



WHAT IS THE PLAN NUMBER FOR MY WELFARE PLAN?

Under ERISA, there are two types of benefit plans: retirement plans and welfare plans. Both types of plans are required to have “plan numbers” that can be used for Form 5500 filing purposes and for the regulators (the Department of Labor (DOL), the Internal Revenue Service (IRS) and the Pension Benefit Guaranty Corporation (PBGC)) to track what types of plans an employer/plan sponsor provides to its employees so that the employer’s compliance with applicable laws can be tracked.

Plan numbers are self-assigned by the employer:

- For welfare benefit plans, plan numbers start at 501 for the first plan and then are consecutively numbered for later plans as 502, 503, etc.
- For pension benefit plans, plan numbers start at 001 for the first plan and then are consecutively numbered for later plans as 002, 003, etc.
- Once a plan number is used for a plan, the employer must continue to use it for that plan on all future filings with IRS, DOL and PBGC
- Do not re-use a plan number even if the plan is terminated.

Welfare plans include almost every type of benefit an employer can provide to its employees other than retirement plans. Included are health plans, health reimbursement accounts, health flexible spending accounts, dental plans, vision plans, prescription drug plans, sickness, accident and disability plans, life insurance, accidental death and dismemberment plans, some employee assistance plans, some wellness plans, long term care insurance plans, etc.

The employer must self-assign the welfare plan number for each of its plans as it adopts those plans. ERISA requires that the plan number be listed in the Summary Plan Description (SPD) for the particular welfare plan. ERISA and the Internal Revenue Code both require that the plan number be shown on and used for Form 5500 filings.

Third party administrators cannot assign a welfare plan number to an employer’s plans because third party administrators do not know all of the welfare benefits that have been provided to the employer’s employees over the course of the employer’s existence and what numbers may have already been used.

What if an employer doesn’t know what the plan numbers are for its welfare plans? The employer should try to determine which welfare plan was first adopted to provide welfare benefits (often the employer’s health plan), assign it number 501, and then move forward from there, assigning plan numbers sequentially to the benefits plans in the order in which they were adopted.

See next page for an example.



Example: Employer adopts Health Plan for employees on January 1, 2010. This is the first “welfare plan” the employer offers to its employees. Employees pay their portion of the premiums with after-tax dollars. This is Plan 501.

Later in 2010, the employer decides to adopt a Section 125 Cafeteria Plan to permit its employees to pay their portion of their health plan premiums with pre-tax dollars. This is Plan 502.

In 2011, the Employer offers a dental plan to its employees. This is Plan 503.

In 2012, the Employer offers life and disability plans to its employees. These are Plans 504 and 505.

In 2013, the Employer amends its Section 125 Cafeteria Plan to add flexible spending accounts including a Health FSA and a Dependent Care FSA. The Plan Number remains 502.

In 2014, the Employer adopts a Health Reimbursement Account. This is Plan Number 506.