

TO: Our Valued Clients and Brokers

FROM: Health Plans, Inc. DATE: March 6, 2024

RE: Compliance eBlast: RxDC Submission 2024

Health Plans, Inc. (HPI) is issuing this Compliance *eBlast* to notify you of HPI's Prescription Drug Data Collection (RxDC) Reporting process for 2024.

RxDC Reporting for 2024

As a refresher, the RXDC Report is due June 1 each year and must contain data for the previous calendar year.

- Data Elements:
 - The reporting requirements include information which is intended to identify the major drivers of increases in prescription drug and healthcare costs to allow for increased understanding of how prescription drug rebates impact premiums and out-of-pocket costs and to increase the transparency of prescription drug pricing. See our September 9, 2022 Regulatory Affairs and Action Update found here for more information about the data elements.
- Required Data Files: The following data files are required to meet the reporting obligations:
 - o P2 Plan List
 - o D1 Premium and Life Years Data
 - D2 Spending by Category Data
 - D3-D8 PBM Rx Data (consists of 6 separate Rx Data files)

How RxDC Data Will be Submitted for 2024

As in 2023, the reporting and submission of the required data files will be a joint effort between the client, the client's pharmacy benefit manager (PBM), and HPI.

- HPI will use the same process as in 2023:
 - o HPI will complete and submit the P2 Plan List file for our book of business directly to CMS.
 - O HPI will aggregate and submit the D1 Premium and Life Years file for all clients at no cost who opt in for this service and supply the required data by our April 15th deadline. Please note: If the client opts in and requests HPI to submit their D1 data, incorporated into HPI's block of business aggregated D1 file, HPI will use the data reported by the client and HPI will not be liable for incorrect data. For information on how to opt in, please see the "Required Client Action" section below.

- If a client does not opt in for HPI to produce and submit the D1 Premium and Life Years files, the client will need to submit their D1 (Premium and Life Years) file directly to CMS.
- o HPI will complete and submit the D2 *Spending by Category Data* file aggregated by our book of business directly to CMS on our clients' behalf. This will allow clients' PBMs to submit their D3 through D8 files on an aggregated basis to CMS.
- Clients' PBMs will complete and provide the D3-D8 PBM Rx Data files to either the client or directly to CMS. HPI will not be submitting any D3-D8 files.

Required Client Action

All clients for whom HPI administered their medical benefit plans in calendar year 2023 must complete and return the attached RxDC Data Collection Survey to <u>RegulatoryReporting@healthplansinc.com</u> no later than April 15, 2024. Please note this survey includes the option for clients to opt in and provide the needed data for HPI to submit the D1 Premium and Life Years on a client's behalf.

For best service, please contact your HPI Account Service Team directly if you have any questions. Please return the RxDC Data Collection Survey to RegulatoryReporting@healthplansinc.com.

Regards,

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The information in this Compliance *eBlast* is intended to provide a summary of our understanding of recent regulatory developments which may affect our clients' plans. It should not be construed as specific legal advice or legal opinion.