



Transparency in Coverage

An Overview of Machine-readable File (MRF) Requirements

June 27, 2022

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Objective

To provide state regulators with an overview of the:

- Transparency in Coverage (TiC) Final Rule
 - Machine-readable File (MRF) Requirements
 - Internet-based Price Comparison Tool Requirements
- Resources available ahead of the **July 1, 2022 MRF requirement implementation date**

Background

- The TiC final rules finalized by the Departments of Health and Human Services, Labor, and the Treasury (the Departments) appeared in the November 12, 2020 edition of the Federal Register. (85 FR 72158)
- **The TiC final rules require most group health plans and issuers in the group or individual market to disclose pricing information.**
- The TiC Rules implement legislative mandates under sections 1311(e)(3) of Patient Protection and Affordable Care Act (ACA) and section 2715A of the Public Health Service (PHS) Act.

TiC Requirements



- For plan/policy years beginning on or after January 1, 2022, most group health plans and issuers in the group or individual market would have been required to post information about costs related to covered items and services in a machine-readable format on a barrier-free, publicly available website (stage 1).
- However, in August 2021, the Departments released [FAQs 49](#) that:
 1. Stated that the Departments would exercise enforcement discretion, deferring enforcement of the prescription drug pricing MRF requirement pending further rulemaking and the other MRF requirements until July 1, 2022; and
 2. Encouraged states with enforcement authority to take the same approach.
- These MRFs are intended to be analyzed by third parties, such as researchers and app developers, to conduct research and develop products to help consumers better understand the costs associated with their health care and evaluate their health care coverage options.
- For plan/policy years beginning on or after January 1, 2023 (stage 2) and January 1, 2024 (stage 3), most group health plans and issuers in the group or individual market must make available cost-sharing information for covered items and services to participants, beneficiaries, or enrollees through an internet-based self-service tool (or in paper form, upon request).

Three Stages of Implementation

STAGE

1

Three Separate MRFs, one each for **in-network provider rates**, **out-of-network allowed amounts and billed charges**, and negotiated rates and historical net prices for **prescription drugs**.*

STAGE

2

Internet-based price comparison tool (or disclosure on paper, upon request) allowing an individual to receive an estimate of their cost-sharing responsibility for a specific item or service from a specific provider or providers, **for at least 500 items and services identified by the Departments**.

