

Fact Sheet

EBSA Restores Over \$1.4 Billion to Employee Benefit Plans, Participants, and Beneficiaries

The Employee Benefits Security Administration (EBSA) recovered \$1.435 billion in direct payment to plans, participants, and beneficiaries in FY 2023. More than half of those recoveries were the result of enforcement actions, and more than 30 percent came from informal complaint resolutions. EBSA also made a difference for current and future participants and beneficiaries by obtaining such important non-monetary results as the elimination of illegal plan provisions, improved fiduciary governance, and increased access to mental health benefits. All together, these results demonstrate a strong, fair, and effective program that protects the benefits of America's workers and retirees.

EBSA is responsible for ensuring the integrity of the private employee benefit plan system in the United States through its enforcement of the Employee Retirement Income Security Act (ERISA). The agency oversees approximately 2.8 million health plans, 619,000 other welfare benefit plans, and 765,000 private pension plans. These ERISA-covered plans cover 153 million workers, retirees, and dependents who participate in private sector pension and welfare plans that hold an estimated \$12.8 trillion in assets.

Total Monetary Recoveries (in millions)				
Total Recoveries	Recoveries from Enforcement Actions	Voluntary Fiduciary Correction Program	Abandoned Plan Program	Monetary Benefit Recoveries from Informal Complaint Resolution
\$ 1,434.5	\$ 844.7	\$ 84.5	\$ 61.2	\$ 444.1

\$844.7 Million Recovered in Investigations

In FY 2023, EBSA closed 731 civil investigations. Of those, 505 cases (69 percent) produced monetary results for plans or other corrective action.

Recoveries for terminated vested participants (e.g., individuals no longer working for an employer but entitled to benefits from an employer sponsored other job based retirement plan) played a large role in these results. In total, EBSA's enforcement program helped 5,690 terminated vested participants in defined benefit pension plans collect benefits of \$429.2 million owed to them. These results represent a combination of the present values of lifetime annuity payments or cash-out lump-sum balance payments, plus interest on distributions paid as either retroactive lump sums or included in actuarially adjusted future annuity amounts.

Terminated Vested Participant Benefit Payments	\$ 429.2 M
All Other Investigations	415.5 M
Total	<u>\$ 844.7 M</u>

EBSA’s enforcement program also obtains non-monetary corrections and injunctive relief in civil cases that result in increased protections for plan assets or benefits. In FY 2023, EBSA obtained 352 non-monetary civil corrections, including removing 20 fiduciaries, barring 41 individuals from serving as fiduciaries, appointing 20 fiduciaries, improving missing participant procedures for 44 plans, and 34 global corrections involving service providers for numerous ERISA-covered health plans.

EBSA often pursues voluntary compliance to correct violations and restore losses to employee benefit plans. However, in cases where those efforts have failed or are inappropriate, EBSA forwards a recommendation to the Solicitor of Labor to initiate litigation. Together, we consider whether we will be able to obtain meaningful relief through litigation, the cost of litigation, the viability of other enforcement options, and agency enforcement priorities. Then we determine which cases are appropriate for litigation.

In FY 2023, EBSA referred 50 cases for litigation. However, even after referral to the Solicitor of Labor, the Department can often resolve the claims for monetary relief without filing suit.

EBSA Helped Non-English-Speaking Participants, New Mother Charged Nearly \$200K

Our actions make a real difference for participants and beneficiaries. In one case, a region recovered over \$230,000 in contributions due to a plan that covered participants who only spoke Spanish. The region worked tirelessly to locate the participants, making phone calls and sending emails and letters in Spanish. One participant’s wife was at an emergency clinic seeking care for her husband when she answered EBSA’s call. When EBSA told her we had recovered \$31,000 that her husband was owed, she said they had been struggling to pay his health expenses and the recovered funds were a “miracle.”

In another example of EBSA’s work, the agency helped participants in a Multiple Employer Welfare Arrangement (MEWA) case involving several self-funded, single-employer health plans. More than \$1 million in claims were paid, and another \$3 million in claims were reduced through negotiations with doctors and facilities that neither the MEWA nor the employer was paying. One MEWA participant told EBSA that she had recently given birth and received \$197,940 in medical bills from her pregnancy and delivery. Due to EBSA’s enforcement efforts, her employer paid these high dollar claims.

Civil Investigations			
Civil Investigations Closed	Civil Investigations Closed with Results	Percent Civil Investigations Closed with Results	Civil Investigations Referred for Litigation
731	505	69%	50

EBSA Investigations Led to the Indictment of 60 People for Crimes Related to Employee Benefit Plans

EBSA is also responsible for investigating potential violations of ERISA’s criminal provisions and the provisions of Title 18 of the United States Code that relate to employee benefit plans. EBSA conducts most of its criminal investigations with other federal law enforcement agencies under the direction of the United States Attorney for that jurisdiction. Other investigations are conducted in consultation with the appropriate state or local law enforcement authority.

In FY 2023, EBSA closed 196 criminal investigations. EBSA’s criminal investigations led to the indictment of 60 individuals, including plan officials, corporate officers, and service providers, for offenses related to employee benefit plans.

Criminal Investigations		
Criminal Investigations Closed	Number of Individuals with Guilty Pleas or Convictions	Number of Individuals Indicted
196	77	60

Abandoned Plan Program

The Abandoned Plan Program facilitates the termination of individual account pension plans abandoned by their sponsoring employers. It also helps distribute these plans’ benefits. During FY 2023, EBSA received 1,770 applications from Qualified Termination Administrators and closed 1,347 applications with terminations approved. In total, \$61.2 million was distributed directly to participants as a result of these terminations.¹

Compliance Assistance Programs Yielded Tremendous Results

EBSA’s Voluntary Fiduciary Correction Program (VFCP) and Delinquent Filer Voluntary Compliance Program (DFVCP) encourage the correction of ERISA violations by providing significant incentives for fiduciaries and others to self-correct.

