



DEPARTMENT OF LABOR GRANTS MORE TIME FOR EMPLOYERS TO COMPLY WITH SUMMARY OF BENEFITS AND COVERAGE REQUIREMENTS

Late last week, the DOL announced group health plans and issuers do not have to comply with the Summary of Benefits and Coverage Requirements of health care reform until final regulations are issued. A new compliance date will be issued with the final regulations with the promise to provide sufficient time to comply.

BACKGROUND

On August 22, 2011, the Departments issued proposed regulations and templates in connection with implementation of the Summary of Benefits and Coverage (SBC) and Uniform Glossary requirements of **PHS Act § 2715**. An applicability date "beginning March 23, 2012" was proposed.

PHS Act section 2715 provides that group health plans and health insurance issuers shall provide the Summary of Benefits and Coverage and Uniform Glossary pursuant to standards developed by the Departments.

Since the announcement, the Departments have received feedback from employers and benefit experts on the proposed regulations and templates stating that the March 2012 deadline for producing the SBCs would be impossible to meet. There is also a question as to how the SBC would apply to large employer plans.

In a notice published last Thursday, the Labor Department said the reporting requirements would not go into effect until after final rules are published.

"It is anticipated that the...final regulations, once issued, will include an applicability date that gives group health plans and health insurance issuers sufficient time to comply," the Labor Department said.

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