

HEALTH CARE REFORM: AFFORDABLE CARE ACT SUMMARY OF BENEFITS AND COVERAGE CHANGES

On December 30, 2014, the Federal Departments of Labor, Health and Human Services and Treasury issued proposed regulations about changes to the Summary of Benefits and Coverage (SBC). The Affordable Care Act (ACA) requires health plans to provide to those covered, or eligible for coverage, under the plan a SBC that “accurately describes the benefits and coverage under the applicable plan or coverage.” Previous regulations described the form and content of the SBC, provided SBC templates and included a Uniform Glossary. Please see the Keenan *Briefing* on this topic at:

http://www.keenan.com/news/brief/2012/BRF_20120309_SBCRequirements_KA.pdf

PROPOSED SBC CHANGES

The proposed regulations are intended to enhance consumer access to important plan information and assist individuals with comparing various plans’ coverage. Group health plans will find it easier to comply with providing this information. Under the proposal, the SBC for a standard group health plan is to be shortened to two and one-half double-sided pages. The new SBC will eliminate information that is not required or not useful for consumers and will change the coverage examples.

- The new SBC template can be found at: <http://www.dol.gov/ebsa/pdf/correctedsbctemplate2.pdf>.
- Instructions for completing the template: <http://www.dol.gov/ebsa/pdf/SBCInstructionsGroup.pdf>
- The Uniform Glossary: <http://www.dol.gov/ebsa/pdf/SBCUniformGlossary.pdf>

PREVIOUS EFFECTIVE DATE

The proposed regulations were to be effective on the first day of the first open enrollment period that begins on or after September 1, 2015. With respect to individuals who enroll in group health coverage other than through an open enrollment period, the regulations apply to the first day of the plan year beginning on or after September 1, 2015.

NEW EFFECTIVE DATE

On March 30, 2015, a new FAQ was issued about Affordable Care Act Implementation (Part XXIV) which delays implementation of these changes to the open enrollment periods for coverage that begins on January 1, 2017 and, for enrollment outside of the open enrollment period, for plan years beginning on or after January 1, 2017.

Please contact your Keenan Account Manager for questions regarding this *Briefing* or if you require any additional information regarding the Affordable Care Act.

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