

WHAT IS A SUMMARY OF BENEFITS AND COVERAGE?

The Summary of Benefits and Coverage (SBC) is a booklet that provides consumers with an easy-to-understand summary about a health plan's benefits and coverage. The purpose of the SBC is to provide consumers with standard information so they can compare medical plans as they make decisions about which plan to choose. Under the **Affordable Care Act (ACA)**, health plans are required to provide consumers and applicants with an SBC document.

WHAT INFORMATION MUST BE PROVIDED ON AN SBC?

The SBC template is provided by the United States Department of Labor. Health plans must use this template and place plan details into predetermined rows and columns using the exact wording, format, and layout provided. SBCs include the following:

- **Coverage details, such as:**
 - Deductible and out-of-pocket maximums;
 - Cost-sharing of highlighted benefits, including coinsurance and copayment amounts;
 - Limitations; and
 - Renewability and continuation.
- **Coverage examples of common scenarios:**
 - Having a baby;
 - Managing type 2 diabetes; and
 - Simple fracture (broken bone).
- **A statement that the SBC provides only an overview of the plan.** The applicant should refer to the plan documents to learn the contractual provisions (rules of coverage) for that plan.
- **Phone numbers to call if the applicant has questions.**
- **The address for a website that contains:**
 - A copy of the policy or certificate of coverage;
 - A list of the health insurer's in-network providers;
 - A list of covered drugs; and
 - The Uniform Glossary (a list of common healthcare terms that the federal government provides).
- **The template also provides consumers with coverage examples.** Using standards and guidelines provided by the Center for Consumer Information and Insurance Oversight, health plans complete these scenarios to help consumers see the value of their health plan.



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You can find links to the current and revised SBC template, instructions, and related materials at the Department of Labor website: <http://www.dol.gov/ebsa/healthreform/regulations/summaryofbenefits.html>.


ARE SBCs REQUIRED?

Federal and state regulations require insurers to give SBCs to persons applying for health coverage as part of their application, and enrollees and policyholders. If a health insurer doesn't require an application, the health insurer must provide an SBC no later than the first day on which the person is eligible to enroll in a health plan.

The SBC must be given to both enrollees and their beneficiaries (persons who receive health insurance benefits under a health insurance plan). However, if beneficiaries live at the same address, the health insurer can provide just one SBC.

The SBC must be mailed within seven business days:

- Upon receipt of an application for health insurance coverage;
- On or before the first date of coverage;
- Upon a plan renewal or plan change;
- Upon an applicant's request; and
- In any case where the SBC has been changed.



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healthcare insurance.

HOW MAY SBCs BE DELIVERED?

An SBC may be provided in either paper or electronic format. It may be hand-delivered or mailed. It may also be emailed or posted on the health insurer's website after the health plan has obtained an applicant's agreement to receive the SBC electronically. If the health insurer posts the SBC online, it must tell the person where the SBC is posted. The health insurer must also say that the SBC is available in paper form, free of charge, upon request.

For individual policyholders, an insurer can follow the requirement to provide an SBC before receiving a person's application by posting the required information on healthcare.gov. New Mexico Health Connections (NMHC) also posts SBCs at <https://shop.mynmhc.org/ehp/>.

WANT MORE INFORMATION?

You can find NMHC's SBCs for its individual and employer group health plans online at:

- Individual and Family Plans: mynmhc.org/individual-plan-documents.aspx
- Small Group Plans: mynmhc.org/small-group-plan-documents.aspx
- Large Group Plans: mynmhc.org/large-group-plan-documents.aspx

If you need a printed copy, you can get one at no charge by calling Customer Service at 1-855-7-MY-NMHC (1-855-769-6642).