

## Reminder – Prepare to Update SBCs

Plan sponsors must use updated SBC templates for open enrollment periods beginning on and after April 1, 2017. Depending on when their 2017 open enrollment period begins, non-calendar year plans may have to update their SBCs for their upcoming 2017 plan year. Calendar year plans should prepare the updated template for fall 2017 open enrollment. Repeal and replacement of the ACA is a hotly debated topic. But, at least for now, ACA-related guidance – including rules on SBC content – remains in effect.

### Background

The Affordable Care Act (ACA) requires group health plans and health insurers to provide a Summary of Benefits and Coverage (SBC) to participants and beneficiaries to help them understand their coverage options and make informed decisions regarding their health benefits. In April 2016, the DOL, Treasury, and Health & Human Services (HHS) finalized updated versions of the SBC template, instructions and related documents. Plan sponsors should use this new template for open enrollment periods beginning on or after April 1, 2017. (See our [April 21, 2016 For Your Information](#).)

While the Trump administration and GOP-led Congress are focused on repealing and replacing the ACA, at this time no such legislation has been enacted. Thus, the ACA and related guidance remain intact. See our [February 6, 2017 Legislate](#) for information on the status of ACA repeal and replace efforts.

### Use New Template for Open Enrollment Periods Beginning on or after April 1, 2017

Plan sponsors must update their SBCs for open enrollment periods beginning on and after April 1, 2017 in connection with plan years beginning on and after that date. For calendar year plans, the new SBCs must first be used in the fall of 2017 open enrollment for the 2018 plan year. Non-calendar year plans with open enrollment periods beginning on or after April 1, 2017 may need to update their SBCs for the 2017 plan year. Plans without an open enrollment period must update their SBCs for plan years beginning on or after April 1, 2017.



The updated [final SBC template](#) (with accompanying [instructions](#)) includes new information about services that will be covered before the deductible is met, explanations about tiered coverage, updated coverage examples, and a new coverage example (simple fracture). It also provides hyperlinks to the glossary on the [healthcare.gov](#) website.

## In Closing

For the past several years, plan sponsors typically have been able to reflect changes in plan design by making only minor modifications to their SBCs. Because of the updated SBC information requirements, however, completing the new templates this year will be more labor intensive. Once plan sponsors confirm plan design for the upcoming plan year, they should update their SBCs in anticipation of open enrollment periods beginning on and after April 1, 2017.

### Updated SBC Template – What’s New?

- Additional coverage example (foot fracture treated in emergency room)
- Enhanced information about deductibles and core coverage limitations and exceptions
- Additional information for tiered networks and formularies
- Information about family coverage and embedded individual out-of-pocket limits
- Formatting changes to facilitate compliance with the new four double-sided page limit
- Hyperlinks to glossary terms on [healthcare.gov](#)

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