

## HEALTH CARE REFORM: NEW SUMMARY OF BENEFITS AND COVERAGE TEMPLATE FINALIZED

The Affordable Care Act requires plan sponsors and health insurance issuers to provide participants a Summary of Benefits and Coverage (SBC). The standardized SBC provides a brief summary of what the plan covers and the cost-sharing obligations. Issuers and plan sponsors must also provide a Uniform Glossary of commonly used health insurance terms. The goal of these requirements is to help consumers better understand the features of their health plans so that they can compare options and make informed decisions on which plan best meets their needs.

On April 6, 2016, the Departments of Health and Human Services, Labor and the Treasury released updated versions of the SBC template and its associated documents. Some of the changes to the SBC template include:

- An additional cost example for a foot fracture treated in an emergency room
- Updated language about minimum essential coverage and minimum value
- More information about cost-sharing, including information on individual and overall out-of-pocket limits
- An updated Uniform Glossary

The revised template and its associated documents must be used starting the first day of the first open enrollment period that begins on or after April 1, 2017. If a plan or issuer does not use an annual open enrollment period, then it must comply starting the first day of the plan year beginning on or after April 1, 2017.

More information about the SBC, including the revised template and instructions, is available at the Department of Labor's website:

<http://www.dol.gov/ebsa/healthreform/regulations/summaryofbenefits.html>

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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