



CLIENT BULLETIN

New SBC Template Released Superseding Old Template

14 FAQs on SBCs Also Released

The Departments of Labor, Health and Human Services and Treasury (Departments) released 14 new FAQs regarding the Summary of Benefits and Coverage (SBC) required to be distributed by grandfathered and non-grandfathered health plans under the *Affordable Care Act (ACA)* and also released UPDATED VERSIONS of the SBC template, the sample completed SBC and the guide for coverage examples calculations – diabetes scenario. **Plans will need to update their SBCs to match the modifications to the SBC by the Departments or use the new template.**

In light of this last minute change, FAQ 8 reiterates that during this first year of applicability, the *Departments will not impose penalties on plans and issuers that are working diligently and in good faith to comply with the SBC requirements.*

A comparison of the old and new templates reveal the biggest difference is the new template underlines words that were **bolded** in the old template. Changes were also made to the heading of the column for “in” or “out” of network usage and the numbers in the diabetes example. **FAQ 14 further explains the changes:**

"In the diabetes treatment scenario, the version originally posted contained a typographical error, listing the allowed amount for insulin as \$11.92, rather than \$119.20 – a difference that impacts the total cost of care for diabetes in the coverage example calculations. To correct this error, the Departments have posted updated versions of the SBC template, the sample completed SBC and the guide for coverage examples calculations - diabetes scenario.

The updated SBC template and sample completed SBC also include sample taglines for obtaining translated documents... as well as updated Sample Care Costs amounts for the diabetes coverage example, due to more accurate rounding in making these calculations.

Finally, the updated versions include some appearance modifications (such as *changes in bolding, underlining, shading, capitalization, margin justification, use of hyphens and row and column sizing*) to ensure the document is accessible to individuals with disabilities, consistent with Section 508 of the Rehabilitation Act.

Plans and issuers may use either version, or may make similar modifications to their own SBCs, without violating the appearance requirements for an SBC. The updated versions of these documents are labeled 'corrected on May 11, 2012' in the lower right corner of the first page and are available at www.dol.gov/ebsa/healthreform and cciio.cms.gov. **These three documents replace the prior versions issued contemporaneously with the final regulations in February 2012.**" (emphasis added)

The new templates are available at the Departments websites at: <http://www.dol.gov/ebsa/healthreform/index.html> and cciio.cms.gov. The new SBC template, the sample completed SBC and the guide for coverage examples calculations – diabetes scenario are available also by "clicking on" the following links:

- **Corrected Summary of Benefits and Coverage (SBC) Template**
[\[PDF\]](#) [\[MS Word Format\]](#)
- **Corrected Sample Completed SBC**
[\[PDF\]](#) [\[MS Word Format\]](#)
- **Guide for Coverage Examples Calculations – Diabetes Scenario**
[Standard Format](#) (XLSX) [Accessible Format](#) (PDF)

The 14 FAQs are summarized below. A specially prepared version with a table of contents is available by "[clicking here.](#)"

- Q1: Additional safe harbors for electronic delivery of SBCs.
- Q2: Health insurance issuers SBC provision requirements.
- Q3: Providing SBCs prior to and upon application for coverage.
- Q4: Health insurance issuers SBC provision requirements.
- Q5: Individual coverage market question.
- Q6: Electronic features (such as scrolling and expansion of columns) when displaying the SBC electronically.
- Q7: Combining SBCs or SBC elements to provide a side-by-side comparison between benefit package options, **in addition to** providing a full SBC.
- Q8: Penalties for failure to provide the SBC or the uniform glossary.
- Q9: Update on the status of the Departments providing further assistance with regard to the coverage examples, such as a streamlined calculator.
- Q10: Health insurance issuers question.
- Q11: Update on translations of the SBC template and the uniform glossary which include Spanish, Chinese, and Tagalog.
- Q12: Health insurance issuers question.
- Q13: Expatriate plans question.
- Q14: Updates to the SBC template and related documents (discussed above).

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