



2022 NCCMP Annual Conference

Price Comparison Tools – What to Know When Selecting a Provider

September 20, 2022 Kathryn Bakich

Transparency Final Rule

- Effective for plan years beginning on or after January 1, 2023, with respect to 500 items and services listed in rule
- Effective for plan years beginning on or after January 1, 2024 for all covered items and services

Internet-based self-service tool

- Real time tool a participant can use to search for cost-sharing information that is accurate at the time of request

Deferred Enforcement

- In-network and out-of-network rate machine-readable files – July 1, 2022
- Price-comparison tool
 - Because similar to the Transparency Rule internet-based, self-service tool, same date will be used:
 - Plan years beginning on or after January 1, 2023 (with respect to 500 services)
 - January 1, 2024 (for the remaining items and services)

Plans and issuers are encouraged to work toward updating the standards of these tools and programs to meet the minimum requirements in the TiC Final Rules by the regulatory applicability date. (FAQ 49, Q 3)

Price Tool Elements

1	Estimated Cost-Sharing (deductibles, copayments, coinsurance)
2	Accumulated amounts
3	In-Network negotiated rates
4	Out-of-Network allowed amounts
5	Items and services in bundled arrangements, if applicable
6	Any coverage prerequisites, e.g., preauthorization, concurrent review, step therapy, fail first protocols, etc.
7	Disclosure Notice (model available)

Transparency Final Rule

- Insured group health plans may require insurer to comply
- Self-insured group health plans may enter into written agreement for compliance with service provider, but plan retains compliance responsibility



Enforcement and Penalties

- Same enforcement framework as ACA market reforms
- Self-funded plan failure to comply would subject the plan to monetary penalties under IRC Section 4980D
- \$100 day per violation per affected participant

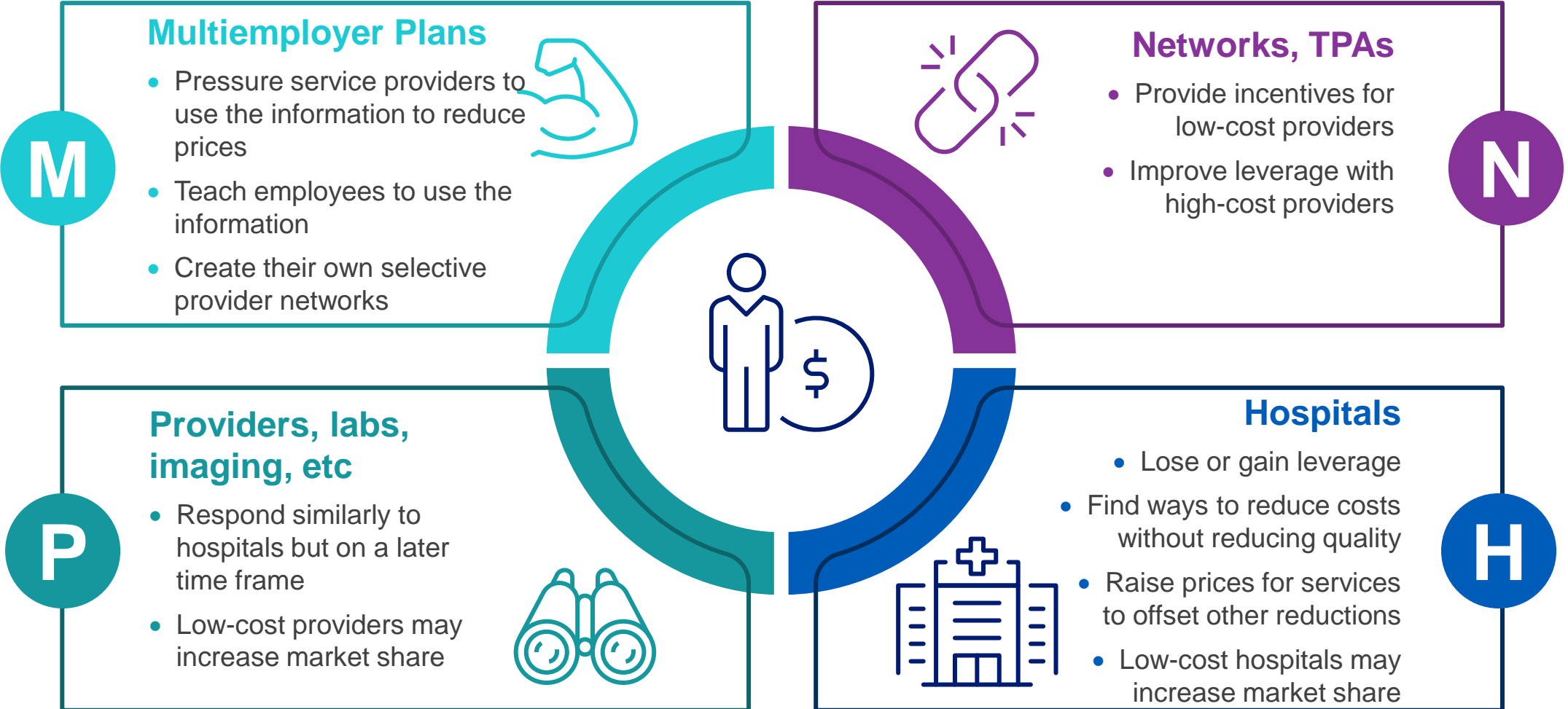


Good Faith Rule

- Plans that act in good faith and with reasonable diligence are not out of compliance if:
 1. An error or omission is made in a disclosure, provided it is corrected as soon as practicable
 2. Its website is temporarily inaccessible, provided the information is available as soon as practicable
 3. If plan needs to obtain information from another entity to comply, will not be out of compliance unless plan knows or reasonably should have known that the information is incomplete or inaccurate

There does not appear to be a general “good faith” rule for delayed compliance.

Potential for Changes in Market Dynamics



Choosing a Provider



Does the plan's current TPA, ASO, or carrier offer a price comparison tool?

A first step is to find out what is currently available and at what price

Considerations When Selecting a Price Comparison Tool Provider

- Ability to search on code or descriptive term
- Source of rate information
- Paper disclosure
- Telephone support
- Implementation timeline
- Multifactor authenticator
- Fees
- Steerage to low-cost providers
- Quality measures
- Appointment scheduler
- Point solution integration
- HRA balance integration
- Integrate diversity of provider and equity
- Integration with plan's current software provider

Pricing Considerations



Pricing can include implementation fees



Pricing could include PEPM fees determined on a variety of factors, including size of clients, number of data feeds, complexity, plan options, and existing programs



May include add-ons for incentive programs

Implementation Considerations

- Many of the vendors offers digital healthcare guidance platforms that are beyond the Transparency in Coverage (TiC) regulations, that help members get the most of their healthcare benefits
- There are different approaches to handling data sources
 - Some rely heavily on claims, others on Machine-Readable Files (MRF) and some a combination. For carriers that rely on MRF, contracts related to billed charges may not be in a MRF and some have data inconsistencies
- Implementation timelines vary from 60 days to 6 months, with data acquisition and contracting being the two factors that can impact timing

Questions?

