

Group Health Plans – Prepare to Comply with Additional Machine-Readable File Requirements

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PRACTICES Employee Benefits and Executive Compensation

A new DOL FAQ announced the end of two nonenforcement policies related to the machine-readable files required to be posted under the DOL's Transparency in Coverage rules. The DOL previously announced it would defer enforcement of the requirement that employer-sponsored group health plans post machine-readable files related to prescription drug prices beginning January 1, 2022. In the new FAQ, the DOL rescinded its general policy of deferred enforcement and stated it will develop technical requirements and an implementation timeline in future guidance. Employers may want to contact their service providers to ensure appropriate processes are being developed to prepare and post the prescription drug machine-readable file.

The DOL also rescinded its prior statement of enforcement discretion with respect to the network rate machine-readable file for plans that cannot disclose specific dollar amounts. However, the DOL clarified that whether a plan is able to comply with the requirement to disclose dollar amounts is a fact-specific determination, and therefore, the DOL retains enforcement discretion with respect to that determination. It will thus be left to the plan to demonstrate that compliance with the rules would be extremely difficult or impossible. Employers may want to contact the service providers preparing their network rate machine-readable files to determine whether they have been relying on this enforcement discretion and, if so, for each file, whether the underlying plan is able to demonstrate that compliance would be extremely difficult or impossible.

The DOL FAQ 61 is available [here](#).