

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Center for Consumer Information and Insurance Oversight  
200 Independence Avenue SW  
Washington, DC 20201



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July 13, 2016

Dear Tribal Leader:

The Centers for Medicare & Medicaid Services (CMS) is strongly committed to honoring the special relationship between Tribal governments and the Federal government. Through our partnership, we share the goal of implementing CMS programs in a way that is both effective for Tribes and provides American Indians and Alaska Natives (AI/ANs) all of the protections to which they are entitled under the Affordable Care Act and tools to make informed choices regarding their health coverage.

Under the Affordable Care Act, issuers and health plans are required to provide a brief summary of what the plan covers and the cost sharing responsibility of the consumer, in order to help individuals make more informed choices among health plan options and better understand their coverage. The Summary of Benefits and Coverage (SBC) is available for every Marketplace plan and most non-Marketplace plans. Plans and issuers are also required to provide a comprehensive Uniform Glossary of commonly used health coverage and medical terms for use with the SBC.

On April 6, 2016, the Department of Health and Human Services (HHS), the Department of Labor (DOL), and the Department of the Treasury announced key enhancements to the SBC template and Uniform Glossary. The improvements include an additional coverage example and language and terms to improve consumers' understanding of their health coverage. The SBC includes coverage examples that demonstrate the cost sharing amounts an individual might be responsible for in three common medical situations: diabetes care, childbirth, and foot fractures. Changes have also been made to the SBC to improve readability for consumers. The new template includes more information about cost sharing, such as enhanced language to explain deductibles and a requirement that plans address individual and overall family out-of-pocket limits in the SBC. In addition, on July 1, 2016 we released the translated SBC and glossary in four additional languages: Chinese, Spanish, Tagalog, and Navajo (oral and written).

The SBC has been the topic of much discussion between CMS, Tribes, and Tribal leaders over the past several months. Tribes expressed concern that while the SBC is a useful tool, some SBCs were incorrectly completed for AI/AN members who had limited or zero cost sharing plans through the Health Insurance Marketplaces. In response to these concerns, CMS developed a set of sample completed SBCs for AI/AN members with limited cost sharing plans and zero cost sharing plans that issuers may refer to as they develop their own SBCs. These samples meet the SBC requirements and provide important information to AI/AN members on

the special protections AI/ANs are entitled to receive. The CMS Tribal Technical Advisory Group (TTAG) provided helpful feedback to the sample completed SBCs.

Today, we are releasing sample completed SBCs for a limited cost sharing plan and a zero cost sharing plan. Enclosed is a copy of the samples; as with the other SBC documents, these documents will be posted to the CCIIO website and shared with issuers as a reference tool. In particular, we note a number of additions to the sample completed SBC for the limited plan variation. That sample completed SBC shows the cost sharing the consumer would be responsible for at an Indian Health Care Provider (IHCP) or a non-IHCP. The SBC also explains under the limitations, exceptions, and other important information section that if a consumer goes to an out-of-network provider that charges more than the allowed amount the consumer may have to pay the difference (often referred to as balance billing). Lastly, the instructions to the new SBC template released on April 6, 2016 directs issuers to include language below the coverage examples in the limited cost sharing plan variation SBC to explain that the examples assume that the patient is receiving care from an IHCP provider or with an IHCP referral at a non-IHCP. This language also explains that the consumer's costs may be higher if care is received from a non-IHCP provider without a referral from an IHCP.

For health plans and issuers that maintain an open enrollment period, use of the new SBC template is required beginning on the first day of the first open enrollment period that begins on or after April 1, 2017. For plans and issuers that do not maintain an open enrollment period, use of the new SBC template is required beginning on the first day of the first plan year (or, in the individual market, policy year) that begins on or after April 1, 2017.

Please contact Kitty Marx, Director, Division of Tribal Affairs, Intergovernmental External Affairs Group, Centers for Medicaid and CHIP Services, with any questions or concerns regarding the sample SBCs by phone, (410) 786-8619, or via e-mail, [kitty.marx@cms.hhs.gov](mailto:kitty.marx@cms.hhs.gov).

I want to thank you for your contributions and feedback in this important exercise. I believe these samples will help plans create SBCs that more accurately reflect the plans offered to American Indians and Alaska Natives through the Health Insurance Marketplaces. CMS is committed to sustaining our partnership and improving access to health care in your communities, and we look forward to our continuing dialogue on this and other matters.

Sincerely,



Kevin J. Counihan

Chief Executive Officer, Health Insurance Marketplaces  
Director, Center for Consumer Information & Insurance Oversight

Enclosure