

Are you a “Fiduciary?”

(If you’re an HR leader, chances are yes!)

“Fiduciary responsibility” might sound complicated, but it boils down to **doing what’s legally and ethically right** for your employees.

Fiduciary Responsibility

What’s expected of you

As a fiduciary under ERISA, you are legally obligated to act solely in the interest of plan participants and beneficiaries. This means prioritizing employees’ well-being in every decision you make.



Duty of Loyalty

Protect your team’s interests

Employees’ interests come first. You must proactively avoid conflicts of interest or any scenario that could compromise your impartiality.



Duty of Prudence

Make smart choices you can defend

Rely on accurate data and informed, careful judgement when making benefits decisions. By sourcing reliable data, benchmarks, and analysis, you’ll choose wisely, as a prudent expert. No guesswork needed.



Duty to Monitor

Always know what’s working

Regularly monitor your benefits plan. Check that employees are using it, costs are aligned with expectations, and vendors are delivering as promised. If it’s falling short, take action to fix it. Monitoring includes ongoing evaluation of service provider performance, fee structures, and contractual compliance.



Reasonable Fees

Keep costs fair

Prioritize transparency. Employees should get real value for what they pay — no hidden fees, inflated costs, or vague charges. Regularly review and compare costs against industry benchmarks to prevent overpayment and hold vendors accountable.



Co-Fiduciary Liability

Vendor risk is your risk

If your vendors fail to uphold fiduciary duties, you’re still responsible. Fiduciaries may be held liable for another fiduciary’s breach if they fail to monitor or correct it. Stay involved, ask the tough questions, and ensure vendors meet their obligations.



The bottom line: Understanding fiduciary responsibility is more than compliance— it is also about **safeguarding your employees** and **strengthening your organization's reputation**.



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