



Consolidated Appropriations Act, Section 204: Pharmacy Reporting

Submitting group D1 data via the intake form - Frequently Asked Questions

1. What are D1 data elements?

D1, also known as Premium and Life Years, refers to a portion of the data required for compliance under Section 204 of the Consolidated Appropriations Act.

D1 includes:

Premium contributions – what percentage (or total amount) of premiums paid by the employer and by the employee.

Life-years – the average number of members enrolled for coverage for the calendar year (member months) divided by 12.

Premium equivalents (self-funded only): amounts representing the total cost of providing and maintaining coverage, including claims costs, administrative costs, Administrative Services Only (ASO) and other TPA fees, and stop-loss premiums. An employer with a self-funded plan may use, as the total cost of providing and maintaining coverage, the same costs that are taken into account for purposes of calculating COBRA premiums (minus the 2% administration charge, if applicable).

ASO and other TPA fees: ASO and other fees paid to the TPA. This amount should also be included in Premium Equivalents.

Stop loss premium: the stop loss premium paid to the insurer. This amount should also be included in Premium Equivalents.

Earned premium: total money paid by a member, policyholder, subscriber, and/or plan sponsor as a condition of the member receiving coverage. Earned premium includes any fees or other contributions associated with the health plan.

Average monthly premium paid by members:

Depending on your group's funding type, line of business (Small or Large Group), and pharmacy benefit status, you may not have to provide all of the elements listed above. Blue Shield will be able to make the required calculations for D1 as required by the law, based on the requested information in the intake form.

2. Why are employers/groups being asked to complete this survey?

Blue Shield does not manage all data elements required for Sec 204 submission. Responses from this intake form are needed in order for Blue Shield to submit complete data under this mandate. Groups who do not submit this survey are responsible for submitting D1 data directly to Centers for Medicare and Medicaid (CMS).

3. Who should complete this survey?

Blue Shield Section 204 Pharmacy Reporting survey may be completed by the group administrator or their broker.

4. Why is Blue Shield asking for a percent of premium contribution in some cases and a total premium contribution amount in others?

When it comes to Small Groups/Large Groups with pharmacy Benefits with Blue Shield, we are able to extrapolate the percent premium contribution data to calculate other required elements. In this case there are no other premiums paid to other entities for pharmacy benefits (i.e. the group pays Blue Shield all medical and pharmacy premiums) However this is not the case when it comes Large Groups with pharmacy benefits with a carrier besides Blue Shield. In this case, we are asking for a total dollar amount for premium contribution data, so that we accurately report all premiums paid by the employer whether to Blue Shield or another pharmacy carrier.

5. By when must the survey be completed?

March 17, 2023, 6:00PM PST.

6. What happens if a group does not complete this survey by the deadline?

The group will be responsible for submitting their D1 data directly to CMS by the June 1, 2023 deadline.

7. Why is the Blue Shield survey deadline March 17, if the data is not due until June for compliance?

Blue Shield must use the time between March 17 and June 1 to compile all group data submitted through the survey into the full data sets required under Sec 204.

8. Do large groups with sub-groups need to submit data for the overall “parent group” or for each “child account”?

A survey submission is required for each unique group ID.

9. Do groups with both fully-insured and self-funded plans/membership need to submit one survey or two?

A survey submission is required for each unique group ID. Groups with both fully-insured and self-funded plans should have different group ID numbers for each.