



Compliance Update: What's Required By Year-End?

Insights

11.01.11

[Benefits Update, No. 4, November 2011]

As 2011 draws to a close and everyone looks forward to winding down and getting ready for the holiday season, we want to make sure that you have taken care of certain regulatory compliance matters with respect to your employee benefit plans between now and December 31, 2011. The information below briefly describes what is required to make sure your plan(s) is set for the new year!

Type of Plan	What's Required	Topic	Brief Description	Deadline
401k (and other qualified plan accounts)	Optional Amendment	In-Plan Roth Conversions	If plan permits in-plan conversions for plan year prior to 2012, then amendment is required	12/31/11
401k (and other qualified plan accounts; 403(b), etc.)	Amendment	Waiver of Required Min. Distributions for 2009	This is an amendment to reflect operational compliance	12/31/11
401k Plans	Annual Notice	Automatic Enrollment	Notice indicating plan's automatic enrollment feature	Prior to 12/1/11
401k Plans	Annual Notice	Safe Harbor	Notice of plan's safe harbor status	Prior to 12/1/11
401k Plans	Annual Notice	Qualified Default Investment Alternative	Notice indicating plan's default investment if an investment is not selected during enrollment, etc.	Prior to 12/1/11
Benefit Plans	Annual Notice	Summary Annual Report	Notice regarding status of the plan and summary of benefits	12/15/11 (assuming 5500 was filed 10/15/11)
Governmental Plans	Amendment	HEART Act	Plans must be amended to comply with various	12/31/12

Governmental Plans	Amendment	Pension Protection Act (PPA)	provisions regarding death benefits, differential pay and other benefits for qualified military service Plans must be amended to comply with various PPA requirements (i.e., distributions, notices, administration issues)	12/31/11
Health/Welfare	Administration Process (possible Amendment)	Health Care Reform (HCR): External Appeals Process & Independent Review Organizations (IRO)	Plans must have selected and put into place an IRO for external appeals, of which the plan must have selected 2 IROs by 1/1/2012 and 3 IROs by 7/1/2012	12/31/11 & 6/30/12
Health/Welfare	Amendment	Annual Limit on Essential Benefits	Effective 1/1/12, limit goes from \$750,000 to \$1.25M	12/31/11
Health/Welfare	Amendment	HCR: New Internal & External Appeals Process	Under HCR, new procedures and requirements apply for internal and external appeals process	12/31/11
Health/Welfare	Annual Enrollment Issue & Status Check	HCR and Grandfathered Plans	If plan is grandfathered, ensure limitations are not exceeded regarding benchmarks	12/31/11
Health/Welfare	Annual Notice	Medicare Part D	Notice to Medicare eligible participants regarding creditable coverage	10/15/11
Health/Welfare	Annual Notice	CHIP Notice	Notice regarding state's premium assistance programs	12/31/11
Health/Welfare	Annual Notice	HCR: Summary of Benefits and Coverage	Health plans must provide Summary of Benefits and Coverage that outlines covered benefits and coverage limitations	3/23/12
Health/Welfare	Annual Notice	HIPAA/HITECH Breach Report	Notice to HHS if there has been a breach of protected	Prior to 3/1/12

			health information affecting 500 or less individuals	
Multiemployer Pension Plans	Administration Process (possible Amendment)	New FASB Disclosure Requirements	Disclosure of the overall health of the plan, the level of the employer's participation in the plan, and employer's contributions to the plan	December 15, 2011 for public entities December 15, 2012 for non- public entities
Pension Plans	Amendment	Benefit Payments & Accruals	Imposes limits on benefit payments and accruals (based on funding status of plan)	12/31/11
Pension Plans	Annual Notice	Plan Funding Status Notice	Notice regarding funding status for prior 2 years, statement of plan's assets and liabilities, and certain other information	4/30/12 (Plans with less than 100 participants notice deadline is due date for IRS Form 5500)
Qualified Plans	Administration Process (possible Amendment)	Determination Letter Application	Cycle A which includes plans sponsored by employers with EINs ending in the digits 1 or 6	Application must be filed by 1/31/2012

For more information contact the author at jpope@laborlawyers.com or (214) 220-9100.