



October 20, 2011

Centers for Medicare & Medicaid Services
Department of Health and Human Services
Attention: CMS – 9982 – P
Mail Stop C4-26-05
7500 Security Boulevard
Baltimore, MD 21244-1850

RE: Request for Comments on Summary of Benefits and Coverage and the Uniform Glossary.

The following comments are presented in response to the “Request for Comments” published as part of the preamble to the Proposed Rule: Summary of Benefits and Coverage and the Uniform Glossary (SBC), 76 Fed. Register, No 162, 52442, 52450 (August 22, 2011).

Wisconsin Physicians Service Insurance Corporation (WPSIC) is a not-for-profit company that has been providing quality health and benefit plan administration for businesses and individuals throughout Wisconsin for over 60 years. In addition, the WPSIC Medicare Division administers Medicare Parts A and B benefits for millions of seniors in multiple states, and the WPSIC TRICARE Division serves millions more members of the U.S. military and their families. For more information about WPSIC, please visit our website at www.wpsic.com.

WPSIC welcomes the opportunity to provide responses to this Request for Comments and hopes that our comments will assist the Internal Revenue Service, Department of the Treasury, Employee Benefits Security Administration, Department of Labor, Centers for Medicare & Medicaid Services and the Department of Health and Human Services in providing clarification and guidance on proposed rules.

Sincerely,

A handwritten signature in black ink that reads "James R. Riordan".

James R. Riordan
President and Chief Executive Officer

Attachments

Wisconsin Physicians Service Insurance Corporation

Response To

**Request for Comments on Summary of Benefits and Coverage
and the Uniform Glossary**

**Proposed Rule: Summary of Benefits and Coverage
and the Uniform Glossary,
76 Fed. Register, No. 162, 52442, 52450 (August 22, 2011)**

October 20, 2011

Principal Drafters

Cheryl Forrer

Director

WPS Contract Development, Commercial Operations

Teresa Maas

Director

WPS Underwriting Department

Bob Varebrook

Director

WPS Large Group Underwriting Department

Angela Julian

Paralegal, Compliance Consultant

WPS Regulatory Services Department

Wisconsin Physicians Service Insurance Corporation

Response To

**Request for Comments on Summary of Benefits and Coverage
and the Uniform Glossary**

**Proposed Rule: Summary of Benefits and Coverage
and the Uniform Glossary,
76 Fed. Register, No 162, 52442, 52450 (August 22, 2011)**

Comments

You have invited public comments on several issues regarding the implementation of the proposed rule for SBC's. We have provided comments to only the specific questions of which we have a position and believe should be considered in final rulemaking. Therefore, WPSIC suggests the following responses below, based on your specific Request for Comments.

**Summary of Benefits and Coverage and the Uniform Glossary, Proposed Rule, 76 Federal Register,
No. 162, 52444**

The Departments are soliciting comments on whether the SBC should be allowed to be provided within an SPD if the SBC is intact and prominently displayed at the beginning of the SPD.

We feel that allowing the SBC to be provided within the body of the SPD would be appropriate, at an issuer' or plan's option.

The Departments are soliciting comments on ways the SBC might be coordinated with other group health plan disclosure materials (e.g., application and open season materials) to communicate effectively with participants and beneficiaries about their coverage and make it easy for them to compare coverage options while also avoiding undue cost or burden on plans and group health insurance issuers.

In the group market, it is not the general practice for employers to offer more than one coverage option to its employees. Typically the employee will not have a choice of benefit options. Therefore, if the 30-day distribution requirement were to be modified, the most efficient way of producing the SBC to avoid undue costs or burdens on plans/issuers would be to allow the SBC to be included with all final issue materials (i.e. certificates of coverage, policies or SPDs.)

PHS Act section 2715 generally directs group health plans and health insurance issuers to comply with the SBC requirements beginning on or after March 23, 2012. The Departments are soliciting comments regarding factors that may affect the feasibility of implementation within this time frame.

