The information provided in this document is intended only to be a general informal summary of technical legal standards. It is not intended to take the place of the statutes, regulations, or formal policy guidance that it is based upon. This document summarizes current policy and operations as of the date it was presented. We encourage readers to refer to the applicable statutes, regulations, and other interpretive materials for complete and current information. This communication was produced and disseminated at U.S. taxpayer expense.
Agenda

- What is the Summary of Benefits and Coverage (SBC)?
- The “who, when, how”:
  - Who gets an SBC?
  - When do they get an SBC?
  - How do they get an SBC?
- The six parts of the SBC
What is the Summary of Benefits and Coverage (SBC)?

- Required under section 2715 of the Public Health Service Act, which was added by the Affordable Care Act (ACA)
- A consumer shopping tool that provides a snapshot of a plan’s benefits, coverage, and limitations and exceptions
- Presents information on a plan’s benefits in a uniform format for easy comparison
Limits of the SBC

- Only provides a summary
- Benefits and coverage may change during the benefit year or at the start of a new benefit year
Who Came Up With the SBC?

- Department of Health and Human Services (HHS), Department of Labor (DOL), and Department of the Treasury

- Stakeholders:
  - Consumer groups
  - Health plan trade associations
  - Provider trade associations
  - State insurance commissioners
Knowledge Check #1

The benefits and cost-sharing features identified in a plan’s SBC will always remain the same for the entire coverage year.

True or False?
Knowledge Check #1 Answer

The benefits and cost-sharing features identified in a plan’s SBC will always remain the same for the entire coverage year.

False
When Did Plans and Issuers Start Providing SBCs?

- Original SBC template was implemented in September 2012 and has been modified twice (April 2016 and February 2020).
- Updated template and related materials were published in February 2020.
- Plans and issuers are required to use the 2023 edition of the SBC template and associated documents beginning on the first day of the first Open Enrollment period for any plan years (or, in the individual market, policy years) that begin on or after January 1, 2023, with respect to coverage for plan or policy years beginning on or after that date.
Who Needs to Provide an SBC?

- Group health plans and issuers offering group or individual health insurance coverage.
- Issuers must provide an SBC to applicants, enrollees, and policyholders or certificate holders.
When Must an SBC be Provided?

- **When an application is received:** As soon as practicable, but no later than seven business days following an application being received for individual or group health insurance coverage.

- **By the first day of coverage:** If there are any changes to the content of the SBC, then the new SBC must be provided no later than the first day of coverage.
When Must an SBC be Provided? (Cont.)

- **Upon renewal, reissuance, or re-enrollment:**
  - If a written application is required for renewal, an SBC must be provided no later than the date application materials are distributed.
  - If renewal is automatic, a new SBC generally must be provided at least 30 days before the beginning of the new plan or policy year.
  - If the policy, certificate, or contract of insurance has not been issued or renewed 30 days before the beginning of the new plan year, an SBC must be provided as soon as practicable, and **no later than seven business days** after issuance of the new policy, certificate, or contract of insurance.
When Must an SBC be Provided? (Cont.)

- **Upon request:** As soon as practicable, but no later than seven business days following the request for an SBC or summary information about the health coverage.

- **For consumers who enroll during a Special Enrollment Period (SEP):** Required to be provided no later than 90 days from enrollment. However, a consumer who is eligible for an SEP (but not yet enrolled) may request an SBC for the benefit packages for which they are eligible.
Material Modifications

If a plan or issuer makes a “material modification” to any of the terms of the plan or coverage that would affect the content of the SBC, other than in connection with renewal or reissuance of coverage, the plan must notify enrollees of this change.

- Not necessary to supply a new SBC.
- Notification generally must be provided to affected enrollees no later than 60 days prior to the modification becoming effective.
At which of these times must consumers be provided an SBC?

A. When they enroll in a new plan
B. Whenever they request one
C. Every other month they are enrolled in the plan
D. At the time of renewal or re-enrollment in their plan
E. A, B, and D
At which of these times must consumers be provided an SBC?

A. When they enroll in a new plan
B. Whenever they request one
C. Every other month they are enrolled in the plan
D. At the time of renewal or re-enrollment in their plan

E. A, B, and D
How Must an SBC be Provided?

- An SBC can be made available in either paper or electronic format (either online or via email).

- If posted online, it must be in a manner that is:
  - Prominent.
  - Readily accessible.

