
THE GROUP BENEFIT NEWS BULLETIN

Update on Health Care Reform

Proposed Rule May Change Current Contents Required in Summary of Benefits and Coverage (SBC)

Recently the Departments of Health and Human Services, Labor, and Treasury (HHS) released a proposed rule, 2014-30243, that if adopted would modify the length of current SBCs as well as the content contained within the SBCs. The proposed rule's goal is to streamline and shorten the SBC by only providing information that is required by the statute or through testing that was deemed appropriate. The length of the SBC would go from the current 4 double-sided pages to 2 double sided and half pages.

In addition, the proposed rule will add another coverage example to the two already listed. The new example shows cost-sharing related to a broken foot in an effort to show how a plan would cover an emergency scenario.

One additional modification is in the area of preventing unnecessary duplication of providing the SBCs. The proposed rule would allow an entity to not have to provide the SBC themselves as long as the entity has entered into a binding contract with another party to provide the SBCs. The entity would be deemed to have satisfied this requirement if the following conditions are met:

- (1) The entity monitors performance under the contract;
- (2) The entity has knowledge that the SBCs are not being provided in the manner required, has all information to correct the noncompliance and the entity corrects the noncompliance as soon as practicable and;
- (3) The entity has knowledge that the SBCs are not being provided in the manner required, and does not have all information to correct but communicates with participants and beneficiaries affected and then begins taking steps to correct as soon as practicable to avoid future violations.

The proposed regulations will have a 60 day comment period after being published in the Federal Register on 12-30-14. If adopted, final regulations will begin with enrollment periods beginning on or after September 1, 2015. A sample updated SBC template can be found [here](#). The proposed rule can be found [here](#).

As always, TBPG will continue to monitor all updates and keep you informed of any pertinent information. If you have any questions, please contact your TBPG representative.

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As always, this material is intended for informational purposes only and is not to serve as instruction or legal counsel.