

**From:** DHHS/CMS/OA/CCIIO/Consumer Support Group  
**To:** Office of Management and Budget  
**Re:** Non-Substantive Change Request for SBC Calculator Update for CMS-10407/OMB Control Number 0938-1146

**Date: November 5, 2019**

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Non-Substantive Change Request to CMS-10407/OMB Control Number 0938-1146

## **Background**

This is a non-substantive change request to CMS-10407 (Summary of Benefits and Coverage, or SBC). The purpose of this request is to alert members of the public, and particularly health insurance plans and issuers, that they should revert back to the 2017 version of the SBC Calculator and all 2017 associated materials for SBCs prepared for plans and coverage before the applicability date of the 2021 SBC Calculator and 2021 associated materials. CMS recently received Office of Management and Budget (OMB) approval for an updated 2021 SBC Calculator and associated materials that, should plans and issuers decide to use the Calculator, should be used by plans and issuers to calculate coverage examples costs for SBCs beginning on the first day of the first open enrollment period for any plan years (or, in the individual market, policy years) that begin on or after January 1, 2021.

The SBC is required under section 2715 of the Public Health Service Act, which was added by the Patient Protection and Affordable Care Act (PPACA). It is a consumer-shopping tool that provides a snapshot of a plan's benefits, coverage, and any limitations and exceptions. It presents information on a plan's benefits in a uniform format, which allows for easy comparisons between plans.

One of the sections of the SBC estimates the proportion of costs a patient might pay under a particular plan for three hypothetical medical scenarios (having a baby, treating a foot fracture, and managing well-controlled Type II Diabetes). CMS provides plans and issuers a calculator that they can elect to use to calculate the cost-sharing estimates for the three scenarios. The plan or issuer can input a plan's benefit design and cost-sharing rules for one or more plans into the calculator, and the calculator outputs a summary of cost-sharing estimates for the three coverage example scenarios. The SBC calculator is an optional tool; some plans and issuers may elect to develop their own method for calculating cost-sharing estimates for the medical scenarios. Consumers do not interact with the tool; they only see the calculator's outputs in the SBC's coverage examples section.

## **Notice to Issuers Regarding the 2020 SBC Calculator and Associated Materials**

CMS has decided to revert back to the 2017 version of the SBC Calculator for SBCs prepared before the applicability date of the 2021 version of the Calculator. Use of the CMS coverage examples Calculator is not required. Should plans and issuers choose to use the HHS-developed

coverage examples Calculator, they should continue to use the 2017 SBC Calculator and all associated materials (including the 2017 SBC Calculator and instructions, the Guide to coverage examples, and the Narratives for the coverage examples to calculate coverage example costs for SBCs prepared to be used beginning on the first day of the first plan year (or, in the individual market, policy year) that began on or after April 1, 2017 and before January 1, 2021. The 2021 version of the SBC Calculator and all 2021 associated materials will be required to be used to calculate coverage example costs for SBCs prepared for use beginning on the first day of the first open enrollment period for any plan years (or, in the individual market, policy years) that begin on or after January 1, 2021.