- Notification must be given that a free paper copy of the SBC is available upon request.
Where Can a Consumer Access the SBC When Shopping for Marketplace Coverage?

In the “Plan Details” section of HealthCare.gov:
What’s Required to be in the SBC?

- A uniform glossary of insurance and medical terms
- An internet address
- A contact phone number to obtain a paper copy
- A description of the coverage for each category of benefits
- The exceptions, reductions, and limitations of the coverage
- The cost-sharing provisions of the coverage, including deductible, coinsurance, and copayment obligations
What’s Required to be in the SBC? (Cont.)

- The renewability and continuation of coverage provisions
- Coverage examples
- An internet address for obtaining a copy of the individual coverage policy or group certificate of coverage
- An internet address for obtaining a list of network providers (direct link)
- An internet address for obtaining information on prescription drug coverage (direct link)
What’s Required to be in the SBC? (Cont.)

- For qualified health plans (QHPs), certain information about abortion coverage
- Minimum essential coverage and minimum value disclosures
- A statement that the SBC is only a summary and that the plan document, policy, certificate, or contract of insurance ultimately controls coverage
- Contact information for questions
The Main Parts of the SBC

- Uniform Glossary
- Important Questions
- Common Medical Events
- Excluded Services and Other Covered Services
- Coverage Examples
- Disclosures
The Uniform Glossary

- Provides consumer-friendly definitions for common health coverage and medical terms
- Uniform across all plans and issuers
- Assisters and consumers may access the Uniform Glossary at
The Important Questions Chart

Information on:

- Deductible(s)
- Out-of-pocket limits
- Provider networks
- Referral requirements, if any
The Important Questions Chart: Example

- Question
- Answer
- Why this question matters
Knowledge Check #3

What information is in the Important Questions Chart?

A. Deductibles
B. Out-of-pocket limits
C. Premiums
D. Referral requirements, if any
E. A, B, and D
Knowledge Check #3 Answer

What information is in the Important Questions Chart?

A. Deductibles
B. Out-of-pocket limits
C. Premiums
D. Referral requirements, if any
E. A, B, and D
If you:

- Visit a health provider
- Have a test
- Need drugs to treat your illness or condition
- Have outpatient surgery
- Need immediate medical attention
- Have a hospital stay

- Need mental health, behavioral health, or substance abuse services
- Are pregnant
- Need help recovering or have other special health needs
- Have a child who needs dental or eye care
Excluded Services & Other Covered Services

- List of items and services that are either excluded from coverage or are covered under the terms of the plan.
- Consumers should refer to plan or policy documents for a complete list of the services the plan covers.

*This is a hypothetical example and does not represent an actual plan available for coverage.*
Knowledge Check #4

The Common Medical Events chart only lists information for cost sharing for in-network providers and instructs consumers to refer to plan or policy documents for information about cost sharing for out-of-network providers.

True or False?
Knowledge Check #4 Answer

The Common Medical Events chart only lists information for cost sharing for in-network providers and instructs consumers to refer to plan or policy documents for information about cost sharing for out-of-network providers.

False
The Disclosures: Your Rights to Continue Coverage

- Appropriate agency to contact for more information about continuing coverage after policy ends.
- Link to HealthCare.gov.
Contact information and instructions for:

- Appealing certain decisions made by the consumer’s health plan.
- Making a complaint against the plan.
The Disclosures: Does This Plan Provide Minimum Essential Coverage?

- Discloses whether the plan qualifies as minimum essential coverage (MEC).

- Starting in 2019, the individual shared responsibility payment for not having MEC is $0.

- All Marketplace plans and most employer-sponsored health plans provide MEC. Additional coverage that qualifies as MEC includes Medicare, most Medicaid coverage, the Children’s Health Insurance Program (CHIP), and Tricare. For more information on types of health coverage that count as MEC, visit: [Healthcare.gov/glossary/minimum-essential-coverage/](http://Healthcare.gov/glossary/minimum-essential-coverage/).
The Disclosures: Does This Plan Meet the Minimum Value Standards?

- Discloses whether the plan meets minimum value standards.

Minimum value = designed to pay at least 60 percent of the total allowed costs of benefits for a standard population, and benefits include substantial coverage of physician and inpatient hospital services.

Consumers whose employer-sponsored coverage is unaffordable or does not meet minimum value standards may be eligible for premium tax credits (if otherwise eligible).
The SBC must include language access taglines that indicate the availability of language services.

