

Report Summary

Social Security Administration Office of the Inspector General

September 2011



Objective

To assess certain aspects of the *Employee Retirement Income Security Act* (ERISA) related notices the Social Security Administration (SSA) issues to claimants about potential private pension benefits. We conducted this evaluation to determine whether claimants (1) took action in response to receiving the notices; (2) obtained pension benefits; and (3) found the information provided in the notices was accurate.

Background

In 1974, as a result of concerns that funds of private pension plans were being mismanaged and abused, Congress enacted ERISA. ERISA requires that the Department of Health and Human Services maintain files of individuals who have deferred vested benefit rights in a private pension plan and furnish this information to these individuals. This responsibility has been delegated to SSA.

To view the full report, visit
<http://www.ssa.gov/oig/ADO/BEPDF/A-13-11-01141.pdf>

Employee Retirement Income Security Act Related Notices (A-13-11-01141)

Our Findings

We asked 193 claimants whether they received an ERISA-related notice from SSA. Of the 193 claimants, 59 (31 percent) did not confirm receiving the notices—34 claimants could not remember receiving the notices, and 25 reported they did not receive the notices from SSA. We ended the conversation if the claimant did not confirm he/she received the notice.

Of the 134 claimants who confirmed they received the notices, 88 (66 percent) indicated they were aware of their possible eligibility for pension benefits before they received the notice from SSA. Of the 44 (33 percent) who indicated they were not aware of the possible pension before receiving the notice, most (82 percent) said the notices were useful, but only 23 inquired about the potential benefits. Of the 23 who followed-up on the notices, 3 found they were eligible for lump-sum distribution [from a 401(k)] or private pension benefits as a result of the notices, while 8 were still following up on their notices from SSA.