

AI-Generated SPDs: Convenience Meets Compliance Risk

June 24, 2026

PRACTICES Employee Benefits and Executive Compensation

Third-party administrators (“**TPAs**”), brokers, and benefits technology vendors are increasingly offering artificial intelligence (“**AI**”) tools that can generate Summary Plan Descriptions (“**SPDs**”), plan summaries, FAQs, and participant communications almost instantaneously. While these tools promise efficiency and reduced administrative burden, plan sponsors should proceed cautiously. Under ERISA, the plan administrator is responsible for maintaining compliant plan documentation and properly distributing required disclosures, including the obligation to furnish paper copies of plan documents upon a participant’s request.

Key Risks to Consider

- **Accuracy and Completeness:** AI-generated documents may inadvertently omit required ERISA disclosures, misstate eligibility rules, simplify plan provisions incorrectly, or fail to reflect the terms of the governing plan document. Even small discrepancies can create participant confusion and potential fiduciary exposure.
- **Version Control Challenges:** Many AI systems continuously update content or generate documents dynamically. If a participant later claims they relied on a particular SPD, employers may face a difficult question: Can you prove exactly what document was provided to that participant on that date? Maintaining a defensible record of the specific version distributed becomes increasingly important when AI-generated content is involved.
- **Distribution and Retention Issues:** ERISA requires more than simply making documents available. Plan administrators must be able to demonstrate that required disclosures were furnished using a permissible distribution method. If an AI platform generates content, employers should understand how documents are distributed, whether distribution records are retained, how long those records are maintained, whether historical versions can be reproduced, and what evidence exists to demonstrate participant receipt or access.
- **Paper Copy Obligations:** ERISA requires plan administrators to provide paper copies of SPDs and other plan documents to any participant or beneficiary who requests one in writing, regardless of whether electronic delivery methods are also used. If documents are generated dynamically by AI, plan sponsors should confirm that a fixed, printable version exists and can be produced on demand. Version control issues may arise.
- **Fiduciary Oversight:** Using AI does not eliminate fiduciary responsibilities, including the requirement to provide paper copies upon request. Plan fiduciaries should exercise reasonable oversight of vendors and review AI-generated materials before distribution. Blind reliance on AI-generated content may create unnecessary compliance risk.

Practical Steps for Plan Sponsors

Organizations considering AI-generated SPDs or participant communications should ask vendors:

- What sources are used to generate the document or communication?
- How is accuracy validated? Can you audit this? Does indemnification cover mistakes?
- Are generated documents reviewed by benefits professionals or counsel?
- Can the vendor produce each historical version of participant-facing documents?
- What records are maintained regarding distribution and participant access?
- How are corrections, updates, and revisions tracked? Do static copies exist?
- Is the algorithm potentially being trained on our confidential or proprietary data?

Bottom Line

AI can be a valuable tool for streamlining benefits administration, but it should not replace appropriate legal review, document governance, and distribution controls. Plan sponsors should ensure that convenience does not come at the expense of compliance or the ability to prove what participants actually received.