



EMPLOYER RESPONSIBILITIES

What is a Wrap SPD?

- ✓ The ERISA Wrap Summary Plan Description (SPD) requirement has been around for years. It is the document for communicating plan rights and obligations to participants and beneficiaries of employer-sponsored group health insurance plans.
- ✓ An employer must prepare an ERISA Wrap SPD plan document to supplement the Certificate of Insurance (benefit booklet).
- ✓ Together, the Wrap SPD and Certificate of Insurance (benefit booklet) comprise a proper Wrap SPD.

Is my business required to have an ERISA Wrap SPD?

- ✓ If you offer group health insurance you are required to distribute a Wrap Summary Plan Description (SPD) to all Plan participants within 120 days of the Plan's effective date.
- ✓ The requirement for a Wrap SPD applies to all employer sponsored group health insurance offerings, including a one-person plan.
- ✓ There are \$110 per day and per participant fines for non-compliance.

Doesn't my plan document package include a SPD?

- ✓ Yes, but it is not the DOL- and ACA-required ERISA Wrap SPD document.
- ✓ A Section 125 or HRA Plan Document and the SPD therein do not constitute an ERISA Wrap SPD Document for the employer group health insurance plan.

HOW PAPER TRAILS CAN HELP

At Paper Trails, our goal is to ensure that your business maintains compliance with its' responsibilities of having the proper plan documents in place. Should your business offer an employer-sponsored group health insurance plan, we can help obtain an ERISA Wrap SPD for you. Feel free to contact us with any questions or concerns you have regarding these ERISA Wrap SPDs.

