

# Benefits BULLETIN



## RxDC Reporting: Annual Compliance Obligation for GHPs

● February 2026 ●

Under the Consolidated Appropriations Act of 2021 (CAA), group health plans (GHPs) are required to submit an annual report to the Departments of Labor, Treasury, and Health and Human Services (the Departments) that includes specific information regarding costs associated with prescription drug benefits. **This report, referred to as the Prescription Drug Data Collection (RxDC) report, is due annually by June 1. Preparations to meet this reporting deadline, including coordination with insurance carriers, third-party administrators (TPAs), and pharmacy benefit managers (PBMs), can begin as early as February.**

### RxDC Reporting Overview

As part of the CAA's aim towards improving transparency with respect to health insurance coverage, RxDC reporting will be used by the Departments to create a public resource of information. The resource will de-identify and aggregate data related to prescription drug reimbursements and pricing trends and will analyze the impact of prescription drug costs on insurance premium increases.

The reporting requirement applies to GHPs and health insurance issuers offering group or individual health insurance coverage, but does not apply to excepted benefits such as dental and vision coverage or Health FSAs and HRAs. **Sponsors of GHPs – of all sizes and funding types – are subject to RxDC reporting.**

Regardless of a plan's plan year, reporting is completed on a calendar year basis. Data from the previous calendar year (referred to as the "reference year") is reported by June 1 of the following calendar year. **Data for 2025 is due by June 1, 2026.**

## Mechanics of the Reporting Process

A complete report consists of a plan list and eight data files (in CSV format), along with a narrative response (in PDF or Word format). Specifically:

- ✓ GHPs will submit Plan List 2 (P2), which will include information necessary to identify the plan in submission.
- ✓ All eight data files must be completed by a GHP. These data files collect premium and spending information at an aggregate level as follows:

**D1**, Premium and Life-Years

**D2**, Spending by Category

**D3**, Top 50 Most Frequent Brand Drugs

**D4**, Top 50 Most Costly Drugs

**D5**, Top 50 Drugs by Spending Increase

**D6**, Prescription Totals

**D7**, Prescription Rebates by Therapeutic Class

**D8**, Prescription Rebates for the Top 25 Drugs

- ✓ A narrative response must also be submitted, which requires a description of the impact of prescription drug rebates on premium and cost sharing.

The Centers for Medicare and Medicaid Services (CMS) offers a set of detailed instructions on its RxDC resource page. CMS also provides the templates for the plan list and eight data files.

Once completed, the report must be submitted through the RxDC module in the Health Insurance Oversight System (HIOS). Critically, this submission first requires the creation of an HIOS user account, and CMS notes that it can take up to two weeks to create one. Instructions on this process are available through CMS. Fortunately, GHPs are permitted to utilize a third-party vendor to submit a report through HIOS, which avoids the lengthy process of creating a user account and navigating the system.

## Next Steps for GHP Sponsors

The RxDC report is substantial and complex. GHP sponsors should begin the preparation process early so as to avoid challenges in meeting the June deadline.

### Fully Insured Plans

While the reporting obligation ultimately rests with the GHP sponsor, most health insurance carriers are well positioned and willing to complete the RxDC report on behalf of fully insured health plans. Employer-sponsors should reach out to carriers early to confirm that reporting will be handled; delegation of this responsibility to report should be addressed with carriers on an annual basis.

Most carriers will require GHP sponsors to provide them with data specific to the D1, Premium and Life Years data file. **Employer-sponsors must respond to these data requests timely** in order to ensure the carrier is able to submit a complete RxDC report on behalf of the plan. **Carriers may request and require this data as early as February or March each year.**

### Self-Insured Plans

Due to the absence of an insurance carrier, sponsors of self-insured plans will need to play a more active role in the reporting process. The level of involvement will largely be determined by the design of the prescription drug coverage offered under the plan.

- ✓ **Prescription Drug Coverage Included in Medical.** Where the prescription drug coverage is included in, or integrated with, the medical coverage, employer-sponsors may be able to rely heavily upon the plan's TPA to complete the report. **Plan sponsors should reach out to the TPA to confirm the extent to which the TPA will assist.** Where the TPA agrees to fulfil reporting on behalf of the plan, the employer-sponsor should evidence that agreement in writing and clearly define timelines for completion, as well as understand any responsibility it may have for providing data to the TPA.
- ✓ **Prescription Drug Coverage Carved Out from Medical.** Where prescription drug coverage is administered separately by a PBM, the employer-sponsor may need to complete reporting, in whole or in part, itself. This is because the report requires data and input from both the medical TPA and the PBM. Unless both parties are willing and able to complete reporting (with each submitting their respective data

files on behalf of the GHP), the employer-sponsor will need to submit the report directly.

Plan sponsors in this position should reach out to both the TPA and PBM to confirm that each will complete reporting or, in the alternative, provide the sponsor with all the required data.

Whether the prescription drug coverage is included in medical or carved out, sponsors of self-insured GHPs should consider completion of RxDC reporting (along with indemnification provisions for any reporting failures) in all TPA and PBM service agreements going forward.

## ADDITIONAL RESOURCES

### **Prescription Drug and Health Care Spending, Interim Final Rules**

Federal Register

### **Prescription Drug Data Collection (RxDC) Reporting Instructions**

Centers for Medicare & Medicaid Services

### **Prescription Drug Data Collection (RxDC) Resources**

Centers for Medicare & Medicaid Services

### **Checklist for Self-Insured Group Health Plans**

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### **2026 Health Plan Compliance Calendar**

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