



October 31, 2011

The Honorable Kathleen Sebelius
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, DC 20201

Dear Madame Secretary:

On behalf of the State of Connecticut, we offer the following comments on proposed rules pertaining to the Summary of Benefits and Coverage and the Uniform Glossary, which were published in the Federal Register on August 17, 2011 in accordance with Title I of the Patient Protection and Affordable Care Act as amended by the Health Care and Education Reconciliation Act of 2010.

We offer a number of comments and suggestions on ways in which we believe the regulations can be improved to help ensure that consumers are provided information that can help them compare health plans and make informed choices, while at the same time not duplicating state efforts in this regard. We appreciate the opportunity to offer these comments.

Connecticut state law requires most of the benefit information noted in the proposed rule to be disclosed as part of a summary plan description, with full details available in the policy, subscriber agreement or certificate of coverage. There is concern that in light of the fact that the exact template is specified in the proposed rule, any additional state requirements will result in carriers providing two different summaries of coverage that may cause confusion for the consumer. Although we agree that a standard format is valuable for comparing different plans, we suggest that flexibility should be provided. We support a required format that would allow additional information as required by a state.

We do not believe the proposed template provides as accurate a summary of coverage as the existing summary plan descriptions provided by insurers to Connecticut policyholders. For example, although the "Why This Matters" column may be somewhat useful, especially for a new plan design, the glossary describes these terms. A summary that more accurately depicts the actual plan design would be of more value, particularly since this document must be provided to consumers each year. Also, excluded and other covered services to be listed are restricted to those provided in the guidance. And finally, the required questions and/or benefits may not be applicable to the plan option chosen by a given enrollee, and other benefits cannot be included since it is a required format. This suggests to us that greater flexibility be provided to states that have in place summary of coverage requirements to allow for modifications to the template.

The required coverage examples of how a plan “might” work are of limited value since they work only under the specified assumptions and are based on national averages. While there is disclosure that they are not a cost estimator, but they may cause some confusion or unreasonable expectations since actual costs could vary significantly.

Balance billing by a non-participating provider beyond allowable charges is discussed in the summary, but not shown in the coverage examples or as an example when out-of-pocket limits are reached. We suggest that this omission be addressed as part of the final rule. Consumers would be better served by including an example of how balance billing can affect their financial exposure.

Because the summary of coverage may be retained and used by consumers throughout the year – more so than a certificate or policy – we suggest that a statement be placed on the front page of the document indicating whether the health plan meets the criteria for maintaining health coverage with regard to the individual mandate. Consumers will need to know whether the health plan they purchase, or the health plan offered by their employer, meets the minimum coverage requirements, thereby ensuring that the policyholder will not be subject to a tax penalty for lack of coverage despite having health insurance.

The proposed rule requests comment on whether the summary of coverage should be incorporated into the larger certificate of coverage. Since the certificate of coverage or summary plan description has become so bulky and legalistic, we believe that a short, concise summary will be easier for consumers to keep handy, consult frequently, and understand. While health insurers and employers should be allowed to deliver these two documents in the same mailing to enrollees, the summary of coverage should remain freestanding and not buried within the summary plan description.

We appreciate the opportunity to comment on these proposed regulations and look forward to working with you on the ongoing implementation of health reform.

Sincerely,

A handwritten signature in black ink, appearing to read "Nancy Wyman". The signature is fluid and cursive, with a large initial "N" and "W".

Nancy Wyman
Lieutenant Governor
State of Connecticut