



The HR WIRE

– ETC HR Employer Compliance News Week In Review –

Making Compliance Connections

March 2024 Supplement

Reminder: 2023 Pharmacy Data Collection Employer Responsibility (RxDC Reporting)

This is a *newer* requirement which started in 2022 for Issuers and Plan Sponsors (**Employers**) due to the Transparency Act (CAA 2021) and **applies to ALL group health plans regardless of size or funding**.

Because it is fairly new, we hope that if you missed the first reporting cycle, that there is first year reporting relief. Although the Departments have not released any details on penalties and enforcement actions yet, they did release this in the FAQ in December of 2022. It is most likely that the carriers submitted the files on your behalf with the missing details (average monthly member and employer premiums paid) in the past years which would deem the report as “not compliant” due to missing information.

For more background and information, please click link to the CMS site below:

[CMS.GOV PRESCRIPTION DRUG DATA COLLECTION \(RxDC\) - CAA 2021](#)

For this reporting cycle which is due to CMS by **June 1, 2024** (for calendar year 2023), it is recommended that **all PLANS** respond to carrier/TPA/PBM requests and make efforts in collecting the necessary financial data to submit the COMPLETE required D1 report.

Because this information is based on actuals (i.e., Payroll and accounting data), **the Employer is responsible for providing this to the carriers OR CMS directly if the carrier is not going to do it on behalf of the plan.**

Attached is UHC’s Pharmacy Data Collection overview, instructions with a calculation tool for their clients that CMS has recently confirmed is accurate along with a one-page overview of CAA and other reporting obligations that impact Plan Sponsors.

Please feel free to use these references in providing the data to **any** carrier that the PLAN had in effect for 2023.

IMPORTANT NOTES:

- If you have a **mid-year renewal plan** year, you will need to provide the **separate subset data elements to each carrier (or CMS directly)**.
- If you need further guidance or information regarding carrier or issuer approach to complying with this law, please contact your carrier directly, your Health Insurance Broker team or HR_Help@ so that we can connect with you and assist. **ETC RxDC direct consulting engagements may be a billable charge.*

The above is for informational purposes only and should not be construed as legal advice.

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