

## **Summary of Benefits and Coverage and Uniform Glossary Final Rule Fact Sheet**

Improvements to the regulations regarding the summary of benefits and coverage (SBC) and uniform glossary for group health plans and health insurance coverage in the group and individual markets are being released today by the Departments of Health and Human Services, Labor, and the Treasury (collectively, the Departments). Today's final regulations amend the final regulations published on February 14, 2012 (2012 final regulations). The amendments to the 2012 final regulations are finalized based on public comments received on the proposed rules published on December 30, 2014 (the December 2014 proposed rules). These final regulations are designed to improve consumers' access to important plan information so they can make informed choices when shopping for and renewing coverage, as well as to provide clarifications that will make it easier for health insurance issuers and group health plans to comply with the requirement to provide this information.

The December 2014 proposed rules included proposed revisions to the SBC template, instruction guides, uniform glossary, and other supporting materials. On March 30, 2015, the Departments released an a Frequently Asked Question stating that the Departments intend to utilize consumer testing and offer an opportunity for the public, including the National Association of Insurance Commissioners (NAIC), to provide further input before finalizing revisions to the SBC template and associated documents. The Departments anticipate the new template and associated documents will be finalized by January 2016, and will apply to coverage that would renew or begin on the first day of the first plan year (or, in the individual market, policy year) that begins on or after January 1, 2017 (including for coverage beginning on or after January 1, 2017, for which open enrollment occurs in the fall of 2016).

Key policies in today's final rules include:

### **Provision to Require Online Access to Individual Underlying Policy or Group Certificate**

The final regulations clarify that, under Section 2715(b)(3)(I) of the Public Health Service Act, as added by the Affordable Care Act issuers must include an Internet web address where a copy of the actual individual coverage policy or group certificate of coverage can be reviewed and obtained. The final regulations require these documents to be easily available to individuals, plan sponsors, and participants and beneficiaries shopping for coverage prior to submitting an application for coverage. For the group market only, because the actual "certificate of coverage" is not available until after the plan sponsor has negotiated the terms of coverage with the issuer, an issuer is permitted to satisfy this requirement with respect to plan sponsors that are shopping for coverage by posting a sample group certificate of coverage for each applicable product. After the actual certificate of coverage is executed, it must be easily available to plan sponsors and participants and beneficiaries via an Internet web address.

### **Provisions to Reduce Unnecessary Duplication**

The final regulations help prevent unnecessary duplication where a group health plan utilizes a binding contractual arrangement where another party assumes responsibility to provide the SBC; where a group health plan uses two or more insurance products provided by separate issuers to insure benefits with respect to a single group health plan; and where the SBC for student health insurance coverage is provided by another party (such as an issuer that provides coverage for student enrollees and covered

dependents of an institution of higher education). These provisions are consistent with prior guidance issued by the Departments.

**Provision to Require Certain Disclosures by QHP Issuers**

Section 1303(b)(3)(A) of the Affordable Care Act, and implementing regulations at 45 C.F.R. 156.280(f), which already apply to qualified health plan issuers offering coverage that covers abortion services for which public funding is prohibited through an individual market Marketplace, require such issuers to notify consumers of such coverage at the time of enrollment. Unchanged from the proposed regulations, the final regulations require such a QHP issuer to disclose on the SBC whether non-excepted abortion services as well as excepted abortion services (that is, those abortion services for which public funding is permitted) are covered or excluded, consistent with the manner specified in guidance by the Secretary.

The Departments note that the proposed updates to the SBC template and instruction guides included the guidance for QHP issuers regarding the wording and placement of this disclosure on the SBC, and these revisions will not be finalized until January 2016 and will not be applicable until SBCs are issued in connection with coverage that begins on or after January 1, 2017. Until the new template and associated documents are finalized and applicable, issuers of QHPs through the individual market Marketplace may adopt any reasonable wording and placement of the disclosure on the SBC (these QHP issuers may also provide the disclosure in a cover letter or other separate notice provided with the SBC).