



**MultiEmployer.com**

# **SAFE HARBOR E-COMMUNICATIONS**

*A web application replacing paper communications*

## **Paperless Plan Communications**

---

Prior to 2002, multiemployer plans were unable to take advantage of the proposed safe harbor for electronic communications which required that employees be able to access and print plan communications at their workplace and at their employer's expense. However, beginning in 2002, DOL and IRS rules granted multiemployer plans an expansion of this safe harbor that, in short, allows any participant with Internet access to opt-in to receive almost all plan communications electronically. In fact, government agencies are encouraging eligible plans to adopt paperless plan communications and are accommodating such programs when issuing relevant regulations.

## **How much money is your plan wasting on obsolete paper communications?**

---

Add up your plan's printing and postage budget. Be sure to include an annual rate for SPDs, Newsletters, SARs, Annual Funding Notices, EOBs, PPA, ACA, HIPAA, and COBRA Notices, and all other legally required communications.

Now for a rough estimate of how much money your plan is leaving on the table, assume that 10% of participants opt-in in the first year, another 10% in the second, and so on until you reach an assumed maximum participation rate. Wow! **Every year you delay means more unnecessary costs** for your Plan.

## **E-Communications is a Green Option.**

---

Paper communications hurt the environment:

- Paper mills emit massive quantities of pollutants
- Huge amounts of energy are required to produce, print, process, transport, and dispose of paper
- Paper accounts for 25% of landfill waste and does not rapidly degrade
- Not everyone recycles or has ready access to recycling options

**With E-Communications, no paper is required, no printing, no waste, and no transportation of physical documents;** it reduces unnecessary costs for your Plan and benefits the environment.



## MultiEmployer's Safe Harbor Electronic Communications Program helps you in your ongoing effort to make it easier and faster for participants to get important plan information.

By using electronic communications, there is a substantial reduction of the costs associated with paper/U.S. Mail communications. Choosing this option results in a higher level of service to plan participants. An added benefit is that replacing paper communications is great for the environment.

The first requirement for an electronic communications plan is the creation and deployment of a static web site. The next phase is a combined utilization of email and the web site. The final phase is to offer secure, encrypted electronic access to personal benefit statements and information. Participation in the program is voluntary. Unless a participant opts in, he will continue to receive all communications from the Plan via printed material sent by U.S. Mail.

**This web application has two levels of implementation.** The first is for general plan communications, and has low security requirements. The second is for personal information and has the same high security and confidentiality requirements as any participant self-service application.

1

### LEVEL I – GENERAL PLAN INFORMATION

- SPD
- SAR
- Annual Funding Notice
- Summary of Benefits & Coverage (SBC)
- Summary of Material Modifications (SMM)
- Newsletters
- Announcements

2

### LEVEL II – PERSONAL PLAN COMMUNICATIONS

*(A Standard Feature of Our Participant Self-Service Application)*

- **Includes Level I Communications**
- Pension Benefit Statements
- Explanation of Benefits
- COBRA Notices
- W2/1099-R
- Student Status Request

## HOW IT WORKS

**Level I:** MultiEmployer.com works with your admin staff to design an appropriate online registration system for your participants. Upon registration, the email address will be recorded and the participant will be set up for future electronic communications.

From then on he will receive an email whenever a general communication is prepared by the Plan such as a Summary Plan Description, notice of changes in the benefit programs, or Summary Annual Report/Annual Funding Notice. The email will explain the purpose and importance of the publication(s) and provide the participant with links to the document and/or web pages on the site which contain the communication. Secure and encrypted communications are not required for these types of documents.

**Level II:** For personal health and pension information a secure user name/password system is required. Since this level of e-communications is usually deployed as part of the Participant Self-Service Application, opt-in can occur during registration for secure access to personal benefit information, or at a later time. When the Plan has a communication for the participant an email notification is sent. The participant will be prompted for a user name/password when clicking on the link to the publication contained in the email. The participant must always complete the secure login in order to access the electronic communication containing confidential information.

**Additional Benefit:** In addition to going green and saving money, the Safe Harbor E-Communication infrastructure allows secure, encrypted messaging between the Plan Office and the participant. Thus, there is no need to purchase additional "encrypted email" services to satisfy HIPAA and other privacy criteria for the communication of PHI or other confidential information.