



Karen K. Hartford

Partner

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Karen partners with employers of all sizes on a broad range of employee benefit plan design, drafting, implementation, and operational matters.

Karen's practice focuses on advising clients on their group health benefits, including cafeteria plans, self-insured plans, consumer-directed/HDHPs, HRAs, and HSAs, and providing guidance on HIPAA, COBRA, and Affordable Care Act (ACA) compliance. She also has significant experience working with defined contribution and defined benefit pension plans, with particular experience in de-risking plans, terminating plans, filing voluntary correction submissions with the Internal Revenue Service (IRS) and Department of Labor, handling benefit claim disputes, and drafting and reviewing QDROs.

Employers turn to Karen for creative and straightforward solutions to complex issues surrounding retirement plans, health care benefits, and taxation. They rely on her to explain all the possible strategies and solutions in clear terms, and to organize a step-by-step plan of action. Her diligent, thoughtful approach assures clients that, together, they can successfully steer through any challenge and reach a beneficial resolution.

Karen's representative matters include:

- Terminating multiple defined benefit pension plans for a client, and navigating the almost two-year, highly government-regulated process— from seeking agency approvals to making distributions to participants—of removing millions of dollars of volatile retirement liability from the company's books
- Harmonizing the health and welfare benefit offerings of two large companies following their merger, including rewriting plan documents and employee communications
- Assisting a client in adding employer stock as an investment offering under its 401(k) plan, which involved amending the plan document and expanding the plan's summary plan description to comply with ERISA, the Internal Revenue Code, and Securities and Exchange Act regulations; and providing education and advice on the fiduciary implications of holding

Services/Industries

- Employee Benefits & Executive Compensation

- company stock in an ERISA-governed plan
- Responding to the Internal Revenue Service's proposed six-to-seven-figure penalty assessments under the employer shared responsibility provisions of the ACA for multiple clients and negotiating for significantly reduced to no penalty
- Submitting a voluntary correction application to the IRS on behalf of a client that mistakenly excluded certain groups of employees from its qualified retirement plan; Karen's rapid response permitted the client to significantly reduce the amount of corrective contributions it was required to make, while protecting its plan's tax-qualified status for the future

Karen currently serves on the firm's Diversity Committee and is the immediate past Chairperson of the Associate Development Committee.

A native Mainer, Karen thoroughly enjoys the outdoors through all seasons with her husband, two boys, and a very energetic soft coated wheaten terrier.

Education

- University of Maine School of Law (J.D., *cum laude*)
 - Editor, Maine Law Review
- Wesleyan University (B.A.)

Bar Admissions

- Maine

Memberships

- Maine State Bar Association
- Maine Employee Benefits Council
- New England Employee Benefits Council

Honors

- AV® rated by *Martindale-Hubbell*
- Listed in *The Best Lawyers in America*® for Employee Benefits (ERISA) Law in Portland, Maine
- Selected by peers for inclusion in *New England Rising Stars*® under Employee Benefits

To learn more about third-party ratings and rankings, and the selection processes used for inclusion, [click here](#).

Experience

Implementation of Health Savings Account

We provided comprehensive advice to our client regarding its implementation of a high deductible health plan with a Health Savings Account (HSA) feature. This project involved analyzing and communicating to the client the complex interplay between HSAs and other benefit options, advising on plan design, writing plan documents and disclosures, and reviewing written communications to employees.

Publications & Podcasts

December 6, 2021

2021 Year End Employee Benefit Plan Amendments

August 19, 2021

Employee Benefits & Executive Compensation 2021 Summer Client Advisory

December 17, 2020

Employee Benefits & Executive Compensation 2020 Year-End Client Advisory

January 7, 2020

The SECURE Act

December 18, 2019

December 2019 Client Advisory

December 17, 2018

December 2018 Client Advisory

July 18, 2018

New Disability Claims Procedures Affect Retirement Plans and Deferred Compensation Plans Too

Blog Posts: Benefits Law Update

Named a Top 10 Blog in Compensation and Benefits, Verrill's attorneys use the Benefits Law Update blog to provide timely updates and commentary on developments in law affecting employee benefit plans and executive compensation arrangements.

January 10, 2022

Elimination of Good Faith Relief for ACA Reporting

On November 22, 2021, the Internal Revenue Service (IRS) published proposed regulations that codify, among other things, an automatic extension of the deadline for furnishing IRS Forms 1095-C to employees. IRS Forms 1095-C are the annual information returns required...

September 22, 2021

Self-Insured Group Health Plan Sponsors: Action Steps to Mitigate Risk Under the Mental Health Parity and Addiction Equity Act

The Mental Health Parity and Addiction Equity Act (“MHPAEA”) provisions of the Consolidated Appropriations Act, 2021 (“CAA”) introduced a requirement that group health plans and insurance providers offering both medical and surgical benefits (“M/S benefits”) and mental health and...

August 19, 2021

Employee Benefits & Executive Compensation 2021 Summer Client Advisory

Click here to view as a PDF. This Client Advisory summarizes developments in the law governing employee benefit plans prompted by the COVID-19 pandemic. We explain what these developments mean for plan sponsors and highlight the need to adopt...

May 20, 2021

IRS Notice 2021-26 Clarifies Taxation of Dependent Care Assistance Programs

On May 10, 2021, the IRS issued Notice 2021-26 , which provides guidance regarding the taxation of dependent care assistance benefits provided through a Code Section 125 cafeteria plan, available in tax years ending in 2021 and 2022 due...

March 8, 2021

Webinar: The Effect of COVID-19 on Employee Benefit Plans – Making Sense of the Abundance of New Legislation and Guidance

Join us on Thursday, March 18 for the next segment in the virtual series that comprises Verrill’s 2021 Employment Law Annual Update! For this segment, employee benefits attorneys Karen Hartford, Bill Jewett, and Chris Lockman will examine the various...

January 11, 2021

Consolidated Appropriations Act of 2021 Includes Flexible Spending Account Relief

The Consolidated Appropriations Act of 2021 (the “Act”) was signed into law on December 27, 2020. Buried within its 5,593 pages is some welcome flexibility relating to 2020 and 2021 health care and dependent care Flexible Spending Accounts (FSAs...

December 30, 2020

Employee Benefits & Executive Compensation 2020 Year-End Client Advisory

Click here to view as a PDF . This Client Advisory highlights important developments in the law governing employee benefit plans over the past year. It offers insight into what these developments mean for employers and plan sponsors and...

September 16, 2020

Allocation of Medical Loss Ratio Rebates and Premium Refunds

One consequence of the current COVID-19 crisis for group health plans has been

the significant reduction in employee preventive care and elective medical procedures as people shelter in place and socially distance. When group health plan premiums were established...

May 13, 2020

IRS and DOL Extend Certain Health & Welfare Benefit Plan-Related Deadlines

This post summarizes the health and welfare benefit plan-related deadline extensions described in IRS Notice 2020-23 issued April 9, 2020 and the DOL and Treasury Joint Notice issued April 28, 2020 (the "Joint Notice"). IRS Notice 2020-23 expands upon...

December 19, 2019

December 2019 Client Advisory

This Client Advisory, originally distributed in December 2019, highlights important developments in the law governing employee benefit plans and executive compensation over the past year. It offers insight into what these developments mean for employers and plan sponsors and...

July 15, 2019

Plan Sponsors: You Should Have a Model QDRO

ERISA Section 206(d)(3)(G)(ii) requires sponsors of qualified retirement plans to maintain written procedures for the administration of qualified domestic relations orders ("QDROs"), and the plan administrator has an obligation to ensure that a domestic relations order received by the...