

# Best Practices in Administering Benefit Claims #1 – Know (and Read) Your Plan Document

**Employee Benefits & Executive Compensation Blog** on **October 8, 2019**

Our ERISA Practice Center blog posts often discuss many complex, and sometimes esoteric, substantive and procedural ERISA issues, as well as related agency guidance and case law. In this new ten-part blog series, however, we take a step away from the complex and esoteric in order to review some of the fundamentals of benefit claim administration. To that end, we want to share with you our top ten best practices for benefit claim administration. Let's dive right into our first best practice: *Know (and read) your plan document*.

Know your plan document? Read your plan document? Seems simple enough. Sometimes, however, some of the simplest things can prove to be the most difficult. ERISA requires every employee benefit plan to be in writing. The plan document is at the core of ERISA and provides the foundation for the benefits to which participants and beneficiaries are (and are not) entitled. Plan sponsors and fiduciaries are well-advised to review their plan documents periodically. Make sure the plan terms are consistent with the plan sponsor's and plan administrator's understanding. This is particularly true when it comes to plan amendments and restatements. Given the number of hands potentially involved in the adoption and implementation of plan amendments and restatements, it is important to make sure nothing has "slipped through the cracks." In addition, a periodic review of the plan document can help you find those plan terms that may be ambiguous or have unintended consequences. Use this review as an opportunity to clarify ambiguous terms to help mitigate risks of litigation. In short, a relatively small amount of effort now to know and read your plan document may save an enormous amount of effort (and money) later.

Come see us again next week where we'll take a look at the importance of other plan-related documents.

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- **Russell L. Hirschhorn**

Partner