



## Update: Transparency in Coverage (TiC) Rules

The Consolidated Appropriations Act, 2021 (CAA) was enacted on December 27<sup>th</sup>, 2020. The CAA contains various components that will become effective through the 2021 to 2023 plan years which are by regulation the responsibility of the employer plan sponsor. A portion of the CAA, called the No Surprises Act (NSA), contains various rules and provisions to mitigate surprise balance billing. In addition, the November 2020 Group Health Plan Transparency Regulations are a separate set of transparency in coverage (TiC) rules which run parallel to the CAA and with similar purposes. Benecard is providing an update below related to the final TiC rules issued by the Federal government that may have some impact on your prescription benefit program and how we may be able to assist.

**Note:** *This document is not intended to provide legal advice nor a full description of all components that make up the CAA, NSA, and Transparency Regulations.*

- CMS 9915-F, “Transparency in Coverage”, Parts 147 & 158 / CAA Title I NSA Sec 114 “Maintenance of Price Comparison Tool” states that plan sponsors will be required to provide, through a website or application, in-network and out-of-network negotiated rates including an estimate of an individual’s cost-sharing liability for covered items or services. The DOL, as part of the August 20<sup>th</sup> FAQ release, is deferring enforcement to make available a price comparison tool (by internet, website, paper, telephone) until the first plan year which begins on or after January 1<sup>st</sup>, 2023, to align the CAA enforcement date with CMS 9915-F.

Additionally, plan sponsors will be required to offer three different machine-readable files addressing in-network provider negotiated rates, historical out-of-network allowed amounts, and drug pricing information. The rule was originally set to begin for plan years starting January 1, 2022. However, the August 20<sup>th</sup> FAQs delayed the first two requirements until the first plan year which begins on or after July 1, 2022. The August 20<sup>th</sup> FAQs also delayed the drug pricing information requirement indefinitely, as the DOL intends to undertake a new rule-making process for this requirement.

**Benecard Response:** Our drug pricing tool, which is available to members who register on our member portal at [www.benecardpbf.com](http://www.benecardpbf.com), will allow members access to compare the amount of cost-sharing for a given drug and through different pharmacies.

After thorough analysis of the final TiC rules including opinions from expert legal guidance, Benecard has determined that the in-network provider negotiated rates and historical out-of-network allowed amounts **are not applicable to carved-out prescription benefits provided in a fee-for-service arrangement for our plan sponsors.**

**Plan sponsors generally must be in compliance with the CAA as of the plan’s anniversary/renewal effective date beginning in 2022, unless the federal agencies provide some relief from these deadlines.**

**Please contact your Benecard Services Client Relations Manager at (609) 219-0400 or via email should you have any questions on the above bulletin.**

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