

**RIVER VALLEY COUNSELING CENTER, INC.**

**POLICY/PROCEDURE # HR50.20**

**SUBJECT: EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 (ERISA)**

**DATE REVIEWED/REVISED: 11/98, 11/06, 3/16, 11/18, 5/20**

**POLICY STATEMENT:**

ERISA is a highly complex, comprehensive law that covers both employee welfare benefit plans (e.g., medical, surgical or hospital care, long-term disability, life insurance) and employee pension benefit plans. ERISA was amended in 1986 to guarantee health insurance coverage for terminated covered employees and their dependents (COBRA).

Any employee who is a participant in a health and welfare benefit plan(s) of RVCC is entitled to certain rights and protections under Federal Law, as stated in the Employee Retirement Income Security Act of 1974 (ERISA). As a plan participant, ERISA entitles you to:

- A. Examine all plan documents, without charge at the plan administrator's office, including copies of all documents filed by the plan with the U.S. Department of Labor (e.g., detailed annual reports and plan descriptions).
- B. Obtain copies of all plan documents and other plan information upon written request to the plan administrator, who may make a reasonable charge for such copies.

**I. ANNUAL FINANCIAL SUMMARIES**

ERISA entitles plan participants to receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this Summary Annual Report (SAR).

**III. OBLIGATIONS OF FIDUCIARIES**

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the plan (called "fiduciaries"). They have a duty to operate the plan prudently and in the interest of all plan participants and beneficiaries.

**III. OTHER PROVISIONS**

No one employed by RVCC or participating affiliates or subsidiaries may fire or otherwise discriminate against a plan participant in any way to prevent them from obtaining a benefit or exercising their rights under ERISA. If a claim for a benefit is denied in whole or in part, the participant must receive a written explanation for the denial. A participant has the right to have the plan review and reconsider their claim.

ERISA regulations outline the steps a participant can take to enforce the above rights:

*All paper copies are uncontrolled. Always refer to the electronic version*

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- A. If materials requested regarding the plan are not received within 30 days, suit may be filed in a Federal Court.

In such a case the court may require the plan administrator to provide the materials and pay up to \$100 a day to the participant until they receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator.

- B. If a claim for benefits is denied or ignored, in whole or in part, the participant may file suit in a state or Federal Court.
- C. If the Plan fiduciaries misuse plan monies or if a participant is discriminated against for asserting their rights, they may seek assistance from the U.S. Department of Labor or may file suit in a Federal Court. The Court will decide who should pay court costs and legal fees. If the suit is successful, the Court may order the person sued to pay these costs and fees; if the suit is lost, the court may order the participant who filed the suit to pay these costs and fees, if it finds the claim to be frivolous.
- D. If any participant has questions about the plan(s) or their rights under ERISA, they should contact the Human Resources Department. They may also contact the nearest area office of the U.S. Department of Labor's Labor-Management Services Administration.