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Consolidated Appropriations Act, 2021 ("CAA") Prescription Drug Data Collection ("RxDC")

What is the RxDC?
The RxDC is a data report required under section 204 of the CAA. This report requires health insurance issuers, such as Humana, and group health plans to submit information about prescription drug and health care spending to the Department of Health & Human Services (HHS), the Department of Labor (DOL), and the Department of the Treasury ("Tri-Agencies").

When is the RxDC report due?
The deadline to submit RxDC data for 2020 and 2021 was December 27, 2022. RxDC data for each subsequent year is required to be filed annually by June 1.

What plans must submit the report?
Section 204 requires all group health plans (fully-insured and self-funded) and all health insurance issuers offering group or individual health insurance coverage, to submit reports to The Centers for Medicare & Medicaid (CMS) on behalf of the Tri-Agencies and OPM. The Director of the Office of Personnel Management (OPM) also requires Federal Employees Health Benefits ("FEHB") carriers to submit RxDC data to HHS.

The report is not required for account-based plans, such as health reimbursement arrangements, excepted benefits including but not limited to short-term limited duration plans, hospital or other fixed indemnity insurance, disease-specific insurance, or noncommercial plans such as Medicare Advantage and Prescription Drug plans, Medicaid managed care plans, state children's health insurance program plans and Basic Health Program plans.

What information is being reported?
Information required in the RxDC report includes:

- Health plan identifying information
- Enrollment and premium data
- Healthcare spending
- Top 50 most frequently dispensed brand prescription drugs
- Top 50 most costly prescription drugs
- Top 50 prescription drugs with the greatest increase in plan spending
- Prescription drug rebate information by drug manufacturers to plans or issuers

How is the report organized?
The data in the report is organized and aggregated based on two factors, location and market segment of the plan. Humana market segments include fully-insured large and small group markets, self-funded plans offered by small and large employers, and Federal Employees Health Benefits (FEHB) plans. Location will vary depending on the type of health plan. Fully-insured groups will be organized by state of issue. Data for self-funded plans will be organized by the customer's principal place of business.

Does Humana plan to submit a report on behalf of their fully-insured customers?
Yes. Humana will submit all (Files P2, D1-D8) reports for all their fully-insured customers. For customers with health plans that ended prior to the end of the reporting year, Humana will report data up to the date the plan termed. For customers that joined or termed mid-reporting year, Humana will provide the data for the time active with the plan.

Will Humana submit the RxDC report on behalf of self-funded customers?
When Humana administers both medical and pharmacy benefits for self-funded customers, Humana will complete and submit all applicable reporting templates (Files P2, D1-D8). For customers with health plans that terminate prior to the end of the reporting year, Humana will report data up to the date the plan termed.

When Humana only administers medical benefits for self-funded customers (the arrangement carves out pharmacy benefits), Humana will only complete reporting templates P2 – Group Health Plan List, D1 – Premium and Life Years, and D2 – Spending by Category as applicable to

the customer's medical benefits data. Self-funded customers with a pharmacy carve out arrangement will need to ensure pharmacy reporting templates D3-D8 templates are completed and submitted to the Tri-Agencies for their pharmacy benefits.
When Humana only administers pharmacy benefits for self-funded customers (the arrangement carves out medical benefits), Humana will only complete reporting template P2 – Group Health Plan List and templates D3-D8 as applicable to the customer's pharmacy benefits data. Self-funded customers with a medical carve out arrangement will need to ensure medical reporting templates D1 – Premium and Life Years, and D2 – Spending by Category are completed and submitted to the Tri-Agencies for their medical benefit.

Will Humana submit the required narrative responses on behalf of fully-insured and self-funded customers for the RxDC report?
Yes. Humana will submit the necessary narrative responses outlined in the CMS RxDC Reporting instructions with the plan and data files.

For the purposes of the RxDC, are level-funded plans treated as fully-insured or self-funded plans?
Per the reporting instructions released by the Centers for Medicare and Medicaid Services (CMS) on June 30, 2022, level-funded plans will be categorized as self-funded plans.

Will Humana provide copies of the data to fully-insured and self-funded customers?
No. The report requires Humana to aggregate data based on the plan's state and market segment. Given most fully-insured and self-funded data will be reported in an aggregate format with other customer data, Humana will not provide client specific data to customers.

Are Humana fully-insured and self-funded groups responsible to provide Humana the average monthly premium amount paid by employers versus members for 2020 and 2021 for the RxDC report? If so, what is the process to send that information to Humana?
In the reporting instructions released by the Centers for Medicare and Medicaid Services (CMS) on June 30, 2022, the Departments will not take enforcement action related to the requirement to report average monthly premium paid by employers versus members for the 2020 and 2021 reference years if those data elements are reported in RxDC report for the 2022 reference year and beyond. Therefore, for the reference year period of 2020 and 2021, Humana will not report average monthly premium paid by employers versus members.
Humana is developing a process to gather average monthly premium paid by employers versus members for the 2022 reference year report and beyond. Humana will contact fully-insured and self-funded groups once a process is finalized.

Will Humana charge any fees associated to the submission of the RxDC report to either fully-insured or self-funded plans?
No. Humana will not charge groups any fees associated with this report at this time.

Will fully-insured and self-funded groups receive confirmation the report has been submitted following December 27, 2022?
Humana will issue a confirmation email notification to groups after submission is complete. To ensure groups receive a confirmation email, each group will need to make certain an up-to-date email is recorded in the Humana employer portal.

What is Humana doing to be compliant with the 2022 RxDC reporting requirements?
Humana is preparing to submit the June 1 report in compliance with the 2022 RXDC reporting requirements. Humana will be submitting the P2 (group health plan), D1 (premium and life years) and D2 files (spending by category) for all active (fully insured and ASO) customers during the reference year for this required report. For customers with integrated pharmacy benefits, Humana will also submit the D3-D8 (pharmacy spending data) files. For customers that were not with Humana for the full 12 months of the year, Humana will submit the data for the time the plan was active with Humana.

In order to obtain all necessary data, Humana will be sending employers an online survey on March 29, requesting information Humana does not collect, such as average monthly premium (or premium equivalent) paid by the employer and member, and Form 5500 plan numbers. Responses will be due by April 14. Failure to meet this deadline may inhibit our ability to report complete information. Please watch your e-mail, agent/employer newsletters and the agent/employer portals for updated information.

This communication provides a general description of certain identified insurance or non-insurance benefits provided under one or more of our health benefit plans. Our health benefit plans have exclusions and limitations and terms under which the coverage may be continued in force or discontinued. For costs and complete details of the coverage, refer to the plan document or call or write your Humana insurance agent or the company. In the event of any disagreement between this communication and the plan document, the plan document will control.

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