

CHCC

CORPORATE HEALTH CARE COALITION

July 23, 2021

Office of Personnel Management (OPM)
Internal Revenue Service, Department of Treasury
Employee Benefits Security Administration, Department of Labor
Centers for Medicare & Medicaid Services, Department of Health and Human Services

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RE: Request for Information Regarding Reporting on Pharmacy Benefits and Prescription Drug Costs [CMS-9905-NC]

The Corporate Health Care Coalition (CHCC) is comprised of companies from industries that compete in the global marketplace and sponsor self-insured health plans for the benefit of our employees and other beneficiaries. CHCC member companies are committed to providing access to affordable, quality health care benefits. We offer market-leading health and well-being benefits to recruit and retain top talent, but even more importantly, to maintain a healthy and productive workforce, which is key to any company's success. Collectively, CHCC member companies provide health benefits for nearly 5 million Americans across every state in the nation.

CHCC companies appreciate the opportunity to respond to the Departments' and OPM's Request for Information Regarding Reporting on Pharmacy Benefits and Prescription Drug Costs as required under section 204 of Title II of Division BB of the Consolidated Appropriations Act. CHCC companies recognize the vital role that prescription drugs play in keeping employees and their beneficiaries healthy and able to lead productive, longer lives. The rising cost of prescription drugs is alarming, and potentially jeopardizes access to these life-saving medicines. We commend Congress, the Departments and OPM for pursuing health data transparency which will better inform negotiations and increase understanding of payment arrangements such as discounts, rebates and other pass-through payments, thereby lowering costs. CHCC supports efforts to strengthen transparency in the drug pricing system to drive down prices for patients.

CHCC companies urge the Departments to ensure the datapoints plan sponsors are required to report is data plan sponsors have access to and can provide. Large plan sponsors, like CHCC companies, utilize pharmacy benefit managers, third party administrators and others to administer their pharmacy and medical benefit programs. In many cases, the information to be reported may reside with those entities and not shared with the plan sponsor. Please require the entities who hold the required information to be responsible for directly reporting the data to the relevant agencies. The Departments cannot assume that by requiring plan sponsors to produce and report the information that private contracts will evolve to accommodate the requirements. Many plan sponsors have tried to negotiate more transparent contracts with the PBMs, but have generally been unsuccessful in doing so.

The Departments and OPM ask about the role PBMs will play in helping plan sponsors report the required information. CHCC companies believe PBMs will play a large role as this is where much of the data resides. Commonly, a pharmacy benefit plan is separate from a plan sponsor's medical

The Corporate Health Care Coalition (CHCC) is a public policy coalition of large, multi-state, self-insured companies that operate health benefit plans for employees and their families as well as retirees. For more information, please visit corporatehealthcare.org.

plan. In this case, the PBM will not have access to pharmacy spend in the medical plan claims data. If the plan sponsor must serve as aggregator of the pharmacy plan and medical plan data, this will complicate the reporting significantly. It will also likely increase the cost of reporting, as plan sponsors will need to hire a third party to aggregate the data from the different sources to produce the plan sponsors' report. The Departments ask if they should expect self-insured health plans will contract with third-party administrators or other service providers to submit the required data. CHCC companies believe the answer is yes. Even the largest plan sponsors do not have the personnel on staff to complete this reporting in house. The more numerous the sources and detail of reporting required, the more widespread hiring a third party to complete this reporting for the plan sponsor will be.

Thank you again for the opportunity to provide our input on this Request for Information. We look forward to continuing to contribute to the process as the Departments and OPM moves forward in implementing these reporting requirements of the Consolidated Appropriations Act.

Sincerely,

The Corporate Health Care Coalition