

**From:** DHHS/CMS/OA/CCIIO/Consumer Support Group

**To:** Office of Management and Budget

**Re:** Proposed Revision to Notice of Action: Information Collection Requirements In Summary of Benefits and Coverage Final Rule (OMB Control Numbers 1545-2229; 1210-0147; 0938-1146; 0938-1086)

**Date:** 9 August 2012

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## Summary

On February 14, 2012 the Departments of Health and Human Services (HHS), Labor and the Treasury (the Departments) released the Summary of Benefits and Coverage and Uniform Glossary final regulations (77 Fed Reg. 8668). Under these final regulations, group health plans and health insurance issuers offering individual and group coverage must create and provide consumers with the summary of benefits and coverage (SBC) and provide consumers with the uniform glossary of medical and insurance terms. These final regulations become effective on September 23, 2012 for individual market issuers. The forms and instructions required to comply with these requirements were authorized under OMB Control numbers 1545-2229; 1210-0147; 0938-1146; 0938-1086).

Section 147.200(a)(1) requires a group health plan and a health insurance issuer to provide a written summary of benefits and coverage for each benefit package to entities and individuals at specified points in the enrollment process. As specified in §147.200(a)(2), a plan or issuer will populate the SBC with the applicable plan or coverage information, including the following: (1) a description of the coverage, including cost sharing, for each category of benefits identified in guidance by the Secretary; (2) exceptions, reductions, and limitations of the coverage; (3) the cost-sharing provisions of the coverage, including deductible, coinsurance, and copayment obligations; (4) the renewability and continuation of coverage provisions; (5) coverage examples that illustrate common benefits scenarios (including pregnancy and serious or chronic medical conditions) and related cost sharing; (6) identifying information for the plan or coverage and contact information for questions and for obtaining a copy of the plan document or the insurance policy, certificate, or contract of insurance (such as a telephone number for customer service and an Internet address for obtaining a copy of the plan document or the insurance policy, certificate, or contract of insurance); (7) for plans and issuers that maintain one or more networks of providers, an Internet address (or similar contact information) for obtaining a list of network providers; (8) for plans and issuers that provide prescription drug coverage through a formulary, an Internet address (or similar contact information) for obtaining information on prescription drug coverage; and (9) an Internet address (or similar contact information) where a consumer may review and obtain the uniform glossary.

The final regulations also set forth a deemed compliance provision for issuers offering individual market coverage. Under these provisions, individual market issuers that submit all the data elements required by the SBC regulations and guidance to HealthCare.gov will be deemed compliant with the requirement to provide electronic versions of the pre-applicant version of the SBC.

Healthcare.gov was established pursuant section 1103(a), as amended by section 10102(b) of the Patient Protection and Affordable Care Act, which requires the establishment of an internet website

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(HealthCare.gov) through which individuals and small businesses can obtain information about the insurance coverage options that may be available to them in their State. HHS issued an interim final rule effective May 10, 2010 in order to implement this mandate. This interim final rule adopts the categories of information that will be collected and displayed as web portal content, and the data we will require from issuers and request from States, associations, and high risk pools in order to create this content.

- Current HealthCare.gov PRA underwent full 60/30 comment periods and is in effect until October 31, 2012 (OMB Control Number 0938-1086).
- Data refreshes generally require three weeks from the start of data collection to refresh for the web site, even for familiar collection instruments
- Issuers were informed that the tentative open window for submission will take place on August 27, 2012.

To effectuate the SBC deemed compliance provision (45 C.F.R. 147.200(a)(4)(iii)(C), HHS will need to amend this PRA to include a collection tool, to allow HealthCare.gov to collect all data elements required to complete the SBC for individual market issuers and post to HealthCare.gov

We do not anticipate that this amendment will result in a significant change in the burden to respondents. We are requesting that the PRA revision for this amendment be approved and issued by August 17, so HealthCare.gov can open the submission window for issuers on August 27, 2012. This will provide issuers with sufficient time to submit data to HealthCare.gov so that the SBCs can be displayed on HealthCare.gov on September 23, 2012.

### **Amendments**

Amendments are needed to include a collection tool to enable HealthCare.gov to collect the full SBC data elements from individual market issuers.

This amendment will incorporate an updated collection tool so that individual market issuers can submit the full SBC data to HealthCare.gov, as authorized under the final regulations and accompanying PRA, required to be deemed compliant with the requirement to provide the electronic version of the pre-applicant SBC. The collection tool is attached (Appendix A).

### **Anticipated Burden Impact**

The most significant change in this amendment is the addition of data elements necessary to complete the SBC for deeming purposes. Individual health insurance issuers already provide most SBC content elements

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to HealthCare.gov, excluding coverage examples data and some additional details around cost sharing and covered benefits.

Accordingly, the additional burden associated with the requirements under §147.200(a)(4)(iii)(C) is the time and effort it would take each of the 220 issuers in the individual market to enter these additional additional data elements into the collection tool. We estimate that it will take these issuers about 220 hours at a cost of about \$6,600. In deriving these figures, we used the following hourly labor rates and estimated the time to complete each task: \$ 30.78/hr and 0.5 hr/issuer for clerical staff to enter data into an Excel spreadsheet.