STATE OF NEW MEXICO
OFFICE OF SUPERINTENDENT OF INSURANCE

Mailing Address: P.O. Box 1689, Santa Fe, NM 87504-1689
Physical Address: 1120 Paseo de Peralta, Room 428, Santa Fe, NM 87501
Main Phone: (505) 827-4601; Main Fax (505) 827-4734; Toll Free: 1-855-4-ASK-OSI
www.osi.state.nm.us

SUPERINTENDENT OF INSURANCE
John G. Franchini - (505) 827-4299

P.O. Box 1689
Santa Fe, NM 87504-1689

1120 Paseo de Peralta
Santa Fe, NM 87501

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To: All to health care insurers offering health insurance coverage in the group and individual markets subject to the Patient Protection and Affordable Care Act.

RE: Requirements for a Summary of Benefits and Coverage ("SBC") and a Uniform Glossary of Terms.

THE FOLLOWING BULLETIN is issued pursuant to 13.1.2.1 to 13.1.2.10

Effective immediately, the New Mexico Superintendent of Insurance is requiring all health care insurers offering health insurance coverage in the group and individual markets, subject to the Patient Protection and Affordable Care Act, to submit Summaries of Benefits and Coverage as set forth below, rather than the customary Summary of Benefits. Summary of Benefits will no longer be accepted.

Regulations promulgated under the Patient Protection and Affordable Care Act ("ACA ") require all group health plans (and their administrators as defined in Section 3(16)(A) of ERISA), and health insurance issuers offering group or individual health insurance coverage, to provide a written summary of benefits and coverage (SBC) that "accurately describes the benefits and coverage under the applicable plan or coverage." Issuers shall provide a summary of benefits and coverage (SBC) and uniform glossary as required by §147.200 for each benefit package, whether or not they it is offered on or off of the Exchange.

The purpose of the Summary of Benefits and Coverage is to provide consumers with a concise document detailing, in plain language, simple and consistent information about health plan benefits and coverage. The Summary of Benefits and Coverage document will help consumers better understand the coverage they have and, allow them to easily compare different coverage options. Duplicating the information provided in the SBCs may confuse individuals; therefore, the Office of Superintendent of Insurance requests that insurers do not include Summary of Benefits with their SBCs.

Beginning immediately, SBCs must be provided in the following circumstances:

• Upon application. Whenever a plan or issuer distributes written application material, the SBC must be provided with those materials. If the issuer or plan does not distribute written material, the SBC must be provided no later than the first date on which a participant is eligible to enroll in coverage.
• By the first day of coverage (if there are any changes from the SBC provided with the written application materials).
• Special enrollees must be given an SBC no later than the date on which a summary plan description is required to be provided (90 days from enrollment).
• Upon renewal. An SBC must be provided at the same time as open enrollment/open season materials. If renewal is automatic, then the SBC must be provided no later than 30 days prior to the first day of the new plan or policy year.
• Upon request. The SBC must be provided upon request as soon as reasonable but no later than seven (7) business days following receipt of the request.
• When there is a material change in coverage during the plan year. In this instance, an updated SBC or a separate notice describing the material change ("notice of modification") must be provided 60 days prior to the changes taking effect.

PHS Act section 2715 also calls for the "development of standards for the definitions of terms used in health insurance coverage." In accordance, all group and individual health plans shall provide a uniform glossary of terms that accurately describe the benefits and coverage available under a particular plan.

Instructions for accessing the uniform glossary must be included with the SBC. In addition, the uniform glossary will be made available on several federal government websites, including the Federal Department of Labor's website and at HealthCare.gov. Carriers must provide a paper copy of the uniform glossary to policyholders within seven days of a request from a policyholder. Applicable form filings filed with the New Mexico Office of Superintendent of Insurance must include the SBC and uniform glossary as part of the regular form filing, or as a separate filing, so long as the filing is done by the applicable dates outlined above.

Any material changes to the coverage would also require an updated SBC. Both the policy/certificate with the material changes and the updated SBC should be filed with the New Mexico Office of Superintendent of Insurance for approval before implementation. Although large group plans are not required to submit their SBCs via SERFF, they should be aware that the Secretary of Health and Human Services will enforce the SBC regulations. All form filings will continue to be required to be filed through SERFF and should be filed timely to ensure the deadlines outlined above are met.

Entities should note that the regulations establish that the U.S. Department of Health and Human Services may impose monetary penalties for violation of the SBC requirements.

If you have additional questions regarding this Bulletin, please contact the Life and Health Division at 1-505-827-4601.

DONE AND ORDERED this 7th day of January 2014.

John D. Franchini

JOHN G. FRANCHINI

Superintendent of Insurance