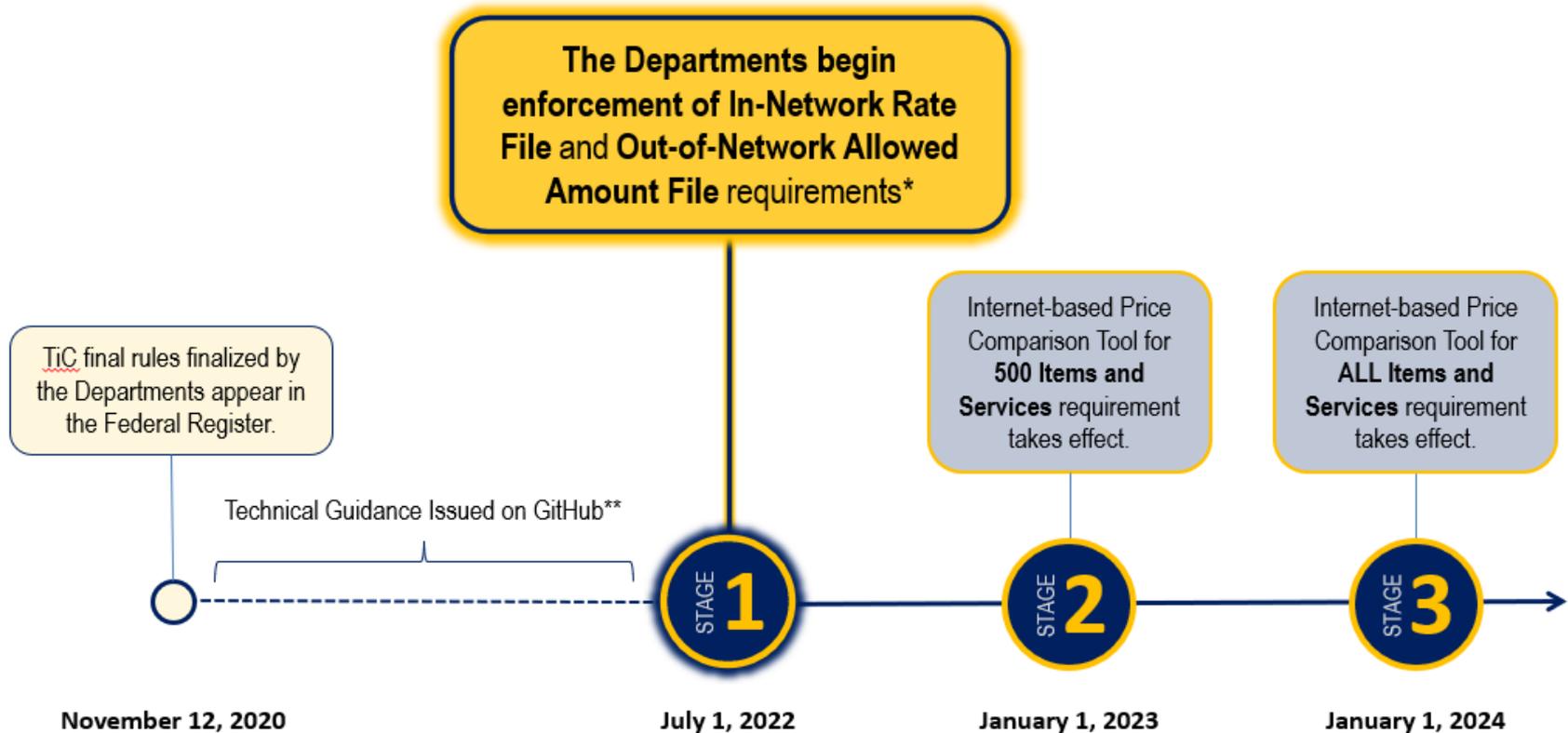
STAGE

3

Internet-based price comparison tool (or disclosure on paper, upon request) allowing an individual to receive an estimate of their cost-sharing responsibility for a specific item or service from a specific provider or providers, **for all covered items and services**.

* *Enforcement of the prescription drug MRF requirement has been deferred pending further rulemaking.*

TiC Implementation Timeline



**Enforcement of the prescription drug MRF requirement has been deferred pending further rulemaking.*

***GitHub technical guidance will remain available post July 1, 2022.*

Who MUST COMPLY?

Health Insurance Issuers Offering Non-grandfathered Coverage in the Group and Individual Markets (including through the Exchanges)

Non-grandfathered Group Health Plans

Grandmothered Plans

Plans that DO NOT Need to Meet TiC Requirements

**Grandfathered
Plans**

Excepted Benefits

**Short-term,
Limited-Duration
Plans**

Retiree-only Plans

**Medicare,
including Medicare
Advantage**

**Medicaid, including
Medicaid Managed
Care Organization
plans**

**Flexible Spending
Accounts (FSA)**

**Health Reimbursement
Arrangements (HRAs),
including ICHRAs and
QSEHRAs**

**Health Savings
Accounts (HSAs)**



Machine-Readable Files

Starting July 1, 2022, the Departments will begin enforcement of the requirement for non-grandfathered health plans and health insurance issuers offering non-grandfathered coverage in the group and individual markets to make the following two MRFs* available on an internet website, without barriers to access:

In-network Rate MRF

Rates for all covered items and services furnished by in-network providers.

Out-of-network Allowed Amount MRF

Allowed amounts and billed charges with respect to covered items and services furnished by out-of-network providers.

** Enforcement of the prescription drug MRF requirement has been deferred pending further rulemaking.*



Common Data Elements in Both In-network Rate and Out-of-network Allowed Amount MRFs*

General Information

- Name of Reporting Entity
- Type of Entity
- Date of Last File Update

Identification of Providers & Place of Service

- Individual Provider Identifier (National Provider Identifier (NPI) Type 1)
- Provider Group Identifier (NPI Type 2)
- Tax Identification Number (TIN)
- Place of Service Code

Identification of Plan or Coverage

- Plan or Coverage Name
- Plan Identifier
- Type of Plan Identifier
- Type of Plan Market

Identification of Items and Services

- Billing Code
- Type of Billing Code
- Billing Code Type Version
- Covered Items and Services
- Plain Language Description

* OMB Control Number 0938-1372 (CMS-10715, Transparency in Coverage Appendix). Accessed at: <https://www.cms.gov/regulations-and-guidance/legislation/paperworkreductionactof1995pra-listing/cms-10715>



Data Elements Specific to Each MRF*

In-network Rate MRF

For Each Covered Item and Service, Applicable In-network Rates**

- Negotiation Arrangement (fee-for-service, bundle, capitation)
- Bundled Codes (if applicable)
- Covered Services (if capitation and applicable)
- Negotiated Type (negotiated, derived, fee schedule, percentage, per diem)
- Negotiated Rate (dollar or percentage amount)
- Negotiated Expiration Date

Identification of Items and Services

- Payment Arrangement Indicator

Out-of-network Allowed Amount MRF

Out-of-network Allowed Amounts and Historical Billed Charges during the 90-day time period that begins 180 days prior to the publication date of the MRF

