



Published: August 24, 2022

Reminder: New Cost-Sharing Disclosure in 2023

Seth Bracelin | Millenium Insurance Group | (717) 354-4774 | sbracelin@millig.com

Another compliance deadline is quickly approaching. For plan years that begin on or after **January 1, 2023**, group health plans must provide for advance disclosure of cost-sharing information to enrollees seeking health services, upon request and to the extent practicable.

The format of the disclosure is through an Internet-based self-service tool, telephone, or paper format (upon request).

The tool allows the enrollee to compare the amount of cost-sharing that he or she would be responsible for with respect to a discrete covered item or service by billing code or descriptive term. The required information relates to geographic region and in-network and out-of-network providers and initially addresses 500 items and services. Full compliance (all items and services) is required for plan years beginning on or after January 1, 2024.

Specifically, the following cost-sharing information must be disclosed. The information should be accurate as of the time the request is made.

Content	Description
Estimated cost-sharing	An estimate of the covered enrollee's cost-sharing liability at the time the request is made, considering all deductibles, coinsurance, copayments and other cost-sharing provisions under the group health plan.
Accumulated amounts	Accumulated amounts of cost-sharing that the enrollee has already incurred under the plan at the time the request is made. This includes a current statement of how much the enrollee has already paid toward the deductible and out-of-pocket limit.

In-network negotiated rates	The plan would need to disclose the dollar amount they have agreed to pay in-network providers for a certain service or prescription drug.
Out-of-network allowed amounts	The plan must provide the maximum amount that could be paid by the plan for a particular service or drug that is out-of-network.
If applicable, bundled payment arrangements	Cost-sharing information for each item and each service within the bundle must be disclosed.
Pre-requisites	Any coverage prerequisites (e.g., prior authorization or step therapy) before an enrollee can receive a service or item.
Disclosure	Disclosure that includes definitions of key terms, disclaimers related to billed charges versus estimated charges, a reminder that balance billing is not included in cost estimates, and contact information for questions. A model notice is available.

Good faith relief is available. When a plan or carrier makes an error or omission when acting in good faith and with reasonable diligence a plan will not fail to comply because:

- An error or omission in the required disclosure is made, provided the information is corrected as soon as practicable.
- The internet website is temporarily inaccessible, provided that the plan or carrier makes the information available as soon as practicable.
- Information must be obtained from a third party to comply with this requirement, and is relied upon in good faith, unless it is known (or reasonably should have known) the information is incomplete or inaccurate.

Insurers are responsible for compliance with respect to insured plans. Employers with a fully insured plan can agree in writing to have the carrier provide the disclosure. If the carrier fails to comply, the carrier (and not the plan's sponsor) is liable.

While employers are responsible for compliance with respect to self-funded plans, third party administrators are expected to handle this task on their behalf. Employers should seek written assurances of their assistance with this requirement.

Additional guidance may be issued before the effective date. We will continue to monitor developments.