

EMPLOYEE PENSION PLANS

Best Practices for Missing Participants

Missing participants pose an ongoing challenge for many retirement plans. One time fixes are not sufficient to resolve the issue. The US Department of Labor has outlined best practices that should form part of a continual, systemic approach.

Maintain accurate census information for the plan's participant population

- Include contact information change requests in plan communications.
- Maintain and monitor an online platform that participants can use to update contact information.
- Audit census information and correct errors on a regularly-scheduled basis.
- Identify incomplete participant records and define a process for obtaining and incorporating missing information.

Implement effective communication strategies

- Use plain language and offer non-English language assistance where appropriate.
- Build steps into both the enrollment and exit processes to:
 - Confirm contact information.
 - Confirm information regarding participant benefits.
 - Advise the importance of ensuring the plan has accurate contact information.

Identify and seek out missing participants

- Note warning signs, such as lack of responses to mailings and uncashed checks.
- Check related plan and employer records for participant, beneficiary and emergency contact information.
- Use free online search engines, public record databases, obituaries, and social media to locate individuals.
- Use outside resources—including commercial locator services, credit reporting agencies, and proprietary internet search tools—to locate individuals.
- Attempt contact via United States Postal Service certified mail, or private delivery service.

Document procedures and actions

- Reduce the plan's policies and procedures to writing to ensure they are clear and result in consistent practices.
- Document key decisions and the steps and actions taken to implement the policies.

The USDOL's Guidance can be found at bit.ly/usdol-missing-participants-2021. For Holm & O'Hara LLP's full February 2021 Newsletter on Best Practices for Missing/Nonresponsive Retirement Plan Participants, please visit hohlaw.com/2021/02/missing-retirement-plan-participants.

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