



# Sierra Pacific Industries

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September 7, 2011

Office of Health Plan Standards and Compliance Assistance  
Employee Benefits Security Administration  
Room N-5653, U.S. Department of Labor  
200 Constitution Avenue NW  
Washington, DC 20210

Attention: RIN 1210-AB52

Dear Sir/Madam

Thank you for the opportunity to comment on the Summary of Benefits and Coverage and the Uniform Glossary proposed rules. Here are our comments to consider:

## The Instructions – Group Health Plan Coverage

### *“What is The Premium?”*

- Our health plan is a self-insured health plan. The Plan has three premium rates: Employee, spouse and child. Based on the current instructions, the implication is that our plan sponsor (with only one plan option) will be required to create six different versions of the SBC:

Employee – Initial form	Employee – Final form
Spouse – Initial form	Spouse – Final form
Child – Initial form	Child – Final form
- We encourage additional clarification in the final regulations that provide for the opportunity to reduce and combine where appropriate. If practical, plans should have the option to maintain only one SBC that contains all applicable information. In our situation, one SBC could very *clearly* list all three rate types, their applicable premium amounts *and* eliminate the need to include a “premium rate addendum”.
- The proposed regulations instruct self-insured plans to list the “cost of coverage” in addition to the following language: “Please contact your employer for your share of the premium amount”. It would be more efficient and less confusing to the individual, if the plan could simply list:

*“Cost of Coverage is \$xxx. The premium share for the employee is \$xx, Spouse \$xx, and child \$xx.”*
- Because the Summary Plan Description is the “handbook” for participants of self-insured plans, it is very logical that some plan sponsors would want the option of placing the SBC in the Summary Plan Description. However this should remain optional. Premium rates may vary more often than amendments to the Summary Plan Description, therefore it might not always be practical to update the SBC along with the Summary Plan Description.

**Appearance**

- When finalizing the SBC, there should be separate versions for insured policies and self-insured plans, or the ability to adjust the wording to more accurately reflect the design of the plan/policy. Certain words are not interchangeable for insurance policies and self-insured plans. Here are some examples where the current required language would not be correct for both an insured policy and a self-insured plan:

<u>Insured Policy</u>	<u>Self-insured Plan</u>
Policy period	Plan year
Policy	Plan
Insurer	Plan Sponsor
Policy	Summary Plan Description

- Of note, not all plans are large enough or have the staff to support a website.

**Providing the SBC**

- It is our recommendation that the requirement to provide a SBC be limited to:
  1. The employee/member's Open Enrollment packet (electronic or mail) or included in the Summary Plan Description. If included in the Summary Plan Description, the applicable ERISA timeframes would apply; and
  2. Following a request from an individual.

Limiting the requirement to these two situations will cover all opportunities that a member may have for making election changes.

- The requirement to provide separate SBCs to dependents who have a different address than the employee/member is redundant and provides no additional value. In the case of an employer-sponsored group health plan, the coverage is being provided to the employee/member and the employee/member is the only one who can make election changes for the entire family.

Sincerely,



Ann Carter  
Health Benefits Plan Supervisor