The VFCP allows plan officials who have identified certain ERISA violations to remedy the breaches and voluntarily report the violations to EBSA without becoming the subject of an enforcement action. In FY 2023, EBSA received 1,192 applications.

The DFVCP encourages plan administrators to bring their plans into compliance with ERISA’s filing requirements. EBSA received 18,955 annual reports through this program in FY 2023.

¹ In addition to the \$61.2 million in distributions from voluntary applications by Qualified Termination Administrators, EBSA also obtained \$3.3 million in distributions for participants through enforcement efforts to resolve abandoned plans.

Additionally, the EFAST2 Help Desk handled over 16,000 filer inquiries to help filers meet their reporting obligations.

Correction Programs	
VFCP Applications Received	DFVCP Filings Received
1,192	18,955

\$444.1 Million Restored to Workers through Informal Complaint Resolution

When workers experience a problem with an employee benefit plan, they can directly contact an EBSA Benefits Advisor for assistance. In FY 2023, EBSA's Benefits Advisors closed more than 197,000 inquiries and recovered \$444.1 million in benefits on behalf of workers and their families through informal resolution of individual complaints. Many of the inquiries came through via EBSA's toll-free number, 1-866-444-EBSA (3272), and www.dol.gov/agencies/ebsa/about-ebsa/ask-a-question/ask-ebsa.

These inquiries sometimes lead to enforcement actions. A matter will be referred for investigation if there are repeated complaints about a particular plan, employer, or service provider, or if there is information indicating an ERISA violation. In FY 2023, EBSA opened 326 new investigations from Benefits Advisor referrals.

EBSA Helped Participant Get Life-Saving Heart Transplant Approved

EBSA's Benefit Advisors have provided tremendous help to participants throughout the year. One person who called EBSA was told he only had 6 months to live without a heart transplant, but his employer-sponsored health plan denied pre-certification for the transplant as not medically necessary and experimental. His doctors tried to help him appeal, but the transplant was still denied. Without the approval, he could not be placed on the organ donor waiting list.

EBSA reviewed his plan documents and determined he was seeking benefits for a covered service to treat a condition that met the plan's definition of life-threatening. EBSA reached out to the employer to help determine the reason the third-party claims administrator denied the transplant, despite it being a covered service. As a result of EBSA's intervention and within 1 week of the initial call, the employer reviewed the inquiry and consulted with the health plan. The health plan agreed to approve the heart transplant and the participant is on a waiting list for an organ.

EBSA Helped Participant Obtain COBRA Coverage to Continue Mental Health Treatment

EBSA also helped another participant who was seeking help in a mental health treatment facility obtain COBRA coverage. Her employment terminated, and she was losing her employer's group health coverage. She knew she was entitled to COBRA continuation coverage but needed help

setting it up so she didn't have a coverage lapse while she was receiving in-patient treatment. She needed COBRA to stay in the facility.

EBSA contacted the employer and asked that the individual's COBRA notice be sent to her as soon as possible. The plan provided the notice right away, and she set up and paid for her coverage, allowing her to continue her treatment without interruption.

Inquiry Statistics		
Total Inquiries	Monetary Benefit Recoveries from Informal Complaint Resolution	Investigations Opened from Inquiry Referrals
197,173	\$444.1M	326

Over 2,150 Education and Outreach Events Held in FY 2023

EBSA also conducts education and outreach events for workers, retirees, employers, plan officials, and members of Congress. These nationwide activities include helping dislocated workers who are facing job loss, educating employers about their ERISA obligations, using a train-the-trainer format to inform congressional staff of EBSA programs for their use in constituent services, and providing workers with information on their rights under the law. In FY 2023, EBSA held 2,159 outreach events, including 904 outreach events for underserved communities, 12 of which were national office webcasts. EBSA conducted 240 of these events in Spanish and conducted events in Chinese, Haitian Creole, Polish, Tagalog, and Vietnamese. Additionally, EBSA delivered 4 media (newspaper, radio, and television) interviews in Spanish and Vietnamese which reached an audience of 360,500 people.

Outreach, Education, and Assistance					
Total Outreach to Underserved Communities	Dislocated Worker Rapid Response Sessions	Congressional District Office Briefings	Compliance Assistance Activities	Other Participant Assistance, and Public Awareness Activities	Total Outreach Events
904	751	268	356	784	2,159

Extensive Publication and Website Usage Furthers Outreach Efforts

EBSA also reaches workers, retirees, employers, plan service providers, and the public through its printed materials and website www.dol.gov/agencies/ebsa. Publications in English, Spanish, Arabic, Simplified and Traditional Chinese, French, Haitian Creole, Korean, Polish, Portuguese, Russian, Tagalog and Vietnamese are available through EBSA's toll-free number and online. EBSA website visitors can view consumer information, relevant laws and regulations, technical guidance, seminar and webcast schedules, and other valuable resources.

Publications and Website

Publications Distributed	Website Visitors
230,310	5.74M

This fact sheet has been developed by the U.S. Department of Labor, Employee Benefits Security Administration, Washington, DC, 20210. It is available in alternate format upon request: Voice telephone: (202) 693-8664; TTY: (202) 501-3911. In addition, the information in this fact sheet constitutes a small entity compliance guide for purposes of the Small Business Regulatory Enforcement Fairness Act of 1996.²

² Updated as of 10/14/2022