MAY 14, 2012

Updated SBC Guidance

As I noted during Friday's post, the agencies announced additional SBC guidance will be forthcoming. Ever coy about release dates, the agencies did not happen to say that the release date was right after our Friday meeting! DOL released the updated guidance in the form of additional FAQs and updated SBC templates. One of the more shocking issues addressed in this new guidance is relaxed electronic disclosure requirements. Specifically, the updated guidance provides that 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. For new enrollees, the final SBC regulations had already adopted what I refer to as the "postcard" method from the comments I submitted to DOL on electronic disclosure last year. This new guidance now moves the needle closer to the postcard method for existing participants as well, at least for SBCs anyway. The updated guidance can be found at http://www.dol.gov/ebsa/