



Proposed Changes to Summary of Benefits and Coverage Requirements

New proposed rules would amend the requirements related to distribution of a summary of benefits and coverage (SBC). Under Health Care Reform, a group health plan (or the insurer) must provide employees with a standard SBC form explaining plan coverage and costs at specified times during the enrollment process and upon request.

Key Highlights

The proposed rules include revisions to the SBC templates, instruction guides, uniform glossary, and other supporting materials. Key changes include:

- The sample completed SBC template for a standard group health plan would be **shortened from four double-sided pages to two-and-a-half pages**, by removing information that is not required by law and that has been identified to be less useful for individuals choosing coverage.
- Changes to the content of the SBC and uniform glossary would reflect various reforms under the Affordable Care Act (ACA)--for example, references to annual limits for essential health benefits and preexisting condition exclusions would be removed. In addition, the disclosures relating to continuation of coverage, minimum essential coverage, and minimum value would be revised.
- Similarly, in the uniform glossary, the rules propose to revise some of the existing definitions and add new definitions reflecting important insurance or medical concepts, as well as key ACA terms (such as "individual responsibility requirement" and "cost-sharing reductions").



Consistent with prior guidance, the proposed rules would also help prevent unnecessary duplication when a group health plan **utilizes a binding contractual arrangement where another party assumes responsibility to provide the SBC** (and in certain other circumstances). In such a case, the entity would be considered to satisfy the requirement to provide the SBC **if specified conditions are met**:

- The entity **monitors performance** under the contract;
- If the entity has knowledge that the SBC is not being provided in a manner that complies with the law and the entity *has* all information necessary to correct the noncompliance, the entity **corrects** the noncompliance as soon as practicable; and
- If the entity has knowledge that the SBC is not being provided in a manner that complies with the law and the entity *does not have* all information necessary to correct the noncompliance, the entity **communicates** with affected participants and beneficiaries and begins taking **significant steps** as soon as practicable to avoid future violations.

Additional Information

If finalized, the changes to the SBC and uniform glossary requirements would apply for disclosures with respect to coverage that begins **on or after September 1, 2015**. A proposed revised SBC template, sample completed SBC, instructions, and related documents are available for review. On the link: see the section titled “**Templates, Instructions, and Related Materials – Proposed (SBCs On or After 9/1/2015)**”