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**From:** Anne Lennan [anne@spbatpa.com]  
**Sent:** Friday, September 15, 2006 5:03 PM  
**To:** EBSA, E-ORI - EBSA  
**Subject:** Comments

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September 15, 2006

Office of Regulations and Interpretations  
Employee Benefits Security Administration  
Room N-5669  
US Department of Labor  
200 Constitution Avenue, NW  
Washington, DC 20210  
ATTN: Revision of Form 5500  
RIN 1210-AB06

These comments on the proposed revision of annual information returns are submitted on behalf of the Society of Professional Benefit Administrators (SPBA).

SPBA is the national association of Third Party Administration (TPA) firms which are hired by employers and employee benefit plans to provide outside professional management of their employee benefit plans. The relationship is similar to the situation when a law firm or CPA firm is hired on a long-term basis to provide services. It is estimated that 66% of US workers in non-federal health coverage are in plans administered by some form of TPA. The clients of TPA firms include every size and format of employment, including large and small employers, state/county/city employees, union, non-union, and employees of religious groups. 400 TPA firms are currently members of the SPBA, covering an estimated 55% of non-federal US employees in benefit plans.

#### **Schedule C – Broker Commissions**

The SPBA seeks clarification on the reporting of broker fees in the following situation.

A broker brings an employer group health plan to a TPA for the administration of a self-funded plan. The broker asks the TPA to build in a broker fee of x dollars to cover the broker fee on a monthly basis. The TPA administration fee received by the plan would include the broker fee and from this administration fee the TPA would provide payment to the broker. The broker receives payment from the TPA. If the broker fee exceeds \$5000 per year, must the broker's fee be listed separately on the Schedule C?

Respectfully submitted,  
Anne Lennan  
Vice President  
SPBA