



April 11, 2016

Finalized Templates - Summary of Benefits and Coverage (SBC)

The agencies have [announced](#) final enhancements to the Summary of Benefits and Coverage (SBC) template and Uniform Glossary. The improvements include an additional coverage example and language and terms to improve members' understanding of their health coverage. These templates were previously issued in proposed form (see our recent [Update](#) for background on the changes).

Under the Affordable Care Act (ACA), issuers and health plans are required to provide a brief summary of what the plan covers and the cost sharing responsibility of the member, in order to help individuals make more informed choices among health plan options and better understand their coverage. Plans and issuers are also required to provide a comprehensive uniform glossary of commonly used health coverage and medical terms. The SBC includes coverage examples that demonstrate the cost sharing amounts an individual might be responsible for in three common medical situations. In addition to the current coverage examples that address diabetes care and childbirth, the updated template has a new coverage example that addresses coverage for a foot fracture so that a member understands what a plan covers in an emergency scenario.

Changes have also been made to the SBC to improve readability. The new templates include more information about cost sharing, such as enhanced language to explain deductibles and a requirement that plans address individual and overall out-of-pocket limits in the SBC. These improvements reflect input from consumer groups, the National Association of Insurance Commissioners (NAIC), and other stakeholders. Health plans and issuers will use the new final SBC template materials beginning on the first day of the first open enrollment period that begins on or after April 1, 2017 (with respect to coverage for plan years beginning on or after that date). Further information regarding the SBC and supporting materials can be found on the [DOL website](#) and the [HHS website](#).

Plan sponsors will now need to be prepared to make the necessary modifications for SBCs issued on or after April 1, 2017. Please contact your Conner Strong & Buckelew account representative toll free at 1-877-861-3220 with any questions. For a complete list of Legislative Updates issued by Conner Strong & Buckelew, visit our online [Resource Center](#).

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