





The Department of Labor (DOL) published the annual adjustments for 2019 that increase certain penalties applicable to employee benefit plans.

Annual Penalty Adjustments For 2019

The following updated penalties are applicable to health and welfare plans subject to ERISA

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| **Description**  Failure to file **Form 5500**  Failure of a **MEWA** to file reports  Failure to provide **CHIP Notice**  Failure to disclose CHIP/Medicare Coordination | **2018 Penalty** Up to $2,140 per day Up to $1,558 per day  Up to $114 per day per employee  $114 per day per violation | **2019 Penalty** Up to $2,194 per day Up to $1,597 per day  Up to $117 per day per employee  $117 per day per violation |
| to the State | (per participant/beneficiary) | (per participant/beneficiary) |
| Failure to provide **SBCs** | Up to $1,128 per failure | Up to $1,156 per failure |
| Failure to furnish **plan documents**  (including SPDs/SMMs) | $152 per day  $1,527 cap per request | $156 per day  $1,566 cap per request |
| **Genetic information** failures | $114 per day | $117 per day |
| De minimis failures to meet genetic information requirements | $2,847minimum | $2,919 minimum |
| Failure to meet genetic information requirements  – not de minimis failures | $17,084 minimum | $17,515 minimum |
| Cap on unintentional failures to meet genetic information requirements | $569,468 maximum | $583,830 maximum |

Employer Action

Private employers, including non-profits, should ensure employees receive required notices timely (SBC, CHIP, SPD, etc.) to prevent civil penalty assessments. In addition, employers should ensure Form 5500s are properly and timely filed, if applicable. Finally, employers facing document requests from EBSA should ensure documents are provided timely, as requested.