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AHIP Statement on Summary of Benefits and Coverage

Washington, DC – America’s Health Insurance Plans (AHIP) President and CEO Karen Ignagni today released the following statement on the final summary of benefits and coverage regulation released by the Department of Health and Human Services:

“The final regulation on the summary of benefits and coverage makes some important improvements over the preliminary rule, but additional time and flexibility are needed to avoid imposing costs that outweigh the benefits to consumers.

“Health plans and employers regularly update the materials they provide to ensure consumers have clear, user-friendly information about the benefits and costs of their health insurance policies. The final rule requires an almost complete overhaul and redesign of how information must be provided to consumers. The short time frame in which to implement this new requirement creates significant administrative challenges that will increase costs and result in duplication because many plans are already developing materials for employers whose policies take effect October 1, 2012.

“The benefits of providing a new summary of coverage document must be balanced against the increased administrative burden and higher costs to consumers and employers. Health plans currently offer a wide variety of innovative benefit designs to keep coverage as affordable as possible while meeting the diverse health care needs of consumers and employers. The rule requires that a separate document be available for each potential family size and for every possible benefit design option, including different cost-sharing levels, prescription drug formularies, and network designs. Requiring a separate document for each coverage scenario will significantly increase administrative costs and potentially result in consumers having to sort through scores of pages of coverage information.”

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America’s Health Insurance Plans – Providing Health Benefits to More Than 200 Million
Americans