

Agencies Reveal New Summary of Benefits and Coverage Forms

8/31/2011 April A. Goff, Norbert F. Kugele

New health plan disclosure documents are coming. Health Care Reform requires the government to develop uniform benefit summary forms that will make it easier for employees to compare health plans. The idea is to provide certain basic information, in a uniform manner, that will help employees understand and compare different coverage options. You can see the newly proposed Summary of Benefits and Coverage (SBC) form [here](#).

The IRS, DOL and HHS have also issued proposed regulations governing the use of the SBC form. Under these proposed regulations, employers who sponsor group health plans must provide the SBC form to all participants by March 23, 2012, and thereafter as part of all new hire packets and annual open enrollment kits. This new requirement is in addition to the summary plan description required under ERISA.

The SBC form requires quite a bit of customization, including detailed information about how costs of certain procedures are covered under the plan—information that employers will need to obtain from their insurers or third party administrators (TPAs). Even though the form is not yet final, we recommend that you start talking with your insurers and TPAs to determine whether they will prepare the forms. You may even want to amend your contracts to clarify who is responsible for preparing and distributing the forms.

If you have questions about the new form, please contact Norbert F. Kugele (nkugele@wnj.com or 616.752.2186), April A. Goff (agoff@wnj.com or 616.752.2154) or any other member of Warner Norcross & Judd Health Care Reform Task Force.