance Obligations. Minimize Your Risk.

Private sector employers that sponsor employee benefit plans have obligations under ERISA<sup>1</sup> and other federal laws. These employers are often unaware of their obligations and are surprised to learn of their liability when these obligations are not met.

## 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. 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.

**Compliance Icons: Health and Welfare Plans**

**Compliancedashboard** simplifies compliance by breaking it down into its core components. These components are represented by icons that are used throughout the dashboard allowing you to tell, at-a-glance, what must be done to complete a compliance obligation. The large icons are shown on the compliance activity web pages and the emails that remind you to complete the activities. The small icons precede the compliance activity names that are listed on the main dashboard.

- NOTICE** (Icon: person with speech bubble) Distribute a notice/information to employees and/or plan participants.
- DISCLOSURE** (Icon: document with checkmark) Verify that certain plan information is disclosed in the appropriate plan documents.
- REPORT** (Icon: building with flag) File a form or report information to a government agency.
- EDUCATION** (Icon: book with checkmark) Review the information provided to ensure you understand what is required of you and your plan.

Activities	Dist. Date	Due Date	Status
<b>January</b>			
<b>ERISA Introduction</b> Educational Review	01/01/2013	01/07/2013	✓ Completed
<b>WETRA</b> Educational Review	01/07/2013	01/15/2013	✓ Completed
<b>Early Retiree Reinsurance Program</b> Distribute Notice	01/15/2013	01/22/2013	⚙ No Response Required
<b>Mental Health Parity Act</b> Educational Review	01/22/2013	01/30/2013	✓ Completed

## 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.

**Compliancedashboard** gives you all the information you need in one easy-to-navigate web site. In addition, the information is relevant and easy to understand. Icons present an at-a-glance view of your responsibilities. The content is written in plain English and tells you exactly what you need to know as an employer.

## 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.

**Compliancedashboard** 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.



## 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
- Long-term Disability
- Severance Programs
- Certain Voluntary Insurance Programs
- 401(k)

As Plan Sponsors employers are generally ERISA “Plan Administrators”.

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

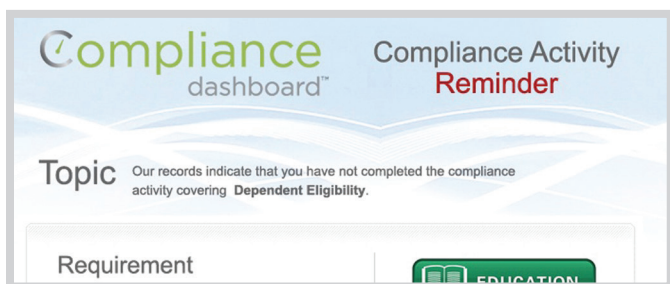
Both Plan Sponsors and Plan Administrators can be ERISA “Fiduciaries”

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

## Compliance Matters

Compliance failures can result in significant legal issues:

- **Plan Administrator Liability:** The employer is typically the ERISA Plan Administrator and directly responsible for ensuring most compliance obligations are met and is liable for penalties if these legal duties are not satisfied.
- **Fiduciary Liability:** Employers, as ERISA Fiduciaries, are 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. The DOL and any plan participant or beneficiary may sue for breach of fiduciary duty and may seek imposition of personal liability on the fiduciary responsible for the failure.
- **DOL/IRS Audits:** All ERISA benefit plans are subject to audit and investigation by the DOL, which has the power to subpoena documents and witnesses. Compliance procedures and documentation are key components of these investigations.
- **Benefits Liability:** Compliance defects in documentation or eligibility can cause the employer to provide benefits that are unintended and outside the plan terms and may not be covered by insurance.
- **Corporate Transaction Issues:** The due diligence surrounding the sale or merger of a business unit often involves inspecting legal compliance, including proper documentation and recordkeeping. Deficiencies can impact the business transaction.
- **Document Request Liability:** Plan participants have the right to request and inspect plan documents. Employers that are unaware of this obligation and do not maintain ERISA compliant documents risk statutory penalties and lawsuits.



Company Name	BA Name	Title	Post Date	Due Date
company	Jane Smith	WFTRA	1/7/13	1/15/13
company	Jane Smith	Early Retiree Reinsurance Program	1/15/13	1/22/13
company	Jane Smith	Mental Health Parity Act	1/22/13	1/30/13
company	Jane Smith	FMLA	2/1/13	2/7/13
company	Jane Smith	Part D Report to CMS	2/1/13	2/28/13
company	Jane Smith	Summary Plan Descriptions	2/7/13	2/15/13
company	Jane Smith	On-Site Clinic Review	2/15/13	2/22/13
company	Jane Smith	Delivery Methods	3/1/13	3/7/13
company	Jane Smith	Special Enrollment	3/9/13	3/15/13
company	Jane Smith	Privacy: Access to PHI	3/17/13	4/14/13
company	Jane Smith	Privacy: No Access to PHI	3/17/13	4/14/13
company	Jane Smith	DOL Claim Procedures	4/1/13	4/7/13
company	Jane Smith	Plan Documents	4/9/13	4/15/13

## 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.

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. 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.

Compliancedashboard 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.

# Who Can Benefit from Compliancedashboard?

**Small 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.

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

**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 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.



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