

BASE[®] ERISA WRAP with POP

ERISA Compliance Made Simple

The Federal Employee Retirement Income Security Act (ERISA) mandates that employers/plan administrators of ERISA-covered plans provide a Summary Plan Description (SPD) to each participant and that plans be maintained in accordance with a written Plan Document. BASE[®] ERISA Wrap is designed to help employers fulfill the ERISA requirements for an SPD and Plan Document. Many employers mistakenly assume that insurance contracts, certificates of insurance and benefits summaries fulfill the ERISA requirements for an SPD and Plan Document—but they don't include the required or recommended provisions that protect the plan and the employer from \$110 per-day, per-employee penalty.

Who is an ERISA Wrap for?

The ERISA Wrap applies to virtually all employers who offer or sponsor benefits, regardless of size or number of participants. The only entities that are exempt from ERISA are government employers and bona fide church groups.

How does it work?

- Employer provides plan information to BASE[®] for all ERISA employee benefit plans.
- BASE[®] produces all required documentation as established by ERISA in the form of a Summary Plan Description and Plan Document.
- BASE[®] provides and maintains all documentation to employer for distribution to all eligible employees.

What compliance guidance is provided?

ERISA & ACA Compliance Service Package

Outside of preparing and creating customized Plan Documents and Summary Plan Descriptions, BASE[®] will also provide added ERISA and ACA compliance documentation and distribution guidelines. Plus, this plan documentation includes all required salary reduction information when applicable in the form of a Premium Only Plan. Our complete package includes:

Standard Wrap Compliance Services

- Disclosure of Grandfathered Health Plan Status
- Dependent Coverage to Age 26
- Pay or Play
- Medical Loss Ratio
- Women's Health & Cancer Rights Act
- Newborns' & Mothers' Health Protection Act
- Summary of Material Modifications (SMM)

Premium Only Plan Administration

- Includes all required salary reduction information
- Outlines benefits offered on a pre-tax basis, if any
- Keeps salary reduction and insurance information in same document for complete wrap around plan administration

Additional Compliance Services

- Notice of Patient Protections
- Notice of Coverage Options
- Children's Health Insurance Program Reauthorization Act (CHIPRA)
- Wellness Program Disclosure
- HIPAA Special Enrollment Rights Notice

ERISA Wrap Frequently Asked Questions

What is a Wrap SPD & Plan Document?

A Wrap Summary Plan Description is designed to wrap around existing certificates of insurance and benefit plan booklets to provide the information necessary to comply with ERISA's reporting and disclosure requirements. The Wrap SPD includes required ERISA provisions and recommended information to "wrap" around the benefit summaries or booklets, insurance certificates and other relevant plan descriptions for each fully insured or self-funded plan option or component plan.

A Wrap Plan Document is designed to meet plan documentation requirements under ERISA and other federal laws and to incorporate all other welfare plans, insurance contracts and other relevant documents into a single plan. These materials can be kept together for administrative ease. The Wrap Plan Document provides additional legal protection for the employer and plan fiduciaries and can simplify plan administration.

To be compliant with ERISA's reporting and disclosure requirements, the Wrap SPD and accompanying benefit plan component documents must be distributed to plan participants.

How does a Premium Only Plan work?

The employer deducts the employee's share of insurance premiums from the employee's paycheck before calculating applicable taxes. Therefore, paying premiums through a Premium Only Plan results in lower taxes and more take home pay for employees and FICA tax savings for employers.

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