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VIA ELECTRONIC SUBMISSION TO www.regulations.gov

Office of Health Plan Standards and Compliance Assistance
Employee Benefits Security Administration
US Department of Labor
200 Constitution Avenue NW
Room N–5653
Washington, DC 20210

Re: Request for Information Regarding Reporting on Pharmacy Benefits and Prescription Drug Costs; File Code CMS–9905–NC

To Whom It May Concern:

Cigna welcomes the opportunity to respond to the Request for Information Regarding Reporting on Pharmacy Benefits and Prescription Drug Costs (the "RFI") issued by the U.S. Departments of Health and Human Services, Labor, and Treasury (the "Departments"). Cigna appreciates the opportunity to provide comments and perspective on implementation considerations for the data collection required under section 204 of Title II of Division BB of the Consolidated Appropriation Act, 2021 ("Section 204"), and the associated impact on group health plans and health insurance issuers. Cigna supports the Departments' goal of lowering health system costs and its pursuit of consumer-facing transparency for plan and issuer participants, beneficiaries and enrollees.

Cigna Corporation is a global health service organization dedicated to helping people improve their health, well-being, and peace of mind. Our subsidiaries are major providers of medical, pharmacy, dental, and related products and services, with over 175 million customer relationships in the more than 30 countries and jurisdictions in which we operate. Within the United States, Cigna provides medical coverage to approximately 14 million Americans in the commercial group health plan market, predominantly in the self-insured segment. We also provide coverage in the individual Affordable Care Act insurance segment in several states, both on- and off-Exchange, to about 235,000 people. Additionally, we serve more than 4.5 million people through our Medicare Advantage, Medicare Prescription Drug Program and Medicare Supplemental products. In all of the segments we serve, Cigna is focused on creating products and services that support a quality, affordable, equitable, and sustainable health care system for all Americans.

With that context as background, Cigna offers the following comments on the RFI.

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Cigna supports the goal of providing transparency to consumers through the sharing of meaningful, actionable information that encourages informed health care choices and competition. Providing our customers with convenient access to personalized information about the cost and quality of care has long been one of our principal priorities. Consistent with Cigna's aim of making health care affordable, predictable and simple for our customers, we designed and have been offering industry-leading tools to help our customers make informed health care decisions, including the ability to view real-time cost-sharing information for prescription drugs and more than 1,000 medical procedures.

The Departments issued the Transparency in Coverage final rule prior to passage of the Consolidated Appropriations Act, 2021 (the "CAA"). In the Transparency in Coverage rule, the Departments required plan and issuer disclosure of cost information to enrollees via internet or on paper (often referred to as the "cost calculator" requirement), and the public posting of three machine-readable files that will contain rate information involving in-network rates, out-of-network allowable amounts, and prescription drug rates and historical net price. Cigna has supported the Departments' focus on guaranteeing all Americans access to personalized information about the cost of medical services before seeking care. However, the requirements associated with the public posting of machine-readable files are likely to sow consumer confusion or misinformation, and we continue to be concerned about unintended consequences. The massive amounts of data in the machine-readable files, by their very nature, will not be consumer-friendly and may even be misleading to many consumers because such information will not be integrated with enrollee benefit information and accumulators. Accordingly, Cigna remains highly concerned that these well-intended provisions actually will increase consumer and patient frustration, exacerbate (rather than alleviate) challenges to affordability, and stifle innovation by tethering our health care system to the onerous regulatory requirements of today.

Notwithstanding, Cigna supports the Departments' and Congress's goal to understand how high-cost prescription drugs are increasing costs for patients, plans and issuers, and to identify the drugs and other factors that are the primary drivers of increasing premiums. Although prescription drugs enable treatment and management of many diseases and conditions, Cigna is concerned that prescription drug manufacturers have instituted substantial price increases for existing products, and set escalated prices for new products. Such pricing practices have burdened patients, have subjected employers to rising costs, and have resulted in rising premiums for consumers.