- Unique Out-of-network Allowed Amount
- Billed Charge

**Elements defined in technical implementation guidance on GitHub available at: <https://github.com/CMSgov/price-transparency-guide/tree/master/schemas/in-network-rates>

*OMB Control Number 0938-1372 (CMS-10715, Transparency in Coverage Appendix). Accessed at: <https://www.cms.gov/regulations-and-guidance/legislation/paperworkreductionactof1995pra-listing/cms-10715>



Data Requirement Approach

“The preamble to the final rules indicates that the requirements for the machine-readable file(s) will be sufficiently defined and standardized under the Departments’ technical implementation guidance. This technical implementation guidance will be available for each of the three machine-readable files through GitHub.”*

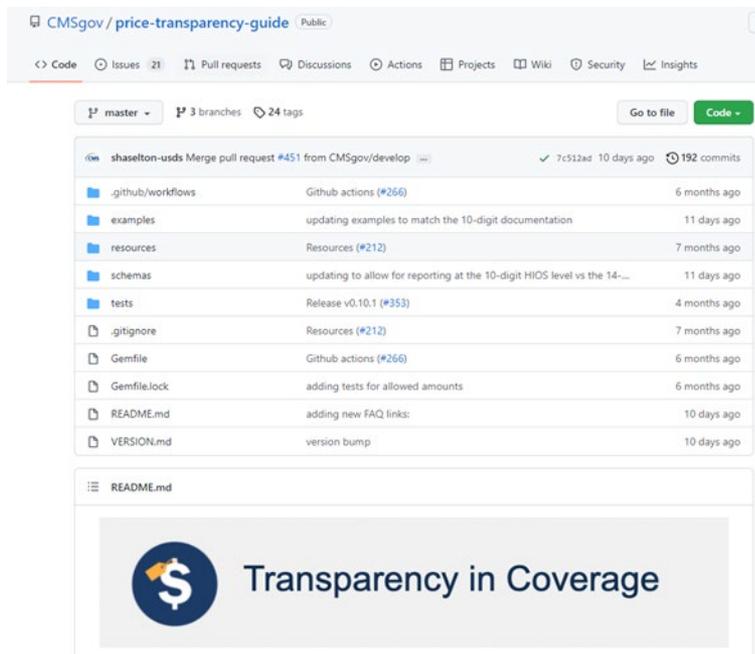
- Complex, voluminous collection of previously hidden information
- Difficult to establish format for every necessary data element beforehand
- GitHub useful tool for ongoing collaboration during implementation
- Necessary to add/modify data elements post-PRA based on discussions with plans and issuers

*OMB Control Number 0938-1372 (CMS-10715, Transparency in Coverage Supporting Statement). Accessed at: <https://www.cms.gov/regulations-and-guidance/legislation/paperworkreductionactof1995pra-listing/cms-10715>

STAGE 1

MRF Schema – Technical Implementation

CMS uses GitHub—an online collaborative hosting platform for development and source code management—to host the **technical implementation guidelines** and **TiC file Schema Version 1.0**.



- **Facilitates** a collaborative environment between the Departments and plans and issuers.
- **Enables** the Departments to update the file technical requirements to keep pace with and respond to technological developments.



Machine-readable File Format, Display, and Accessibility

- The MRFs posted by plans and issuers must adhere to specific format, display, and accessibility requirements:
 - Compliant with accepted file formats (non-proprietary, open format)
 - Examples of **accepted** formats: JSON, XML, CSV
 - Examples of **non-accepted** formats: PDF, XLS/XLSX
 - Publicly available without restrictions
 - No required log-in, credentials, or personal information
 - Hosted on either the plan's website or a third-party's website
 - URLs must use HTTPS for security
 - Updated monthly



What is the TiC MRF File Schema?

- The MRFs posted by plans and issuers must comply with a required file schema as established by CMS.
- A **schema** is a formal set of technical layout rules.
 - A schema describes how the contents of a file (i.e., the data) are to be displayed.
 - There are many ways to represent or report data. A schema ensures that the data representation is consistent.
- CMS has developed the schemas for the required MRFs with active input from the community on GitHub.



What is the TiC MRF File Schema?

The TiC File Schema requirements were finalized on March 1, 2022 in “Version 1.0.”

Iteration will continue as new improvements are made (V 1.1, 1.2, etc.), but compliance with the final rules will be assessed against Version 1.0.*

**Compliance will be assessed against Version 1.0 but may be assessed against updated versions in the future. The Departments will issue guidance indicating a change to standards sufficiently in advance for plans and issuers, as well as states, to comply with updated schema requirements.*



Example of Schema Documentation

Below is a snapshot of the documentation on GitHub that defines each attribute required by the schema.

