

June 1st Deadline for Prescription Drug Reporting

May 16, 2023

PRACTICES Employee Benefits and Executive Compensation

Employers that sponsor group health plans offering prescription drug coverage have an approaching June 1st submission deadline for prescription drug reporting of calendar year 2022 information, pursuant to the Consolidated Appropriations Act, 2021 (“**CAA**”).

The CAA requires employer-sponsored group health plans (including both self-funded and insured plans, subject to certain exceptions) (“**Group Health Plans**”) to annually submit to the federal Departments of Treasury, Labor, and Health and Human Services (collectively, the “**Departments**”) specific information about prescription drug and health care spending for the Group Health Plans (the “**Rx Information**”).

Under the standard provisions of the CAA, the Rx Information must be reported for the first year of required reporting (i.e., for 2020 calendar year Rx Information) not later than one year after the date the CAA was enacted on December 27, 2020 and, for subsequent years of reporting, not later than each June 1st. However, in 2021, the Departments issued regulations which provided for a delay of the due date for submission of the 2020 and 2021 Rx Information (in the form of enforcement relief) from December 27, 2021, to December 27, 2022, for the 2020 Rx Information, and from June 1, 2022, to December 27, 2022, for the 2021 Rx Information (please see our prior blog post on those regulations [here](#)). In December of 2022, the Departments issued a set of FAQs that provided an additional grace period through January 31, 2023 for Group Health Plans that made a good faith submission of their 2020 and 2021 Rx Information on or before that date. The instructions issued for the 2020 and 2021 Rx Information reporting also contained several forms of enforcement relief for certain substantive reporting requirements.

Notably, the CAA relief provided to Group Health Plans, as discussed above, has not been extended with respect to the required submission of 2022 Rx Information. Accordingly, the 2022 Rx Information submission is subject to the standard due date of June 1, 2023, as well as the standard CAA substantive reporting requirements. Consequently, employers that sponsor Group Health Plans should collaborate as soon as possible with their third-party vendors for Rx Information reporting to ensure accurate and timely reporting of the 2022 Rx Information.