

## **Distributing Your Annual Health Care Reform and ERISA Notices in Keeping with ERISA Disclosure Requirements**

You can distribute the annual Health Care Reform and ERISA Notices using the same method you use for any other ERISA materials (e.g., ERISA Wrap Document/Summary Plan Descriptions (SPDs) and Summary Annual Reports (SARs)).

The materials must be furnished to all health benefit-eligible employees in a way “reasonably calculated to ensure actual receipt of the material” and must be delivered using one or more methods “likely to result in full distribution.”

These documents can be distributed in paper form or electronically. Among the electronic delivery methods mentioned in the regulations are: e-mail, attachment to e-mail, use of a company website and providing documents on a USB drive, a CD or DVD.

### **Disclosing Notices Electronically**

For disclosing Notices electronically, (via e-mail, website, etc.):

- 1) Determine which health benefit-eligible employees would have the ability to access these documents electronically at their worksite location (where they would reasonably be expected to perform employment duties), and whose access to the electronic system is an integral part of their job. For these employees you will not need their consent to disclose these documents electronically.
- 2) For health benefit-eligible employees that do not meet the criteria set forth in item 1, you will need to get their written consent in order to disclose these documents electronically. (A sample *Consent to Receive Electronic Plan Disclosures* form is attached.)
- 3) For health benefit- eligible employees who will not consent to electronic disclosure you must provide them with a paper copy in a manner to ensure receipt of these documents, e.g. first class mail, interoffice mail, payroll stuffer, etc.

For employees who meet the requirement in item 1 and those employees who have given you consent to electronically disclose these documents, you would initiate an e-mail (please see below example) and either include in or attach to that e-mail the Notices, or insert a hyperlink or instructions for access:

#### **RE: Important Information About Your ABC Company Benefits**

The ABC Company is providing you with important Notices required under the Patient Protection and Affordable Care Act (PPACA) and the Employee Retirement Income Security Act (ERISA) electronically.

*The information in this communication is confidential and may be used by the authorized recipient only for its intended purpose only. Any other use or disclosure is prohibited.*

Please read these Notices carefully, as they describe important aspects of the benefits provided to you and your family.

[Example option: These Notices are attached to this e-mail.]

[Example option: By clicking on the below hyperlink you can access the company's employee website and view the Notices in their entirety: [insert hyperlink](#) ]

You have the right to request and obtain a paper version of these Notices at no charge. Contact the Human Resources Manager of the ABC Company who acts on behalf of the plan administrator at 555-555-5555, extension 555 or janedoe@abcco.com to request a paper version.

If you have any questions regarding these Notices, or have problems accessing them, please contact \_\_\_\_\_ at 555-555-5555, ext. 777

In order to show the manner of delivery of these Notices was aimed at ensuring receipt, it is advisable you use the e-mail system's return receipt function or undeliverable e-mail function, or perform a periodic survey or review of employees to determine if they have received the documents.

If you plan on distributing the Notices using another form of electronic media (e.g., USB drive, a CD or DVD), then you again will not need consent for those health benefit-eligible employees with access to your electronic system and with the ability to read said media. For those who do not have access to your system, you will need the *Consent to Receive Electronic Plan Disclosures* form signed prior to distributing the USB drive, CD, etc. A notice similar in content to the sample e-mail presented above should accompany the USB drive, CD, etc. Where consent is necessary but cannot be obtained from an employee you must distribute the documents in paper form.

It is important to note that an employee who receives an electronic disclosure of the materials always has the right to request a paper copy at any time.

### **Disclosing Notices Using Hard Copy**

If the Notices will not be disclosed electronically there is no required consent from the health benefit-eligible employee. The paper copies can be delivered in any manner reasonably calculated to ensure receipt of the documents. This would include methods such as first class mailing, third class mailing, including with paychecks, etc.

If ever challenged in regard to distribution of the Notices, a Plan Sponsor would have to show proof of reasonable distribution. This is accomplished in various means by different employers and depending on the material.

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

## Power Component Systems, Inc. Consent to Receive Electronic Plan Disclosures

Individuals entitled to receive benefits under the Power Component Systems, Inc. Employee Benefits Plan (the Plan) are also entitled to be furnished with certain documents required by ERISA. Power Component Systems, Inc. intends to provide the following documents (as described below) electronically to you by CD, Company Intranet, or email:

- the Summary Plan Description (SPD);
- any required Summaries of Material Modifications (SMMs);
- the Summary Annual Report (SAR); and
- any documents required to be furnished under ERISA § 104(b)(4) on request by a Participant or beneficiary under the Plan or made available under ERISA § 104(b)(2).

### What You Must Do:

To receive documents, you must complete and return the following Consent to Receive Power Component Systems, Inc. Employee Benefits Plan Disclosures by \_\_\_\_\_ (insert CD, Company Intranet, email, etc.)

You may withdraw this consent by notifying Nicole Walters by sending an email message to [nwalters@powercomponentsystems.com](mailto:nwalters@powercomponentsystems.com) or via interoffice mail that indicates in the subject line: Consent Withdrawn for \_\_\_\_\_ (insert CD, Company Intranet, email, etc.). Email should include in the body your full name, address, and phone number.

### Your Right to a Paper Copy:

You have a right to request and obtain a paper version of any document at no charge. If a paper version is available, you will receive one immediately, or a paper copy will be sent to you via interoffice mail. You should contact Nicole Walters, who acts on behalf of the Plan administrator, at 410-760-0022 or [nwalters@powercomponentsystems.com](mailto:nwalters@powercomponentsystems.com) to request a paper copy.

**Consent to Receive Plan Disclosures by \_\_\_\_\_** (insert CD, Company Intranet, Email, etc.)

I have read and received the Statement Regarding Power Component Systems, Inc. Employee Benefits Plan Disclosures (the Statement), which is set out above.

I consent to receiving the type of documents described in the Statement by \_\_\_\_\_ (CD, Company Intranet, email, etc.). I confirm that I have the ability to access information in the format that is described in the Statement. I understand that I will receive copies of the types of document described in the Statement *only* in the \_\_\_\_\_ (CD, Company Intranet, email, etc.) form described unless I exercise my right to affirmatively request a paper copy of such document. I understand that I can withdraw this consent at any time.

\_\_\_\_\_  
**Employee Name**

\_\_\_\_\_  
**Date**

*Please return to:*

Contact: Nicole Walters

Employer: Power Component Systems, Inc.

Mailing or interoffice address: 7526-R Connelley  
Hanover, MD 21076

Email address of contact: [nwalters@powercomponentsystems.com](mailto:nwalters@powercomponentsystems.com)

*The information in this communication is confidential and may be used by the authorized recipient only for its intended purpose only. Any other use or disclosure is prohibited.*

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