Date: June 9, 2022

Markets: Commercial

Transparency in Coverage: Machine-Readable Files

In late 2020, federal agencies responsible for overseeing the implementation of the Affordable Care Act (ACA)—the Departments of Labor, Health and Human Services (HHS) and Treasury (the Departments)—issued the Transparency in Coverage (TiC) final rule. The rule requires insurers and self-funded plans to post the following machine-readable files (MRF) to a publicly available website:

- **In-Network Rate File:** Applicable in-network provider rates, including negotiated rates, derived amounts, and underlying fee schedule rates for all covered items.
- **Out-of-Network Rate File:** Historical data outlining the different billed charges and allowed amounts a plan or issuer has paid for covered items or services, including prescription drugs, furnished by out-of-network providers (minimum of 20 entries).

A machine-readable file is a digital representation of data that can be imported or read by a computer system without human intervention. Data in these files must be in the JSON file format and updated monthly.

Beginning July 1, 2022, CareFirst will publish Table of Contents (TOC) files for all plans effective on or after January 1, 2022, in the Legal & Mandates section of carefirst.com. Each TOC file will house all relevant plan data and the URL location information for where to download the appropriate files.

Frequently Asked Questions

Does the TiC final rule apply to all plans?

The TiC final rule applies to non-grandfathered individual and group health plans. The rule does not apply to grandfathered plans or excepted benefits like stand-alone dental and vision coverage, Medicare supplement policies, hospital indemnity and other similar limited benefit plans. The rule also doesn't apply to programs outside of the commercial market like Medicare Advantage and Medicaid.

When will the machine-readable files be available, and where will they be posted?

CareFirst is on track to meet the July 1 deadline. The target date for the webpage to go live with the TOC files is June 29, 2022, and the URL will be http://individual.insidecarefirst.com/individuals-families/mandates-policies/machine-readable-file.page.

CareFirst will not host files for plans that use NetLease.

What about the machine-readable file for drug pricing that was required in the final rule?

The Departments released additional guidance in August 2021 that delayed the implementation of the two MRFs from January 1 to July 1, 2022, and put this third file for drug pricing on hold indefinitely, pending additional guidance at a later date.

How does a member use the file to look up pricing?

Machine-readable files are meant to feed technology-based tools. They are NOT meant to be used by members to look up pricing. Members currently have access to the Treatment Cost Estimator Tool in *My Account,* and CareFirst is working on the necessary enhancements required by the final rule to be in place by January 1, 2023.

What is the 20-claim minimum rule related to the out-of-network file?

For the out-of-network file, entities are required to report historical allowed amounts and billed charges for specific items and services by providers. To protect privacy, regulations require that this data be omitted if there are fewer than 20 different claims for a particular item or service and provider combination for a plan.

Is there a cost for hosting the machine-readable files?

These files are very large terabytes of data. There is a cost associated with creating, hosting and maintaining files of this size. Costs of this nature are accounted in premiums for our insured plans. For 2022, we're absorbing the costs for self-funded plans. However, our approach for 2023 and forward is still being considered.

Can a self-funded employer group host the machine-readable files on their company website?

To meet the compliance date of July 1, 2022, CareFirst will host the files for all applicable plans. If a self-funded group wants to host the files on its own website, they may reach out to their CareFirst Sales Consultant for more information.

What about CFA and NCAS groups?

The files hosted by CareFirst will include a PPO file for CFA Blue and additional files sent to CareFirst for NCAS.

For more information

If you have any questions, please contact your CareFirst Account Consultant.