

Cost is on a per client basis

An SPD does not have to be updated each year automatically

How often do I need to update my SPD?

An SPD must be issued:

- Within 90 days of date any employee becomes a plan participant or beneficiary receiving benefits or becomes eligible to participate in a plan.
- Within 120 days of date the plan first becomes effective or the plan is adopted (whichever is later).
- Every 5 years, incorporating plan amendments adopted since last SPD issued. *
- In the case where no amendment to the plan has occurred, every 10 years. *

*Within 210 days of the end of the plan year in which the fifth or tenth year, respectively, occurs.

When a change is required to be made to information contained in the SPD – through plan amendment or other event (i.e., change required by a collective bargaining agreement) – participants must be notified of the change either through a new SPD or a Summary of Material Modification (SMM) that amends the current SPD. Reissuing the SPD in its entirety is usually not cost-effective, so most Plan Administrators utilize the SMM to amend the SPD. The timing for distributing either a revised SPD or an SMM is as follows:

Summary Plan Description (SPD)	New plans — automatically within 120 days after effective date or date of adoption of plan, whichever is later. New participants — automatically within 90 days of eligibility. Covered participants and
--------------------------------	--

	beneficiaries - within 30 days of request. DOL — within 30 days of request by the DOL.
Summary of Material Modification (SMM) (required when a plan has been amended that creates a change to the SPD for that plan unless a new SPD is used incorporating the change)	Within 210 days after end of plan year in which modification or change was adopted. DOL — within 30 days of request by the DOL. Any change to a health plan that would be considered by the average plan participant to be an important reduction in covered services or benefits must be disclosed within 60 days after the date the change was adopted.

For health care plans, an SMM must be issued not later than 60 days after the date of adoption of a plan modification if the change would be considered a reduction in covered services or benefits.

For all other changes, an SMM must be issued not later than 210 days after the close of the plan year in which the modification was adopted. For plan years which are calendar years, the SMM must be distributed no later than July 31 of the year following the adopted change.

There is no prescribed format for creating an SMM. The SMM can replicate the language of the SPD section being revised or simply summarize the change in a few sentences. The SMM should identify that it is a modification to the SPD, the effective date of the change, and that the SMM should be kept with the participant’s SPD.

NOTE: The SMM is not required to be sent to any group of participants not affected by the change. For example, if an SMM is being generated due to a change required by a collective bargaining agreement, the SMM can be distributed only to those represented participants affected by the change.

Our agency will provide an intake form to collect all the required data, which will be sent

to you once you have paid for the service.

Requested documents:

Benefits at a glance (each line of coverage)

Current SPD if one in place

SBC's if available

5500 forms

We will charge \$450.00 for up to 3 schedule A's, \$100.00 for each additional one

Our fees assume that the client is already in compliance or is within the allowable time frame to get into compliance