Providers Object

Field	Name	Type	Definition	Required
npi	NPI	Array	An array of National Provider Identifiers (NPIs). The NPI array attribute can contain a mix of Type 1 and Type 2 NPIs, both of which must be provided, if available. In contractual arrangements with Type 2 NPIs where Type 1 NPIs are unknown or otherwise unavailable, only the Type 2 NPIs must be reported.	Yes
tin	Tax Identification Number	Object	The tax identifier object contains tax information on the place of business	Yes

Tax Identifier Object

Field	Name	Type	Definition	Required
type	Type	String	Allowed values: "ein" and "npi".	Yes
value	Value	String	Either the unique identification number issued by the Internal Revenue Service (IRS) for type "ein" or the provider's npi for type "npi".	Yes

Additional Notes

For most businesses reporting cases, a tax identification number (tin) is used to represent a business. There are situations where a provider's social security number is still used as a tin. In order to keep private personally identifiable information out of these files, substitute the provider's npi number for the social security number. When a npi number is used, it is assumed that the provider would otherwise be reporting by their social security number.

<https://github.com/CMSgov/price-transparency-guide/tree/master/schemas/in-network-rates>

STAGE 1

What is a Schema Attribute?

Here is an example of a schema attribute describing the rules for reporting the "Taxpayer Identification Number" (TIN).

Schema Definition

```
"tin": {  
  "type": "object",  
  "properties": {  
    "type": {  
      "type": "string",  
      "enum": ["ein", "npi"]  
    },  
    "value": {  
      "type": "string"  
    }  
  }  
},
```



Machine-readable Reporting

```
"provider_groups": [{  
  "npi": [6666666666],  
  "tin": {  
    "type": "npi",  
    "value": "6666666666"  
  }  
}],
```



How do you View an MRF?

Below are potential tools to handle large data sets that regulators could leverage to open and analyze the MRFs.

Databases

- Cassandra
- Base
- MongoDB

Text Editors (dependent on the computer's resources)

- Sublime
- Vim
- Notepad

Languages

- Python
- R
- Java/Scala

Cloud Environments to Handle Files and Processes

- Amazon (AWS)
- Microsoft (Azure)

Validator Tool

- CMS developed a downloadable program that plans, issuers, and developers can use to assess whether their MRFs are compliant with the TiC JSON schema.
- The tool can be used to validate all the MRFs in JSON.
- This tool does not validate the accuracy of the data *itself*, just that it is expressed in the proper format.
- The tool is also available on [CMS' GitHub](#).

STAGE **1**

Things to Look for

- ✓ Two (2) MRFs posted online—In-network Rate and Allowed Amount files
- ✓ The website where the files are posted must be public and accessible without special credentials or logins/passwords
- ✓ Website must use HTTPS
- ✓ File format must be compatible—a non-proprietary, open-standards format that is platform independent (e.g., JSON, XML)
- ✓ A “validator tool” is available for use on JSON files. A “pass” validates the format of the data, not the accuracy of the data itself
- ✓ Files must be updated monthly (approximately every 30 days)
- ✓ Opening the files to review the data elements may require a specific type of computer/capabilities

Internet-based Price Comparison Tool

- Tool will provide estimates of consumers' cost-sharing responsibility for a specific item or service from a specific provider
 - For **500 items and services** for plan/policy years beginning on or after January 1, **2023**.
 - For **all covered items and services** for plan/policy years beginning on or after January 1, **2024**.

Internet-based Price Comparison Tool Requirements

- The internet-based price comparison tools must:
 - Permit members to search cost-sharing information for specific health care items and services based on billing code or description.
 - Allow members to compare costs across both in-network and out-of-network providers.
 - Inform members of the individual's status related to plan or policy "accumulators" to date (e.g., deductibles, out-of-pocket maximum, visit limits, etc.).
 - Allow members to search by factors that impact cost, such as service location, facility name, or drug dosage.
 - As an alternative, plans and issuers must provide cost estimates in paper format at the member's request.



Resources

■ CMS Price Transparency Website

- Overview of Transparency in Coverage Requirements for Plans and Issuers
- Links to FAQ and GitHub
- Technical Clarifications
- Webform for submitting help requests and inquiries
- Archived webinars
- List of 500 items and services for Tool

■ CMS TiC GitHub Site and Final Schema

- Schema Validator Tool

■ Regulations and Guidance

- TiC Final Rules
- TiC PRA Package
- Affordable Care Act FAQs #49 and #53

What Should NAIC Members Know?

- Enforcement of MRF files requirement beginning 7/1/22
 - Updated monthly thereafter
- Price Estimator Tool:
 - Required 1/1/23 for 500 items and services
 - Required 1/1/24 for all items and services

Questions?
