

§ 149.720 Reporting requirements related to prescription drug and health care spending.

(a) *General requirement.* A group health plan or a health insurance issuer offering group or individual health insurance coverage must submit an annual report to the Secretary, the Secretary of the Treasury, and the Secretary of Labor, on prescription drug and health care spending, premiums, and enrollment under the plan or coverage.

(b) *Timing and form of report.* The report for the 2020 reference year must be submitted to the Secretary by December 27, 2021. Beginning with the 2021 reference year, the report for each reference year is due by June 1 of the year following the reference year. The report must be submitted in the form and manner prescribed by the Secretary, jointly with the Secretary of the Treasury and the Secretary of Labor.

(c) *Transfer of business.* Issuers that acquire a line or block of business from another issuer during a reference year are responsible for submitting the information and report required by this section for the acquired business for that reference year, including for the part of the reference year that was prior to the acquisition.

(d) *Reporting entities and special rules to prevent unnecessary duplication—(1) Special rule for insured group health plans.* To the extent coverage under a group health plan consists of group health insurance coverage, the plan may satisfy the requirements of paragraph (a) of this section if the plan requires the health insurance issuer offering the coverage to report the information required by this section in compliance with this subpart pursuant to a written agreement. Accordingly, if a health insurance issuer and a group health plan sponsor enter into a written agreement under which the issuer agrees to provide the information required under paragraph (a) of this section in compliance with this section, and the issuer fails to do so, then the issuer, but not the plan, violates the reporting requirements of paragraph (a) of this section with respect to the relevant information.

(2) *Other contractual arrangements.* A group health plan or health insurance issuer offering group or individual health insurance coverage may satisfy the requirements under paragraph (a) of this section by entering into a written agreement under which one or more other parties (such as health insurance issuers, pharmacy benefit managers, third-party administrators, or other third parties) report some or all of the information required under paragraph (a) of this section in compliance with this section. Notwithstanding the preceding sentence, if a group health plan or health insurance issuer chooses to enter into such an agreement and the party with which it contracts fails to provide the information in accordance with paragraph (a) of this section, the plan or issuer violates the reporting requirements of paragraph (a) of this section.

(e) *Applicability date.* The provisions of this section are applicable beginning December 27, 2021.