The data submissions required of plans and issuers in Section 204 are intended to enable the Secretary of Health and Human Services to report on the role of prescription drugs in rising premiums and overall health care spending, however, critical details are needed to enable meaningful reporting from plans and issuers to the government. We understand based on the Interim Final Rule on Surprise Billing Part I that reasonable compliance efforts will be expected for organizations subject to Section 204 requirements on December 27, 2021, but without clearly defined, standardized terms for the data to be submitted and specified standard formats and mechanisms for data submission, we are concerned that plans and issuers will have difficulty delivering, and the Departments will not receive, usable information.

Bearing in mind the goal of giving the Departments useful information to enable the Secretary's development of the Section 204 report, Cigna has the following recommendations for Section 204 implementation.

First, clearly defined and standardized data elements are needed to enable plans and issuers to collaborate effectively with their partner organizations (such as third party administrators and pharmacy benefit managers), and ultimately submit comprehensive data. There should be clear definitions of data elements in each category of reporting. For example, in the category of "other medical costs," the Departments should define the meaning of "wellness services." In relation to "hospital costs," the scope of costs to be included should also be clearly defined. Moreover, there should be clarity regarding whether "greatest increase" in prescription drug expenditures refers to increases in unit cost or total cost. In the absence of clearly defined and standardized data elements and terms, there is a high risk that the Departments will receive data that will be difficult, if not impossible, to interpret and use in the Secretary's report. Setting these definitions and standards up front will be critical to ensuring that Section 204 implementation is effective.

Second, the method of data submission should be as straightforward and user-friendly as possible. In general, Cigna recommends submission of data using files that can be transmitted using a dedicated government online portal. If creation of such a portal is not feasible, or if such a portal is created but not functioning for any reason, Cigna recommends submission of the data in files via e-mail. Flat text, CSV or excel files are preferred. Cigna strongly recommends *against* using third party file sharing sites, such as Dropbox. In our experience, such websites cannot be used because of firewalls that prevent our use of such services. Allowing for a direct submission to the government would be the most straightforward option.

Third, Cigna recommends reporting on a calendar year basis, rather than a plan year basis. The language of Section 204 is not clear on the reporting period to be implemented. Given the variability in plan years, Cigna recommends calendar year reporting because this will allow for administrative simplification. Moreover, standardizing to a calendar year reporting period would ultimately make the data easier for the Secretary to use in its reports.

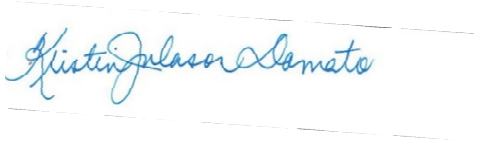
Fourth, plans and issuers should be the entities submitting Section 204 data to the Departments, as opposed to having multiple service providers to plans and issuers submit to the Departments. Given clear definitions and standards for data elements, service providers (such as ASOs and PBMs) will be able to give their client plans and issuers accurate information that can be ingested and used by plans and issuers for complete submission to the government. However, the information from service providers alone is unlikely to be sufficient for submission because only plan sponsors, for example, can supply information on the impact of rebates on premiums and out-of-pocket costs. Service providers often cannot access all of the plan or issuer's relevant spending information. Moreover, plans and issuers may well need to consolidate information from multiple sources for a given reporting category. As a result, in order for the Departments to receive complete and consistent information for each plan and issuer, each plan and issuer should conduct the submission based on clearly defined data elements, parameters, and submission requirements. To the extent that plans and issuers do not have access to every data element enumerated by the Departments, thereby hindering Section 204 submission efforts, there should be an exceptions process and an ability to submit null values as appropriate.

Finally, Cigna recommends that the Departments consider the challenges of timing data submission given the desire of all parties to report accurately on an annual basis. Time is needed after the end of the reporting period to process claims and calculate rebates, and to ensure the validity of the data. We note that if June 1 remains the reporting date, this deadline may become infeasible for certain plan years because there will be insufficient time to process the data for Section 204 reporting.

Conclusion

Thank you for your consideration of these comments. Cigna would welcome the opportunity to discuss these issues with you in more detail at your convenience.

Respectfully,



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