Voluntary Benefits and the Fiduciary Process: What *Pimm v. United Airlines* Signals for Every Plan Sponsor

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Prudence under ERISA has always been as much about method as outcome. A fiduciary is expected to ask the right questions, weigh the alternatives and leave a record of the reasoning. Yet results are never far behind. When costs drift out of line with the market, they become the evidence plaintiffs use to argue that the process behind them broke down. Sponsors of retirement plans have lived with that reality for years. Sponsors of health and welfare plans are only beginning to encounter it.

Pimm v. United Airlines offers an early look at what that encounter may involve. Filed in December 2025, the class action centers on a corner of the benefits program that rarely draws fiduciary attention: voluntary accident, critical illness and hospital indemnity insurance, paid for entirely by employees.[1] The plaintiffs contend that these products fell within United Airlines' ERISA plan, that the commissions built into employee premiums were excessive, and that no process governed the selection or oversight of the broker or the carrier.[2] United and its broker are named as fiduciaries, while the insurer is not.[3]

No court has yet ruled on these claims, and a final resolution may be years away. The questions the case raises, however, do not depend on its outcome. They apply to every employer that offers voluntary benefits, and they're worth answering now.

Where the Fiduciary Process Comes In

A sound fiduciary process should give a plan sponsor clear answers in five areas. Litigation like *Pimm* tests each of them.

1. Knowing what you sponsor. Whether a benefit falls under ERISA depends not only on who pays for it, but on how it is offered and presented to employees. Plan sponsors should be able to identify which of their benefits sit within the ERISA plan and support that conclusion if asked.
2. Knowing what you sign. Form 5500 filings, plan documents and enrollment materials form a record of how an organization treats its benefits. They deserve review not only for accuracy and timeliness, but for what they communicate about the sponsor's fiduciary responsibilities.
3. Knowing what participants pay. When employees bear the full cost of a benefit, premiums can receive less scrutiny than they warrant. If the benefit is part of the plan, the costs and compensation built into those premiums remain a fiduciary concern.

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[1] *Pimm v. United Airlines, Inc.*, No. 1:25-cv-15581 (N.D. Ill. filed Dec. 23, 2025).
[2] *Id.*
[3] *Id.*

4. Knowing what you receive. Services, credits or pricing extended to the employer may have some connection to arrangements elsewhere in the benefits program. Understanding whether such a connection exists is part of a complete review.
5. Knowing who bears the risk. Contracts allocate responsibility between the parties. If a benefit were determined to be part of the plan, the existing contract terms would likely shape who bears the cost.

In each area, a decision is only as strong as the record behind it. What cannot be shown is difficult to defend.

A Question of Scale

Compare your organization's annual investment in health and welfare benefits with the size of its retirement plan. The larger the commitment, the more a fiduciary process has to protect, and the greater the exposure without one.

Acting Before the Verdict

Courts may take years to resolve the questions *Pimm* has raised, but plan sponsors do not need to wait for an outcome. A well-designed fiduciary process stands on its own, whatever any single case decides. It identifies risks early, addresses them before they become claims and creates a clear record of how each decision was made.

Wealthspire's health and welfare fiduciary process reflects the issues now emerging in litigation like *Pimm*. Contact us to learn how we can help you apply these lessons to your plans before they are put to the test.

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