There is a considerable amount of programming logic that will need to be implemented in order to map benefit options to the SBC from various systems within our corporation. Increased hours of

programming will be required to meet the March 23rd effective date. In addition, if any changes occur as a result of this solicitation for comments, this will further shorten the time for implementation and increase expenses.

Summary of Benefits and Coverage and the Uniform Glossary, Proposed Rule, 76 Federal Register, No. 162, 52445

The Departments are soliciting comments on whether premium information can be provided in another way that is easily understandable and useful to plan sponsors and individuals, other than by sending a new, full SBC.

In our standard process, the premium quote for any benefit option for either a person applying for individual coverage or an employer applying for coverage in the group market is provided within the quote when benefits are selected by that individual or employer. Therefore, we feel it is duplicative to include premium information within the SBC.

Summary of Benefits and Coverage and the Uniform Glossary, Proposed Rule, 76 Federal Register, No. 162, 52446

With respect to the requirement to include an Internet address that may be used to obtain a copy of the uniform glossary, the Departments are soliciting comments on whether the SBC should disclose the option to receive a paper copy of the uniform glossary upon request.

We strongly recommend that the current electronic disclosure regulations be relaxed to allow for producing paper copies of the Uniform Glossary only upon request.

The Departments are soliciting comments regarding whether the SBC should include premium or cost information and if so, the extent to which such information should reflect the actual cost to an individual net of any employer contribution, as well as the extent to which the cost information should include costs for different tiers of coverage (for example, self-only or family). The Departments also request comments on how this information can be provided in a way that allows individuals and plan sponsors to make meaningful comparisons about the cost of their coverage options.

As stated above, the premium information is already included within a formal quote provided to each individual or employer. The formal quote does not include the actual cost to an individual net of any employer contribution. Issuers may not know the employer contribution at the time the SBC is produced. WPSIC recommends not including this information within the SBC.

Summary of Benefits and Coverage and the Uniform Glossary, Proposed Rule, 76 Federal Register, No. 162, 52448

The Departments are soliciting comments on the proposed coverage examples, whether additional benefits scenarios would be helpful and, if so, what those examples should be. The Departments also invite comments on the benefits and costs associated with developing multiple coverage examples, as well as how multiple coverage examples might promote or hinder the ability to

understand and compare terms of coverage. Additionally, the Departments invite comments on whether and how to phase in the implementation of the requirement to provide coverage examples.

The examples currently proposed are very specific to a limited population and may hinder a person's ability to understand and compare terms of coverage. Therefore, WPSIC suggests replacing those scenarios with more common examples, such as: office visits, emergency room visits and hospital confinements.

Summary of Benefits and Coverage and the Uniform Glossary, Proposed Rule, 76 Federal Register, No. 162, 52449

With respect to the individual market, the proposed rule sets forth the circumstances in which an issuer offering individual health insurance coverage may provide an SBC in either paper or electronic form. Specifically, unless specified otherwise by an individual, an issuer would be required to provide an SBC in paper form. As an alternative, the Departments are soliciting comments on whether it might be appropriate to allow issuers to fulfill an individual's request in electronic form, unless the individual requests a paper form.

WPSIC agrees that it would be appropriate and cost effective to provide paper forms of the SBC only upon request in the individual market.

Summary of Benefits and Coverage and the Uniform Glossary, Proposed Rule, 76 Federal Register, No. 162, 52450

The Departments are soliciting comments on the expedited notice requirement, including whether there are any circumstances where 60-day advance notice might be difficult. The Departments also solicit comments on the format of the notice of modification, particularly for plans and issuers not subject to ERISA.

The 60-day advance notice applies when changes are made other than at renewal. When such changes are made, they are typically initiated by the employer or individual and not the issuer unless they are mandated changes required by state or federal statutes. This 60-day advance notice requirement may limit an employer's option for choosing an effective date for a benefit change or requesting a retroactive benefit change. WPSIC suggests not applying this 60-day advance requirement when a change is due to a state or federal mandate.