



Maine Municipal Employees Health Trust

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To: Health Trust Participating Employers
From: Anne Wright, Assistant Director, MMEHT
Date: August 9, 2013
Re: The Affordable Care Act and Health Care Reform –
Summaries of Benefits and Coverage

Please note: Copies of these Health Care Reform updates may be found on the Health Trust website, at www.mmeht.org. Click on the link for Health Care Reform. Updates are at the bottom of the page; simply click on the link for the update you wish to read.

Under the terms of the Affordable Care Act, employers will be responsible for providing employees with certain prescribed notices regarding their health insurance coverage. One of these notices, the **Summary of Benefits and Coverage**, will be described in this week's update. The other, the **Notice of Health Care Exchanges**, will be outlined next week.

The Summary of Benefits and Coverage, or SBC, follows a standard format prescribed by the federal government. The SBC provides employees with a general outline of which benefits are covered under their health insurance plan, and what their out-of-pocket responsibilities may be for a variety of different services.

As required by the Affordable Care Act, employers must provide a copy of the SBC to each benefits-eligible employee **before the employee's health insurance coverage becomes effective**. If the employer offers more than one health insurance plan (for example, if the employee has the choice between the POS-C and PPO 500 plans), the employee must be given SBCs for both plans prior to his/her effective date of coverage.

In addition, SBCs must be distributed to all benefits-eligible employees **prior to the beginning of the plan's open enrollment period each year**. Since the Health Trust's open enrollment period occurs during the month of December, SBCs should be provided to all benefits-eligible employees prior to December 1, so that employees have the opportunity to review the benefits for each plan in which they may enroll.

The Health Trust, in conjunction with Anthem, has developed the Summaries of Benefits and Coverage for all Health Trust plans. The 2013 SBCs are currently available on the Health Trust's website, at www.mmeht.org. Click on the link for SBCs. The 2014 SBCs must be distributed to employees before December 1, 2013; in order to provide employers with enough time to distribute the 2014 SBCs to employees, we will add them to the Health Trust website in October 2013.

Since the format for the SBCs was developed to be general enough to cover all types of health insurance plans, it does not necessarily “fit” well with some provisions of the Health Trust plans. For that reason, we have also included copies of the Health Trust’s one-page Summary of Benefits for each plan on the SBC page of the website. We encourage you to provide your employees with both the SBC and the one-page Summary of Benefits for each plan that you offer.

The Affordable Care Act also requires employers to provide employees with an SBC for certain programs that may not be part of their health insurance benefits. For example, if an employer provides its employees with access to an Employee Assistance Program (EAP) that allows employees to seek face-to-face counseling visits, an SBC must be issued for the EAP.

The Health Trust provides access to an EAP to all employees, regardless of whether or not they participate in the Health Trust health insurance program, provided the employer offers Health Trust health insurance. Thus, each employee should be given a copy of the EAP SBC. Since the format for the SBCs was developed for health insurance plans rather than for programs such as an EAP, we suggest that you also provide employees with a copy of the EAP brochure. This brochure, which may be found on the SBC page of the Health Trust website, will provide your employees with a better description of the EAP. Please encourage your employees to contact the Health Trust if they have any questions about the Employee Assistance Program.

Please note: Last year, the Health Trust mailed a supply of SBCs to each employer group prior to open enrollment. This year, we will only be mailing one SBC for each plan that the employer offers. It will be your responsibility as employers to copy the SBCs and distribute them to your benefits-eligible employees.

According to the Department of Labor, SBCs may be provided electronically to participants and beneficiaries in connection with their online enrollment or online renewal of coverage under the plan. SBCs also may be provided electronically to participants and beneficiaries who request an SBC online. In either case, the individual must have the option to receive a paper copy upon request.

It is very important that employers distribute these SBCs to benefits-eligible employees, as this is an employer responsibility under the ACA. Each employee should receive an SBC for each plan in which he or she has the option to enroll.

If you have any questions regarding the Health Trust Summaries of Benefits and Coverage, please contact the Health Trust Member Service Representatives at 1-800-852-8300.

Please note that the Maine Municipal Association and the Maine Municipal Employees Health Trust are sharing this information to assist you with your compliance planning. We recommend that you contact your legal counsel with specific questions relating to this law.