



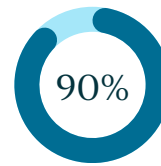
# COMPLIANCE Checklist



The one constant with federal and state regulations is change. Keeping up with everything is challenging for employers and failure to comply can lead to audits, excise taxes, penalties and in some cases litigation or even jail time.

The more you know about compliance the more you can reduce your risk and protect your company. This checklist will help you assess your compliance needs.

Paper Trails offers services and products designed to simplify the way you manage these compliance requirements, as well as protect your organization. Allow our experienced, knowledgeable team members to take the compliance worries off your shoulders as we ensure your business follows every applicable rule and law.



The IRS estimates that 90% of all employers are out of compliance with cobra regulations.

In FY 2021 the Employee Benefits Security Administration (EBSA) recovered over \$2.4 B for plans, participants, and beneficiaries.\*

\* U.S. Department of Labor 2021 Enforcement Statistics Fact Sheet

## 1-49 employees

- ERISA
- COBRA/State Continuation
- ACA\*
- Employee Handbook

## 50-99 employees

- ERISA
- COBRA/State Continuation
- ACA
- FMLA
- Employee Handbook

## 100+ employees

- ERISA
- COBRA/State Continuation
- ACA
- FMLA
- IRS Form 5500\*\*
- Employee Handbook

\* If offering level-funded or self-funded coverage ACA 1094/1095 "B" Reporting is required  
\*\* When 100+ employees are participating in any portion of the employee benefit health and welfare plan.

## Other compliance and benefit-related services for all employers

- FSA
- HSA
- HRA
- Transit
- Premium only plan
- Non-discrimination testing
- Mailings
- HR legal assistance



# Regulations

	ERISA	COBRA	State Continuation	FMLA	NDT	POP	ACA Reporting
WHAT	ERISA protects the interests of employee benefit plan participants and their beneficiaries.	Now 30 years old, this legislation allows workers and their families to keep their group health coverage during times of voluntary or involuntary job loss, reduction in the hours worked, transition between jobs and in certain other cases.	State Continuation requirements vary by state and may include continuation of benefits outside of COBRA requirements and/or an extension of benefits beyond the time frame allowed under COBRA.	The Family and Medical Leave Act (FMLA) entitles eligible employees of covered employers to take unpaid, job-protected leave for specified family and medical reasons.	The purpose of non-discrimination testing is to ensure that plans are non-discriminatory in eligibility and participation, and the highly compensated are not participating to a higher degree than the non-highly compensated.	It allows employer sponsored premium payments to be paid by the employee on a pretax basis. Traditionally, POP plans have been used in combination with employer sponsored group health insurance plans.	Signed into law in March 2010, the Affordable Care Act, while designed to reduce the cost of health insurance coverage for people who qualify for it, brought a whole new set of challenges for employers.
WHO	Under 20 EE	✓	✓		✓	✓	If offering level-funded of self-funded coverage.
	Under 50 EE	✓	✓	✓	✓	✓	
	Over 50 EE	✓	✓	✓	✓	✓	✓
	Over 100 EE	✓	✓	✓	✓	✓	✓
HOW	Plan Document Requirement	✓			✓	✓	
	Disclosure Requirement	✓			✓	✓	
	Reporting Requirement	✓	✓	✓	✓	✓	
	Notices		✓	✓	✓	✓	
	Benefit Continuation Requirement		✓	✓	✓		
FINES	Statutory Penalties	Up to \$2,259 per day.	\$110 per day, risk for civil action.	Varies	Varies	You have the opportunity to correct the testing if you fail. If unable to pass testing, additional corrective measures required.	Additional taxes, interest and potential for imprisonment for willful mishandling.