



The following information is provided regarding the compliance of prescription drug data collection (RxDC) reporting by MediExcel Health Plan.

Prescription drug data collection (RxDC) reporting starts on December 27, 2022. RxDC reporting is based on the interim final rule with comments (IFC), entitled "Prescription Drug and Health Care Spending, required under section 204 of Title II (Transparency) of Division BB of the Consolidated Appropriations Act, 2021 (CAA)ⁱ. Federal Departments will issue biennial public reports on prescription drug pricing trends and the impact of prescription drug costs on premiums and out-of-pocket costs starting in 2023. These reports are expected to enhance transparency and shed light on how prescription drugs contribute to the growth of health care spending and the cost of health coverage in the US.

The IFC requires plans and issuers (such as MediExcel Health Plan) in the group and individual markets to submit certain information on prescription drug and other health care spending to the Departments annually.

The IFC provides that health insurers generally will be required to submit this information aggregated at the **state/market level**, rather than separately for each plan (see Title 26 Chapter I Subchapter D Part 54 §54.9825-5T).ⁱⁱ

To ensure that the Federal Departments are able to conduct meaningful data analysis and identify prescription drug trends, the IFC further provides uniform standards and definitions, including for identifying prescription drugs regardless of the dosage strength, package size, or mode of delivery.

Previously, MediExcel Health Plan had been providing prescription drug utilization data to the State of California. However, since virtually all of MediExcel Health Plan's prescription drugs (99.9%) are rendered in Mexico, the prescription drug data provided to California was not useful for purposes of data aggregation. As a result, the State of California has exempted MediExcel Health Plan (as it is licensed under Health and Safety Code Section 1351.2) from the reporting of prescription drug utilization as per Health and Safety Code Section 1385.02.

MediExcel Health Plan is also in contact with CMS (as per Inquiry #CS1474014) to confirm its exemption from RxDC reporting requirements from a federal perspective.

If there are any specific concerns or questions, please contact Jim Arriola, MediExcel Executive Vice President at jarriola@mediexcel.com.

ⁱ <https://www.cms.gov/newsroom/fact-sheets/prescription-drug-and-health-care-spending-interim-final-rule-request-comments>

ⁱⁱ <https://www.ecfr.gov/current/title-26/chapter-I/subchapter-D/part-54/section-54.9825-5T>