

COMPLIANCE BULLETIN

Employers Should Start Preparing for 2024 RxDC Reporting

Group health plans and health insurance issuers must annually submit detailed information on prescription drug and health care spending to the Centers for Medicare & Medicaid Services (CMS). This reporting is referred to as the “prescription drug data collection” (or “RxDC report”). The next RxDC report is due by **Saturday, June 1, 2024**, covering data for 2023.

The RxDC report is comprised of several files, including those that require specific plan-level information, such as plan year beginning and end dates and enrollment and premium data. It also includes files that require detailed information about medical and pharmacy benefits.

Most employers contract with third parties, such as issuers, third-party administrators (TPAs) and pharmacy benefit managers (PBMs), to submit RxDC reports on behalf of their health plans. Employers may work with multiple third parties to complete the RxDC report for their health plans. For example, a self-insured employer may use both its TPA and PBM to submit different portions of the RxDC report. A health plan’s submission is considered complete if CMS receives all required files, regardless of who submits them.

Action Steps

Employers should start reaching out to their issuers, TPAs or PBMs, as applicable, to confirm that they will submit the RxDC files for their health plans by June 1, 2024. Employers should also confirm that their written agreements with these third parties address this reporting responsibility.

Also, employers will likely need to provide their third-party vendors with plan-specific information, such as enrollment and premium data, to complete their RxDC submission. Employers should watch for these vendor surveys and promptly provide the requested information. Because employers with self-funded plans are ultimately responsible for RxDC reporting, they should monitor their TPAs’ or PBMs’ compliance with this reporting requirement.

Provided to you by **McGohan Brabender**

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RxDC Reporting

- Health plans and issuers are required to annually submit RxDC reports.
- Most employers rely on issuers, TPAs or PBMs to submit RxDC files for their health plans.
- If an issuer is required by written agreement to submit the RxDC report for a fully insured health plan but fails to do so, then the issuer (not the plan) violates the reporting requirements.
- The reporting liability stays with a self-insured health plan, even if a third party contractually agrees to submit the required information.

Reporting Resources

- RxDC reporting [webpage](#) (with links to reporting resources)
- [Frequently Asked Questions](#)
- [Reporting instructions](#) (updated January 2024)
- [User Manual](#) for submitting RxDC reports



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