

Compliance Fines & Penalties (2024)

Depending on the compliance violation the Department of Labor (DOL), Internal Revenue Service (IRS) or Department of Health & Human Services (HHS) may impose fines or penalties. Below are a few possible examples.

Violation	Possible Fines	Department
ACA Reporting ALEs and Self-Funded Plans – 6055 and 6056 Reporting	\$310 for each filing failure, amount cap of \$3,783,000	IRS
COBRA Notices	\$110/day, per violation	DOL/ERISA
Failure to provide written requested ERISA plan documents, Summary Plan Descriptions, Summary of material modifications, etc.	Failure to furnish up to \$184 per day, not to exceed \$1,846 per request	DOL/IRS
Late 5500 Report	\$250 per day, capped at \$150,000	DOL/IRS
Failure to File annual 5500 Report	\$250 per day, capped at \$150,000	DOL
FMLA Violations	\$204 for each separate offense	DOL
Failure to furnish statement of benefits or to maintain records	\$184 per employee	IRS
Failure to notify plan participants of benefit restrictions and/or limitations	\$2,046/recipient	DOL
Failure to furnish automatic contribution arrangement notice.	\$2,046/recipient	DOL
Failure to furnish employee benefit plan documents to DOL upon request.	\$2586/day	DOL
Failure to inform employees of Medicaid/CHIP coverage opportunities.	\$137 per day per employee	DOL
GINA Violation	\$137 per participant per day	DOL
Failure to provide Summary of Benefits Coverage (SBC).	Up to \$1,362 per failure	DOL
FMLA Posting & Notice Violation	\$189 for each offence	DOL
HIPAA Violations - No Knowledge	\$120 to \$60,226 per violation and up to \$1,806,757 per calendar year	DOL/HHS
MEWA - Failure or refusal to file a complete or accurate Form M-1.	\$1,881 a day	DOL
Allowing premiums to be paid on a pre-tax basis for covered benefits without having either a Premium Only Plan (POP) document or Flexible Spending Account (FSA) document	Penalty: Employer can lose the ability to allow premiums on a pre-tax basis.	IRS

This is only a partial list of possible fines and penalties. Make sure you take steps now to avoid fines and penalties.