

Comments re: Templates, Instructions and Related Materials

1. The Solicitation of Comments section (p.14) states that plans and issuers may print required documents in grayscale; however, the General Instructions section of the Draft Instruction Guide states that formatting must be precisely reproduced, which suggests that grayscale cannot be used if the template uses color. Please clarify that grayscale is an option, regardless of the color used in the template. Additionally, please clarify that plans and issuers that choose to print in color may use colors of their choice. We believe this is appropriate because many national plans and issuers are associated with specific colors in their marketing materials.
2. Do the Glossary, Coverage Examples and the related Questions and Answers count toward the 4-page (front and back) limit imposed on the SBC? The proposed rule is not clear whether the SBC stands alone as being limited to 4 pages, or whether those other documents are included.
3. The Draft Instruction Guide General Instructions state that the information shown on page 1 of the SBC must always appear on page 1. However, if plans follow the instructions for completing page 1, the information that is supposed to appear on that page cannot be made to fit using the required format and font-size. The Sample SBC fits all of the page 1 information onto one page, but only by violating the rule's requirements. For example, the instructions prohibit the use of dollar amounts only, and require that all dollar amounts include explanatory text; however, the sample contains dollar amounts only with no explanatory text. The Sample SBC also uses "Yes"- and "No"-only answers, which is specifically prohibited in the General Instructions. Moreover, the Sample SBC assumes a plan with only one service-specific deductible, whereas in practice, it is not uncommon for plans to have more than one service-specific deductible. Under the proposed rule, all of those service-specific deductibles would have to fit on page 1 along with all other required information without violating the point-size requirements. The proposed rule also requires plans to include on page 1 those services to which a deductible does not apply. We do not believe it is possible to fit all of this information on page 1 and still adhere to the rule's format and point-type requirements.
4. The proposed rule prohibits issuers from deleting definitions from the Uniform Glossary that do not apply to the group's or individual's specific benefit plan. We believe that including non-applicable definitions (e.g., including definitions that apply to a PPO plan in the SBC for an HMO plan) will create more confusion than it will prevent.
5. We would support a requirement that issuers identify in the SBC whether or not the plan is grandfathered, but only if the notice can be accomplished on a separate page that does not count against the rule's page limits.

Comments re: Summary of Benefits and Uniform Glossary

1. The proposed rule requires the issuer to provide a full SBC with premium amount(s) at the time the plan is quoted, and again at the time the plan is actually sold. However, unless the benefits changed in the interim, we believe the more efficient policy would be to require the issuer to provide only a final notice of premium to the individual at the time of sale, rather than a completely new SBC.

2. Issuers are required to provide SBCs no later than 30 days prior to a group's renewal. If, however, the plan sponsor requests a benefit change within 30 days of the renewal date (or even after renewal, as is sometimes the case), is the issuer permitted to accommodate the plan sponsor's request and send out revised SBCs, or would the rule be interpreted to require the issuer to decline the plan sponsor's request for a benefit change on the ground that there is no longer 30 days left before the start of the plan year to provide a new SBC? Would the answer be different if the group is a new group that requests a benefit/premium change within 60 days prior to the effective date of coverage?
3. Does the 7-day timeframe for providing an SBC upon request mean that the SBC must be postmarked within 7 days or received by the requesting individual within 7 days? Issuers that receive a request for SBCs late in the afternoon before a major holiday, for example, will find it difficult, if not impossible to comply if the requirement is that the SBC be received within 7 days.
5. If an issuer receives an individual request for coverage on paper, the rule requires the issuer to deliver the SBC on paper. It would be beneficial to the issuer and the individual, however, if the individual had the ability to indicate directly on his/her request for coverage whether he/she prefers to receive information in hard copy or electronically, rather than base rules on assumptions that depend on how the request for coverage was submitted.