

# News Release



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Contact: Sharon Morrissey  
(202) 693-8664

## **Watertown, New York, Company Ordered To Produce Plan Documents**

**NEW YORK**—The U.S. Department of Labor has obtained a court order requiring Heidi's Enterprises, Inc. of Watertown, N.Y. to produce documents relating to an investigation of the company's employee health plan by the department's Employee Benefit Security Administration (EBSA).

The court order, issued on April 29, 2003, requires the company to furnish to EBSA's Boston regional office documents involving compliance with federal employee benefit law, including the Health Insurance Portability and Accountability Act (HIPAA). The company must furnish records on corporate finances, fiduciary liability insurance and bonding, health insurance contributions, certificates of coverage evidencing the issuance of pre-existing condition exclusion period notices, and notices of special enrollment rights.

The Employee Retirement Income Security Act (ERISA) gives the Secretary of Labor authority to investigate alleged violations of the federal law. EBSA issued an administrative subpoena to Heidi's Enterprises on Dec. 21, 2001, but the company and its representatives have not complied with the subpoena.

"When companies do not respond to an administrative subpoena, the department has no choice except to take them to court," said James Benages, director of EBSA's Boston Regional Office.

Employers and workers can contact the regional office at (617) 565-9600 or EBSA's toll free number, 1-866-444-EBSA (3272), for help with any problems relating to private-sector pension and health plans.

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(Chao v. Heidi's Enterprises, Inc.)  
Civil Action No. 7:03 MC 0031