



# ACA COMPLIANCE BULLETIN

## NEW SBC TEMPLATE WILL BE REQUIRED FOR 2021

### HIGHLIGHTS

- The SBC is a concise document providing information about health plan coverage and costs.
- The SBC requirement applies to group health plans and health insurance issuers.
- The updated template and related materials must be used for plan years beginning on or after Jan. 1, 2021.

### IMPORTANT DATES

#### November 8, 2019

Revised SBC template and related materials were released.

#### January 1, 2021

Revised template and materials must be used for plan years beginning on or after this date.

### OVERVIEW

On Nov. 8, 2019, the Departments of Labor (DOL) and Health and Human Services (HHS) issued an [updated template and related materials](#) for the summary of benefits and coverage (SBC). These materials are required to be used for plan years beginning on or after Jan. 1, 2021. **This means that the updated template must be used for the 2021 plan year's open enrollment period.**

The SBC is a concise document providing simple and consistent information about health plan benefits and coverage. It is intended to help consumers better understand their coverage and to make it easy to compare different options when shopping for new coverage.

### ACTION STEPS

Employers should prepare to use the new SBC template and related materials for the 2021 plan year. Prior to the beginning of the 2021 plan year:

- ✓ Self-funded plan sponsors should ensure that they are using the new template.
- ✓ Employers with insured plans should make sure the carrier is providing the correct version of the template.

#### Provided By:

Kinloch Consulting Group, Inc.

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## Background

The Affordable Care Act (ACA) requires both grandfathered and non-grandfathered health plans and health insurance issuers to provide an SBC to applicants and enrollees, free of charge. The SBC must be produced in accordance with the applicable template. Form language and formatting must be precisely reproduced, unless instructions allow or instruct otherwise. Unless otherwise instructed, the plan or issuer must use 12-point font (as required by federal law), and must replicate all symbols, formatting, bolding and shading.

The DOL and HHS issued the updated SBC template and related materials on Nov. 8, 2019. Plans must start using the new template 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 Jan. 1, 2021**, with respect to coverage for plan or policy years beginning on or after that date.

## Overview of the Updated Materials

The updated materials include the following:

- ✓ [SBC Template](#)
- ✓ [Uniform Glossary](#)
  - (1) [List of anchors](#) for SBC Uniform Glossary terms on [www.HealthCare.gov/sbc-glossary/](http://www.HealthCare.gov/sbc-glossary/)
- ✓ [Sample Completed SBC](#)
  - (1) [AI/AN Zero Cost Sharing](#)
  - (2) [AI/AN Limited Cost Sharing](#)
- ✓ Instructions for Completing the SBC:
  - (1) [Group Health Plan Coverage](#)
  - (2) [Individual Health Insurance Coverage](#)
- ✓ 'Why This Matters' language for SBC:
  - (1) [“Yes” Answers](#)
  - (2) [“No” Answers](#)
- ✓ Guide for Coverage Examples Calculations:
  - (1) Maternity Scenario—[Calculator](#) and [Narrative](#)
  - (2) Diabetes Scenario—[Calculator](#) and [Narrative](#)
  - (3) Simple Foot Fracture Scenario—[Calculator](#) and [Narrative](#)

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✓ [Coverage Examples Calculator](#) (Oct. 2019 revision, for use on and after Jan. 1, 2021):

(1) [Instructions](#)

(2) [Crosswalk of Changes](#) (describes updates made to the Oct. 2019 version of the Coverage Examples Calculator)

## More Information

For more information on the updated SBC template and related materials—such as the instructions for completing the SBC—see the [DOL](#) or [HHS](#) websites.