

Contents

Chapter 1: Introduction.....	21
Organization of This Book.....	21
What Is ERISA?	22
Other Benefits	24
Mandated Benefits.....	24
Using This Book.....	25
Chapter 2: Health Benefit Plans — Medical, Dental and Vision Coverage	27
ERISA Requirements	28
Internal Revenue Code Requirements	28
Plan Administration.....	29
Nondiscrimination	29
Retiree Health Benefits	30
Prescription Drug Coverage and Medicare Part D	30
Structuring a Health Plan.....	32
Mandated Benefits	33
Defined Contribution Health Plans.....	43
Conclusion	45
Chapter 3: Life Insurance, Disability Insurance and Other Insured Benefits.....	47
Common Types of Life Insurance	47
Group Disability Insurance	54
Other Insurance Programs	57
Obtaining and Replacing Insurance Contracts.....	58
Chapter 4: Section 125 “Cafeteria” Plans.....	61
Qualified Benefits	61
Funding Features	62
Flexible Spending Accounts	62
Plan Design Options	64
Flexible Spending Accounts, Health Savings Accounts and Plan Design	64
Cafeteria Plan Document	65
Election Changes.....	66
Special Enrollment Rights	67
FMLA and Other Leaves of Absence.....	68
Compliance with State Law.....	68
Application of COBRA to Medical Flexible Spending Accounts	68
Nondiscrimination	69
Tax Advantages	69
Qualifying Medical Expenses	70
Qualified Dependent Care Expenses.....	71
Insured Benefits	71
Vacation Pay.....	72
Retiree Benefits	72
Adoption Assistance Benefits.....	72
Identifying Your Objectives	73
Conclusion	73

Chapter 5: Retirement Benefits	75
Qualified Retirement Plans	75
Nonqualified Retirement Plans.....	80
Factors to Consider in Selecting a Retirement Plan	82
Operating a Retirement Plan	82
Amendment and Termination of a Qualified Retirement Plan.....	84
Fiduciary Responsibilities	84
Factors to Consider in Selecting and Monitoring Service Providers	85
Conclusion.....	87
Chapter 6: Employer Stock: Equity-Based Compensation Plans.....	89
Terms Used in This Chapter.....	89
General Considerations for Equity-Based Compensation Plans.....	90
Equity-Based Compensation Arrangements	91
Conclusion.....	102
Chapter 7: Worker's Compensation	103
Applicability.....	103
Providing Coverage	104
Reporting Injuries.....	104
Remedies Under the Act	104
Calculating Compensation.....	109
Initiating a Claim.....	110
Hearing Procedure.....	111
Third-Party Liability	111
Contractors	111
Independent Contractors Working in the Construction Trades	112
Limitations.....	112
Chapter 8: Time-Off and Severance Benefits	113
Family and Medical Leave	113
COVID-19 Leave Provisions	114
Maternity Leave	115
Vacation and Sick Pay	116
Holidays.....	116
Jury Duty.....	117
Military Duty.....	117
Severance Pay	118
Conclusion.....	121
Chapter 9: Nontraditional Work Scheduling Options — Part-Time, Flextime and Telecommuting Arrangements	123
Advantages and Disadvantages of Nontraditional Work Scheduling Options.....	123
Legal Implications of Nontraditional Work Scheduling Options.....	124
Conclusion.....	128
Chapter 10: Nontaxable Fringe Benefits	131
No-Additional-Cost Services.....	131
Qualified Employee Discounts	132

Working Condition Fringe Benefits	132
De Minimis Fringe Benefits	136
Qualified Transportation Fringe Benefits.....	138
Qualified Retirement Planning Services	139
Qualified Military Base Realignment and Closure Payments.....	140
Other Rules Regarding Fringe Benefits	140
Definitions.....	140
Conclusion.....	142
Chapter 11: Quality of Life Benefits.....	143
Increase Voluntary Benefits	143
Family-Friendly Workplace	143
Nursing Mothers.....	144
Domestic Partner Benefits.....	144
Focus on Wellness.....	144
Tuition Assistance.....	145
Financial Education.....	146
Personal Time.....	146
Conclusion.....	147
Chapter 12: HIPAA Privacy and Security for Small Health Plans.....	149
Small Health Plans.....	149
General Privacy Provisions.....	150
Other Uses for PHI.....	150
Minimum Necessary Standard	151
Administrative Requirements.....	151
Individual Rights	152
Breach Notification	153
Business Associates' Use of PHI	154
Disclosure of PHI from Health Plans to Group Health Plan Sponsors	154
Security Regulations	156
Conclusion	157
Chapter 13: Redesigning Your 401(k) Plan to Ease Administration	161
Discontinue Plan Annuities	161
Eliminate Plan Loans	161
Avoid Nondiscrimination Testing	162
Simplify the Hardship Withdrawal Procedures.....	163
Adopt a "Safe Harbor" Definition of Compensation.....	164
Simplify Entry Dates	165
Pay-Out Qualified Domestic Relations Orders	165
Reduce Small Benefit Cash-Outs to \$1,000.....	166
Stop Counting Hours of Service	166
Conclusion	166
Appendix A: ERISA's Compliance Obligations for Pension and Welfare Benefit Plans.....	167
Appendix B: ERISA's Fiduciary Duties.....	189

Appendix C: Qualifying Medical Expenses.....	193
Appendix D: Chronological List of Major Federal Employee Benefits Legislation Since ERISA.....	197
Appendix E: Useful Employee Benefit Web Sites	199
Appendix F: Form 5500	201
Appendix G: ERISA's Time Limits for Health Claims (for Health Plans with One Level of Appeal)	203
Appendix H: FSAs, HRAs, and HSAs — Comparison of Health Funding Arrangements.....	207
Appendix I: Selecting and Monitoring Pension Consultants — Tips for Plan Fiduciaries.....	217
Index.....	220