- **For QHPs:** Provide taglines in at least the top 15 languages spoken by individuals with Limited English Proficiency in the relevant state, and

- **For all group health plans and health insurance issuers offering group and individual health insurance coverage:** Provide taglines in a particular non-English language if 10 percent or more of the population residing in the county is literate only in that same non-English language.
Coverage Examples

- Hypothetical examples: Pregnancy, Type 2 diabetes, simple fracture
- Illustrate benefits to estimate what an individual might expect to pay under the plan’s benefit package
- Include any cost sharing, excluding benefits, and other limitations for hypothetical examples
Coverage Examples (Cont.)

About these Coverage Examples:

This is not a cost estimator. Treatments shown are just examples of how this plan might cover medical care. Your actual costs will be different depending on the actual care you receive, the prices your providers charge, and many other factors. Focus on the cost-sharing amounts (deductibles, copayments and coinsurance) and excluded services under the plan. Use this information to compare the portion of costs you might pay under different health plans. Please note these coverage examples are based on self-only coverage.

### Peg is Having a Baby

<table>
<thead>
<tr>
<th>Service Description</th>
<th>Cost Sharing</th>
</tr>
</thead>
<tbody>
<tr>
<td>The plan's overall deductible</td>
<td>$</td>
</tr>
<tr>
<td>Specialist [cost sharing]</td>
<td>$</td>
</tr>
<tr>
<td>Hospital (facility) [cost sharing]</td>
<td>%</td>
</tr>
<tr>
<td>Other [cost sharing]</td>
<td>%</td>
</tr>
</tbody>
</table>

This EXAMPLE event includes services like:
- Specialist office visits (prenatal care)
- Childbirth/Delivery Professional Services
- Childbirth/Delivery Facility Services
- Diagnostic tests (ultrasounds and blood work)
- Specialist visit (anesthesia)

**Total Example Cost**: $12,700

**In this example, Peg would pay:**

<table>
<thead>
<tr>
<th>Cost Sharing</th>
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</thead>
<tbody>
<tr>
<td>Deductibles</td>
<td></td>
</tr>
<tr>
<td>Copayments</td>
<td></td>
</tr>
<tr>
<td>Coinsurance</td>
<td></td>
</tr>
<tr>
<td><strong>What isn't covered</strong></td>
<td></td>
</tr>
<tr>
<td>Limits or exclusions</td>
<td></td>
</tr>
<tr>
<td><strong>The total Peg would pay is</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Managing Joe's Type 2 Diabetes

<table>
<thead>
<tr>
<th>Service Description</th>
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</tr>
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<tbody>
<tr>
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<td>%</td>
</tr>
<tr>
<td>Other [cost sharing]</td>
<td>%</td>
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</tbody>
</table>

This EXAMPLE event includes services like:
- Primary care physician office visits (including disease education)
- Diagnostic tests (blood work)
- Prescription drugs
- Durable medical equipment (glucose meter)

**Total Example Cost**: $5,600

**In this example, Joe would pay:**

<table>
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<td><strong>What isn't covered</strong></td>
<td></td>
</tr>
<tr>
<td>Limits or exclusions</td>
<td></td>
</tr>
<tr>
<td><strong>The total Joe would pay is</strong></td>
<td></td>
</tr>
</tbody>
</table>

### Mia's Simple Fracture

<table>
<thead>
<tr>
<th>Service Description</th>
<th>Cost Sharing</th>
</tr>
</thead>
<tbody>
<tr>
<td>The plan's overall deductible</td>
<td>$</td>
</tr>
<tr>
<td>Specialist [cost sharing]</td>
<td>$</td>
</tr>
<tr>
<td>Hospital (facility) [cost sharing]</td>
<td>%</td>
</tr>
<tr>
<td>Other [cost sharing]</td>
<td>%</td>
</tr>
</tbody>
</table>

This EXAMPLE event includes services like:
- Emergency room care (including medical supplies)
- Diagnostic test (x-ray)
- Durable medical equipment (crutches)
- Rehabilitation services (physical therapy)

**Total Example Cost**: $2,800

**In this example, Mia would pay:**

<table>
<thead>
<tr>
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<tbody>
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</tr>
<tr>
<td>Limits or exclusions</td>
<td></td>
</tr>
<tr>
<td><strong>The total Mia would pay is</strong></td>
<td></td>
</tr>
</tbody>
</table>
Resources