

UPDATE 2012

HEALTH CARE REFORM

JANUARY 2012

SUMMARY OF COVERAGE & MATERIAL MODIFICATION TIMELINE DELAYED

As you may remember from an earlier communication, in August Health and Human Services (HHS) issued proposed regulations and templates for implementation of the new Summary of Benefits and Coverage and Uniform Glossary requirements. Originally, the implementation for the SBC was set for March 23, 2012 and required health plan administrators to provide the new summary of coverage to plan participants based on their initial guidelines. The March implementation deadline has been delayed.

HHS asked for comments on the proposal, which were due in October 2011. Concerns were raised on the timeline and what actions health plans and employers should be taking now prior to the final guidance.

While the final regulations are still under development, the Departments noted the comments and stakeholder feedback were being taken into account. During the week of November 17, 2011, the Departments issued a statement that "until final regulations are issued and applicable, plans and users are not required to comply with PHS Act section 2715", effectively delaying the implementation deadline for the SBC. Additionally, once the final regulations are issued, it is anticipated that the applicability date will give group health plans and health insurer's sufficient time to comply.

The following is a link to the Department of Labor's website Q&A regarding the delay in the effective date of the Summary of Benefits and Coverage (SBC) <http://www.dol.gov/ebsa/faqs/faq-aca7.html>.

We will continue our commitment to keeping you updated on these regulations and other developments related to healthcare reform as they are made available.

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