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October 21, 2011
Office of Health Plan Standards and Compliance Assistance
Employee Benefits Security Administration
Room N-5653
United State Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

Attention: RIN 1210-AB52
Re: RIN 1210-AB52
Summary of Benefits and Coverage and the Uniform Glossary
Summary of Benefits and Coverage and the Uniform Glossary – Templates, Instructions, and Related Materials Under the Public Health Services Act

Dear Secretary Solis:

We write to comment on the captioned proposed regulations.

Cost and Burden of Implementation

Our greatest concern is the extraordinarily burdensome cost we must pay to produce and distribute the SBC Templates. Each benefit option we offer must be reproduced in this new format, customized to each coverage type (employee, employee/child, employee/spouse, or family) and then distributed at least three times each year (at any enrollment, upon request, and any time we change the plan). The additional expense of producing these summaries not only increases the cost of providing health benefits to our employees, but strains our already tightening budgets during these hard economic times.

We are also concerned about the expedited implementation time frame mandated by the proposed regulations.

We respectfully request the opportunity to appropriately comply with the requirements of the proposed regulations by being allowed more time for preparation, implementation and distribution. The SBC Template is a complicated document – even for plans with benefit packages that easily match the categories set out in the document. Since the Template's purpose is to provide a summary of benefits to employees which can be matched, category by category, with other employer or insurance offerings, it seems that sufficient time should be allowed to make certain that all employers are entering data the same way. This is especially important for self-funded employers with complicated benefit structures that do not fit into the SBC Template format. It appears that the SBC Template was designed for insurance companies, not the more complex benefit structure associated with our self-funded employee health benefit plan.

We strongly recommend that the implementation date for the initial distribution of the SBC Template be at least one year from the date final regulations are released, but no earlier than January 1, 2014, and tied directly to the self-funded health plan's Plan Year subsequent to such date. If we are required to provide the SBC

Template to our employees at a time when they are not eligible to change plans or modify their benefits (due to open enrollment or other plan restrictions) it will cause a lot of confusion and aggravation for our employees and a lot of administrative time and resources for us to answer their questions and concerns – all of which can be avoided.

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We recommend that the regulations allow us to provide the SBC Template as part of the summary plan description that we are already required to provide. Producing and distributing the SBC Template in addition to producing and distributing an SPD is counterproductive and costly. Wouldn't employees be better served if they were provided the SBC Template, for comparison purposes, as a part of the summary plan description, providing them with both comparison data and all of the other information necessary for a complete understanding of the benefits we are offering.

SBC Template Format

The SBC Template form does not accommodate the benefits we provide in our self-funded health benefit plan and the mandated use of a specific font, color and format, along with prohibitions to altering or deleting text, are both unreasonable and overly burdensome. When reviewing the sample 'Word' version of the SBC Template on your website, we see that you have used a different font, **specifically Garamond, which, at the same size pitch, is a significantly smaller font than the required Times New Roman**. We assume, then, that you understand how difficult it is to fit all of the required information into the cells provided on the Template. Also, the Template instructions do not allow for the inclusion of any additional information that would help our employees understand their benefits. We already provide a lot of information to our employees about their benefits and coverage options. Requiring us to use this inflexible summary will cause greater confusion for our employees and increase the amount of time we spend explaining their benefits to them.

We are also strongly opposed to being required to include Coverage Examples in the SBC Template. Including these examples will cause frustration and anger for our employees and their families. It is unrealistic to think that employees won't assume that the claim amounts shown in these hypothetical examples are the actual amounts they will have to pay for the described services. We know, from working with our health plan claims daily, that there are vast differences in the care prescribed by physicians and the discounts allowed by providers, even within the same PPO network. These Coverage Examples will give employees and their families a false idea about what they will be asked to pay towards their care. And, as plan sponsors, we will be the ones left trying to explain why the Coverage Examples don't match the costs they had to pay. There is no disclaimer in the world that will satisfy the individual who, in accordance with his plan document, ends up paying more than he thought he should pay based on the Coverage Examples.

In conclusion, please know that as a self-funded health plan sponsor, we are dedicated to providing our employees with meaningful benefit offerings. The requirements of the Affordable Care Act have already strained our budgets and caused anxiety for our employees. The additional burden of preparing and distributing the SBC Templates is absolutely unmanageable given the unique nature of our plan and unnecessary given the amount of information we already provide our employees.

Thank you for taking our concerns into consideration.

Bill Smith
Sr. V.P.

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