

Benefits

BUZZ

Benefits tips brought to you by
Brown & Brown Benefit Advisors

Agencies Plan to Issue Final Rules for SBC Requirements

On March 31, 2015, the Departments of Labor (DOL), Health and Human Services (HHS) and the Treasury (Departments) issued [Frequently Asked Questions](#) (FAQ) announcing their intention to issue final regulations for the Affordable Care Act's (ACA) summary of benefits and coverage (SBC) and uniform glossary requirement. These regulations will finalize the proposed regulations from Dec. 22, 2014.

The ACA requires these disclosure tools—the SBC and uniform glossary—to help consumers compare available coverage options. The requirement to provide them applies to both grandfathered and non-grandfathered plans.

Health plan issuers must provide the SBC to applicants and enrollees free of charge. The SBC is a concise document that provides simple and consistent information about health plan benefits and coverage.

The final regulations are expected to be released in the near future and will apply for plan years beginning on or after Jan. 1, 2016 (including open enrollment periods in fall of 2015 for coverage beginning on or after Jan. 1, 2016).

The updated template and related documents, including sample language and instructions, for the SBC and uniform glossary will not be issued until January 2016. The updated template will then apply for plan years beginning on or after Jan. 1, 2017. Until further guidance is issued, the previously updated template provided on the [DOL's website](#) on April 23, 2014, continues to be authorized.

The March 31 FAQ guidance leaves a lot of uncertainty for employers in regard to their SBC documents. The changes included in the final regulations may require health plans to update their SBC documents before the new template is released.

The forthcoming final regulations may address this issue. In some cases, the Departments have provided temporary enforcement safe harbors when guidance is not issued sufficiently in advance of an effective date. However, at this time, no safe harbors or other relief has been provided on this issue.

DID YOU KNOW?

On May 4, 2015, the Internal Revenue Service (IRS) released Revenue Procedure 2015-30 to announce the inflation-adjusted limits for health savings accounts (HSAs) for calendar year 2016.

The following limits apply for 2016:

- The HSA contribution limit is \$3,350 for self-only and \$6,750 for family.
- The minimum deductible for high deductible health plans (HDHPs) is \$1,300 for self-only and \$2,600 for family.
- The maximum out-of-pocket for HDHPs is \$6,550 for self-only and \$13,100 for family.

Plan Offerings Now Diverging by Group Size

A new trend of health plan offerings has emerged over the past few years, according to a new report from Zywave Inc. Group size appears to be a determining factor in whether employers are offering more generous health plans or working on implementing more cost-sharing strategies for health benefits.

Large organizations—with more than 500 lives—tend to offer generous health plans, likely in an effort to use their benefits packages as recruiting and retention tools in a market that is becoming increasingly fierce.

Smaller groups are cutting back on benefits and using cost-sharing efforts with employees. This trend of leaner benefits with smaller groups is likely an effort to bring down expenses associated with rising health care costs and other costs related to the ACA.

For more information on how your benefits offerings compare to other employers, contact Brown & Brown Benefit Advisors for benchmarking information.