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Summary of Benefits and Coverage Requirement Postponed

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One of the requirements from PPACA is a new Summary of Benefits and Coverage (SBC) and a Uniform Glossary of commonly used terms such as deductible and copay. HHS was required to provide guidance and a template for compliance by March 23, 2011, with employers required to provide these new SBCs to their participants beginning March 23, 2012. They finally did provide that guidance and templates—five months late—on August 18, 2011. At the time, HHS had also requested comments about the templates and timing of the notices. Due to those comments, until final regulations are issued and applicable, plans and insurers **are not required to comply with the preparation or distribution of the SBC**. They also stated that once final regulations and guidance is issued they will provide sufficient time to comply.

As a refresher, once finalized, both the SBC and the Glossary must be provided by health insurance issuers and group health plans upon request by a

member (within 7 days), 30 days prior to a renewal, and 60 days prior to a renewal if there are “significant” changes to the coverage.

Who will ultimately prepare and provide this information will probably vary from carrier-to-carrier, and TPA-to-TPA. We recommend contacting your insurance carrier, TPA, or insurance broker or consultant to discuss your individual plans. Regardless of who ultimately prepares and distributes the Summary and Glossary, HHS has provided a template for compliance. The template can be found [here](#).

We anticipate additional regulatory and implementation guidance on the Summary of Benefits Coverage and Uniform Glossary of Terms, but employers should be aware of the requirement and make plans for compliance. This is welcome guidance, however, and provides all involved with more time to prepare, and HHS more time to hear our comments.

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