

RxDC Reporting Form Large Group Self-Funded

Frequently Asked Questions

Optima Health is in the process of collecting the data required to submit RxDC reports on behalf of Large Self-Funded groups for the calendar year 2022. In order to compile all of the data necessary, we require each group to complete an electronic form to supply additional information.

1. How do I access the form?

Go to [RxDC Reporting - Large Group Self-Funded](#) to complete the form for Large Self-Funded groups.

2. When is this form due?

YOU MUST COMPLETE THIS FORM NO LATER THAN APRIL 14, 2023.

3. What information do I need to provide to complete this form?

The form has fields for you to easily enter the information requested. You will need to complete the following fields:

General group information (Required)

- Submitter name
- Submitter email
- Group name
- Group Number(s) - enter all group numbers

Select whether you would like Optima Health to file on your behalf. If no, select submit. If yes, proceed to complete the following:

- EIN Number (without “-”)
- Contract Year Dates
- Group Contact Name
- Group Contact Email
- Group Form 5500 Plan Number

Monthly Averages (Required)

- Benefit Type (HMO, POS, PPO) - complete for all benefit types
- Monthly Average Total Premium Equivalent (\$)
- Monthly Average Employer Paid Premium (%)
- Monthly Average Employee Paid Premium (%)

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Frequently Asked Questions Continued

Select whether Optima Health administers your pharmacy benefit. If yes, proceed to complete the following:

- PBM Name
- PBM EIN Number (without “-”)

Select whether Optima Health administers your stop loss insurance. If no, proceed to complete the following:

- Contract Year Dates
- Monthly Average Total Stop Loss Premium (\$)

4. How is the total percentage of premium equivalent covered for 2022 calculated?

The total percentage is determined by adding both the employee/member percentage and employer percentage. The percentages should be rounded, and the total should equal 100%.

Here is an example of one way that the average monthly premium equivalent percentage for employer and employee can be calculated:

	Premium Paid Dollars	Premium Paid %	Calculation
Total 2022 Contribution of Premium Equivalent by Employee	\$150,000	30%	$\$150,000/\$500,000 = 30\%$
Total 2022 Contribution of Premium Equivalent by Employer	\$350,000	70%	$\$350,000/\$500,000 = 70\%$
Total Premium Equivalent Dollars/Percentage of Premium Equivalent	\$500,000	100%	

5. What if the group’s contract period overlaps the calendar year?

If the group’s contract year overlaps the calendar year the premium equivalent calculation should be based on the best estimate for the calendar year.

For example, if the contract year was July 1, 2021 to June 30, 2022 then renewed July 1, 2022 to June 30, 2023 with an adjusted contribution strategy, determine the best estimate of employee and employer contribution for January 1, 2022 to June 30, 2022 and July 1, 2022 to December 31, 2022.

	Premium Paid Dollars: Time Period 1 & 2	Premium Paid %	Calculation
Total 2022 Contribution of Premium Equivalent by Employee	\$100,000/\$125,000	25%	$\$225,000/\$900,000 = 25\%$
Total 2022 Contribution of Premium Equivalent by Employer	\$300,000/\$375,000	75%	$\$675,000/\$900,000 = 75\%$
Total Premium Equivalent Dollars/Percentage of Premium Equivalent	\$900,000	100%	

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Frequently Asked Questions Continued

6. How is the Monthly Average Total Stop Loss Premium for 2022 calculated?

The total percentage is determined by adding all stop loss premiums paid for covered months in 2022 and dividing by the number of covered months. This can be the combined premium for Specific and Aggregate Stop Loss purchased from a third-party reinsurer.

Here is an example of one way that the monthly average total stop loss premium can be calculated:

	Premium Paid Dollars	No of Months	Calculation
Total 2022 Stop Loss Premium (SSL and ASL)	\$350,000	12	$\$350,000/12 = \$29,166$
OR in the case of a group that renews mid-year (ex. 7/1)			
Total Stop Loss Premium (SSL and ASL) - 2 contract year periods	\$150,000+200,000	6 + 6	$\$150,000+\$200,000/12= \$29,166$
OR in the case of a group that carved out stop loss part of 2022 (ex. on 7/1)			
Total Stop Loss Premium (SSL and ASL) - only 1 partial contract year	\$200,000	6	$\$200,000/6 = \$33,333$

7. What if the group was not covered by Optima Health for the entire calendar year of 2022?

Complete the form using data from the months that the group had coverage with Optima Health.

For example, if the contract year was July 1, 2021 to June 30, 2022, complete the form using data from January 1, 2022 to June 30, 2022. Include the average premium contribution paid by employee and employer for those six months of coverage for 2022.

8. What if the group switched funding in 2022 from self-funded to fully insured?

If the group switched from self-funded to fully insured in 2022, you will need to submit one form for each funding type.

For example:

- If the self-funded contract year was July 7, 2021 to June 30, 2022, complete the self-funded form for the months of January 1, 2022 to June 30, 2022.
- The group then switched to fully insured on July 1, 2022, then you would need to complete the fully insured form for the months of July 1, 2022 to December 31, 2022. The average monthly percentage premium covered by the employee for the full calendar year of 2022 would then be calculated using both forms.

The average monthly percentage premium covered by the employee for the full calendar year of 2022 would then be calculated using both forms. Go to [RxDC Reporting - Large Group Fully Insured](#) to complete the form for the timeframe that the group was fully insured.

If you'd like more details on the regulations and requirements go to the [CMS RxDC website](#) or our general [frequently asked questions](#).