

FAQS ABOUT AFFORDABLE CARE ACT IMPLEMENTATION (PART 30)

March 11, 2016

Set out below is an additional Frequently Asked Question (FAQ) regarding implementation of the Affordable Care Act. This FAQ has been prepared jointly by the Departments of Labor, Health and Human Services, and the Treasury (collectively, the Departments). Like previously issued FAQs (available at <http://www.dol.gov/ebsa/healthreform/> and <http://www.cms.gov/ccio/resources/fact-sheets-and-faqs/index.html>), this FAQ answers questions from stakeholders to help people understand the Affordable Care Act and benefit from it, as intended.

Summary of Benefits and Coverage

Public Health Service (PHS) Act section 2715, as added by the Affordable Care Act and incorporated by reference into the Employee Retirement Income Security Act and the Internal Revenue Code, directs the Departments to develop standards for use by a group health plan and a health insurance issuer offering group or individual health insurance coverage in compiling and providing a summary of benefits and coverage (SBC) that “accurately describes the benefits and coverage under the applicable plan or coverage.” On June 16, 2015, the Departments published revised joint final regulations regarding the requirements for the SBC.¹ Separately, on February 26, 2016, the Departments published a coordinated information collection request proposing a new SBC template and instructions, an updated uniform glossary, and other associated materials consistent with the requirements of the Paperwork Reduction Act.²

What is the intended implementation date for SBCs using the new template and associated documents?

After the close of the public comment period on March 28, 2016, regarding the proposed SBC template and associated documents that were published on February 26, 2016, the Departments intend to review the comments and finalize the new SBC template and associated documents expeditiously. The Departments intend that health plans and issuers that maintain an annual open enrollment period will be required to use the new SBC template and associated documents 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 (or, in the individual market, policy years) beginning on or after that date. For plans and issuers that do not use an annual open enrollment period, the new SBC template and associated documents would be 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.

¹ 26 CFR 54.9815-2715, 29 CFR 2590.715-2715, and 45 CFR 147.200 published at 80 FR 34292.

² 81 FR 9860, 9887, 9945.