California Public Employees' Retirement System
Executive Office
P.O. Box 942701
Sacramento, CA 94229-0724
TTY: (877) 249-7442
(916) 795-3825 phone · (916) 795-3410 fax
www.calpers.ca.gov

October 21, 2011

Amy Turner, Senior Advisor
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

Re: Proposed Rule for Summary of Benefits and Coverage and the Uniform Glossary

Dear Ms. Turner:

The California Public Employees' Retirement System (CalPERS) purchases health benefits for the State of California and more than 1,100 local and government agency and school employers, covering nearly 1.3 million public employees, retirees, and their families. CalPERS fully supports efforts under the Patient Protection and Affordable Care Act (PPACA), Section 2715, which require issuance of a standard Summary of Benefits and Coverage (SBC) and Uniform Glossary.

We thank your staff for taking the time to answer our questions and for providing guidance. After careful review of the proposed regulation, we provide the following comments:

1) Coordination and distribution of the SBC with Open Enrollment

In order to avoid unnecessary disruption and to ensure workability for enrollees, we propose that the development and distribution of the SBC coincide with employers' typical Open Enrollment (OE) process. This allows issuers, employers, and plan sponsors to leverage annual OE efforts when materials are typically updated and made available to employees along with other OE materials. Therefore, we propose the Department of Health and Human Services, Department of Labor, and Treasury Department (Departments) provide employers with the flexibility to implement this provision at the OE period on or after March 23, 2012 within the same calendar year. This flexibility will create less confusion for existing employees, which typically make enrollment decisions during OE, as well as mitigate the cost of producing these materials off-cycle. This is the same flexibility offered to employers under the ACA provision to extend dependent coverage up to the age of 26 (Section 2714).

2) Inclusion of total premium amount

CalPERS commends the Departments for their commitment to promoting transparency by their inclusion of the total premium amount in the SBC requirements. Such information is vital when comparing and evaluating health plan options. We acknowledge and appreciate the thoughtful approach by which the Departments are coordinating efforts to minimize duplication and burden on employers and plan sponsors through the various regulations.

We thank you for the opportunity to provide comments and hope you will consider them in development of the final rule.

Sincerely,

Ann Boynton
Deputy Executive Officer
Benefits Program Policy and Planning