Bolton Insight

November 2020

Final Rule on Transparency in Coverage

The final rule was issued in response to an executive order issued on June 24, 2019, aimed at improving price and quality transparency in health care.

Health Care Transparency Provisions

Specifically, the final rule requires plans and issuers to disclose:

- **Price and cost-sharing information to participants, beneficiaries and enrollees upon request**: Personalized cost-sharing information must be made available through an internet-based self-service tool and in paper form upon request. An initial list of 500 shoppable services will be required for plan years beginning on or after Jan. 1, 2023. The remainder of all items and services will be required for plan years beginning on or after Jan. 1, 2024.
- **In-network provider-negotiated rates and historical out-of-network allowed amounts on their website**: For plan years beginning on or after Jan. 1, 2022, plans and issuers will also be required to disclose on a public website their in-network negotiated rates, billed charges and allowed amounts paid for out-of-network providers, and the negotiated rate and historical net price for prescription drugs.

The final rule also allows issuers that share savings with consumers resulting from consumers shopping for lower-cost, higher-value services, to take credit for those “shared savings” payments in their medical loss ratio (MLR) calculations.

These provisions only apply to non-grandfathered coverage, including both fully insured and self-insured group health plan sponsors. Contact a Bolton Consultant for more information on the Transparency in Coverage final rule.