

# DOL audits: More health plans getting hit with \$10K-plus fines

by Jared Bilski September 1, 2014 Comments (0)



When the feds start looking into employers' benefit plans, most HR pros think they're generally targeting retirement plan issues. But new research shows that's not necessarily the case.

Not only is the [Department of Labor \(DOL\) investigating health and welfare plans](#), the agency is also handing down some steep fines based on what it finds.

In fact, more than a quarter (32%) of the health and welfare plans audited by the DOL were hit with fines higher than \$10,000 for Employee Retirement Income Security Act (ERISA) and Form 5500 errors. And 5% of the plans the feds looked at were hit with fines of more than \$50,000.

That's according to [research from ComplianceBug](#), which looked at DOL data over the past 12 years.

## **Most wind up paying**

As HR pros are well aware, the DOL has made enforcement a priority in recent years. And when the feds do go digging, they rarely come up empty handed.

In fact, ComplianceBug found that of the 3,566 compliance reviews the DOL closed, 2,570 of them resulted in fines and penalties totaling \$1.2 billion. That means 72.1% of the firms the DOL audited wound up being fined or penalized for their benefits administration.

The DOL's Employee Benefits Security Administration (EBSA) alone has 873 full-time employees, and almost 80% of its impressive \$183 million budget is dedicated to enforcement.

So to protect your firm from the same fate so many of your peers have experienced, it's a good idea to [perform self-audits](#) of your benefits administration practices regularly.