

Time to Comply with Health Plan Transparency Rules

July 1 was the deadline for health plans to make public their in-network negotiated rates, out-of-network billed charges, and more.

While health plans will be required to post this information, employers who sponsor their group health insurance for their employees will need to take steps to ensure that their plans comply with the law, if they have not already done so.

The transparency rules taking effect were ushered in by the Consolidated Appropriations Act of 2021 and rulemaking from the 2020 Transparency in Coverage Rules by the Centers for Medicare and Medicaid Services.

The rules require that non-grandfathered insured and self-insured group health plans post machine-readable files on a public website no later than July 1, 2022. A public website, under the rules, is one that does not require a log-in or password to access.

The machine-readable files should include:

- In-network rates for each item or service provided by in-network providers, including any negotiated rates, fee schedule rates used to determine cost-sharing, or derived amounts “whichever rate is applicable to the plan.” If a rate is percentage-based, include the calculated dollar amount, or the calculated dollar amount for each National Provider Identifier-identified provider if rates differ by providers or tiers. Bundled items and services must be identified by relevant code.
- Out-of-network allowed amounts and billed charges with respect to covered items or services, furnished by out-of-network providers during the 90-day period starting 180 days prior to the machine-readable file publication date.

What you need to do

Plan sponsors:

- Must update the machine-readable files at least monthly. So, you should establish processes to coordinate regularly with the carrier in an insured plan, and with the third party administrator in a self-funded plan. You should confirm the date your insurer will make available the machine-readable files each month.
- Should check with your insurance company if they will be hosting on their public-facing websites the machine-readable files, or if the insurer expects the employer to post the machine-readable files on their own public site.
- Should identify the plan or plans you sponsor and retrieve the links to the machine-readable files for each plan.
- Should post the machine-readable files on your public-facing website if the insurance company has decided to delegate this responsibility to the employer.

- Should post a link on your website to the insurance carrier's website if the insurance company plans to publish the machine-readable files on its site. However, if the group health plan contract states that the insurer is fully responsible for posting these files, this may not be necessary.

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