Administration Finalizes Drug Pricing Rebate Rule

“There appear to be no major structural changes between the NPRM and Friday's final rule (which is now scheduled to take effect in 2022, rather than in 2020, as originally proposed). But there are at least two points worth noting about the new release: removing Medicaid Managed Care Organizations and changing course by confirming that premiums and spending will not rise. Like the most-favored-nation rule, the release of the final rebate rule came with additional legal complications that may jeopardize its implementation.” Full Article

Rachel Sachs, in Health Affairs Blog

Loss of Jobs with Health Coverage During the Pandemic Reveals Significant Industry Differences

By, Employee Benefit Research Institute [EBRI]
Loss of Jobs with Health Coverage During the Pandemic Reveals Significant Industry Differences

“Manufacturing workers were most affected by loss of jobs with employer health insurance because manufacturing has one of the highest rates of ESI coverage (66 percent). Because only 40 percent of workers in retail had ESI pre-pandemic, these workers accounted for 12 percent of lost jobs with ESI.”

Full Article
Employee Benefit Research Institute [EBRI]

State Trends in Employer Premiums and Deductibles, 2010-2019

“Premium contributions and deductibles in employer plans accounted for 11.5 percent of median household income in 2019, up from 9.1 percent a decade earlier. Premium contributions and deductibles were 10 percent or more of median income in 37 states in 2019, up from 10 states in 2010. Nine states have combined costs of 14 percent or more of median income. The total cost of premiums and potential spending on deductibles across single and family policies ranged from a low of $5,535 in Hawaii to a high of more than $8,500 in nine states.”

Full Article
The Commonwealth Fund

Will New Health Care Transparency Requirements Lower Cost and Improve Quality?

“Consumers looking to compare hospital prices will have both the hospital and plan data to look to, beginning in 2023. However, there are several key differences between the new price transparency rule for plans and issuers and the price transparency rule for hospitals, as outlined in a chart.”

Full Article
Epstein Becker Green

IRS Addresses Options for Qualified Transportation Benefits Unused Due to COVID-19

“IRS Information Letter 2020-0024 explains that unused compensation reduction amounts can be carried over to subsequent periods under an employer’s plan and used for future commuting expenses, so long as the employee has made a valid compensation reduction election and remains employed by the employer. The letter cautions that the qualified transportation plan rules do not allow refunds of qualified transportation fringe benefits that are provided through a compensation reduction agreement.”

Full Article
Thomson Reuters / EBIA

This Weekly Digest is not intended to be exhaustive nor should any discussion or opinions be construed as legal advice. Readers should contact legal counsel for legal advice.