Letter Number 2021-09

Date: May 4, 2021

Fee-for-service [7]   Experience-rated HMO [7]   Community-rated HMO [7]

Subject: Update on Aggregate Healthcare Cost and Utilization Data Reporting Requirements

This Carrier Letter supersedes previous guidance to all Federal Employees Health Benefits (FEHB) Carriers on their obligation to supply aggregate healthcare cost and utilization data to the U.S. Office of Personnel Management (OPM). This letter includes the following changes:

- Confirms that the pharmacy cost and utilization including rebate and age band data requested is the minimum necessary for FEHB Program oversight.

- Changes the requirement for submission of rebate data to National Drug Code (NDC) from proprietary Medi-Span GPI-8.

- Extends the date for the submission of the 2019 and 2020 data to from April 30 to May 30, 2021.The title, which should substantially match the filename and title on the page

Background

5 U.S.C § 8910 mandates that OPM make a continuing study of the operation and administration of the FEHB Program and requires carriers to furnish reasonable reports that OPM determines to be necessary to enable it to carry out its functions. This is further outlined in Section 1.7 of the Fee-For-Service, Experience Rated, and Community Rated contracts.

One of OPM's strategic goals is to provide affordable and high-quality health plans to FEHB enrollees and their families. In 2019, FEHB Carriers reported 2018 aggregate pharmacy cost (including rebates) and utilization data to OPM. This data gave OPM important insight into the operation and administration of the FEHB pharmacy benefit and is essential for effective FEHB Program oversight and evidence-based decision making. OPM will continue to collect pharmacy cost and utilization data on an annual basis. This letter details changes in the 2019 and 2020 FEHB pharmacy data collection and submission process.

Aggregate Pharmacy Cost and Utilization Data Files

FEHB Carriers will be required to provide 2 pipe-delimited text data files for each year:

- Pharmacy Cost and Utilization File
- Rebates file

A template that outlines the standard file format for submission of cost (including rebates) and utilization data for pharmacy claims is included as Attachment 1. Detailed instructions are included in the first tab of Attachment 1. Please note that, while we have provided instructions in Excel to make the expected files easier to visualize, we are maintaining the requirement that carriers submit only pipe-delimited UTF8 text files (ASCII is a subset of the UTF8 character encoding set).

Attachment 1 includes the same information requested in 2019 except that, effective with this submission and going forward, OPM is also requiring that the pharmacy cost and utilization data is broken out by age bands as shown below.

Values	Age Brands
1	0-5 years
2	6-10 years
3	11-17 years
4	18-22 years
5	23-34 years
6	35-44 years
7	45-54 years
8	55-64 years
9	65-74 years
10	75-84 years
11	85+ years

The age bands in the cost and utilization reports are based on attained age at the date the prescription was filled. Carriers may rely on OPM's representation that the age-banded data is the minimum necessary for OPM to perform its pharmacy cost and utilization analysis.

Some Carriers raised concerns about the addition of the proprietary Medi-Span GPI8 column which more clearly identifies the drug name in the rebates file. OPM accepts the recommendation that all Carriers provide NDCs for the rebate file.

Proposed Submission Time Frame

The aggregate cost and utilization data will be hosted in the OPM Health Insurance Data Warehouse (HIDW).

Each Carrier will submit FEHB pharmacy cost (including rebates) and utilization data to the HIDW using a Secure File Transfer Protocol (SFTP) account and encryption. HIDW SFTP transfer steps are included as Attachment 2. FEHB Carriers using the same server for submission of enrollment files to HIDW can skip Step 1 and 4 of the SFTP transfer steps. No later than May 30, 2021, Carriers will have successfully submitted

historical cost (including rebates) and utilization data for both 2019 and 2020. Carriers that have participated in the FEHB Program for fewer than two years should send cost and utilization data dating back to the beginning of their participation. Thereafter, Carriers will submit an aggregate cost and utilization file to OPM on an annual basis by April 30th.

Conclusion

OPM is committed to providing affordable and high-quality health plans to FEHB enrollees and their families. If you have any questions, please contact OPMPharmacy@opm.gov with a copy to your Health Insurance Specialist.

Sincerely,

Laurie E. Bodenheimer
Associate Director
Healthcare and Insurance

Attachment 1 – Pharmacy Cost and Utilization Template and Instructions

See attached Excel file.

Attachment 2 – HIDW SFTP Transfer Steps

All SFTP technical questions or issues should be directed to the HIDW Technical Team at HIDWSupport@opm.gov.

1. **Initiate Account Set-up** – To request an SFTP account, contact the HIDW SFTP Administrators at HIDWSupport@opm.gov with a Point of Contact (POC) to coordinate set-up.

2. **File Specifications** – All transmitted files must be in ASCII or UTF8 pipe-delimited text format with variable names in the first row and data beginning in row 2. The variable names should be identical to those indicated by OPM in the attached template in row 8 of the RxCostUtilization and RxRebates sheets. They are case-sensitive and should appear in the same order.

3. **Select Encryption Software** - The HIDW SFTP process requires that all transmitted data be encrypted. The Carrier must use the same software as the HIDW. File encryption software performs data compression and data encryption. Coordinate with HIDW SFTP Administrators to determine which software will be used.

4. **File Testing** - Coordinate with HIDW SFTP Administrators to transmit test files. Once testing has been completed, a date and time for the initial data transfer and recurring transmissions will be scheduled. OPM prefers that the Carrier send an email to HIDWSupport@opm.gov each time a test file has been transmitted.

5. **File Naming Conventions** – We request the following naming conventions be followed for the transmitted files: **FEHB_CarrierID_FileType_ExtractStartDate_ExtractEndDate_ TransferDate.FileExtention.pgp**

   Please note the change in the file naming convention from the one used during submission of 2018 data. The four-character Carrier ID

provided by OPM replaces the two-digit alphanumeric plan code in the file name. This allows data for multiple plan codes that belong to the same FEHB Carrier to be included in the same file, reducing the number of files that carriers will have to produce and transfer. The SFTP transmission mechanism can accommodate larger files.

Carrier ID: A four-character Carrier ID provided by OPM, the same as the one used to submit enrollment information to HIDW and the CLER system.

File Type: RXCU for prescription drug cost and utilization, RXRB for prescription drug rebates.

All Dates: YYYYMMDD format
- Example file names for the 2019 and 2020 prescription drug cost and utilization files, assuming they will be transmitted on 30 Apr 2021:
    o FEHB_ATOZ_RXCU_20190101_20191231_20210430.txt.pgp
    o FEHB_ATOZ_RXCU_20200101_20201231_20210430.txt.pgp
- Example file names for the 2019 and 2020 prescription drug rebate files, assuming they will be transmitted on 30 Apr 2021:
    o FEHB_ATOZ_RXRB_20190101_20191231_20210430.txt.pgp
    o FEHB_ATOZ_RXRB_20200101_20201231_20210430.txt.pgp

We will not accept any files that do not follow the appropriate naming convention.

6. **Confirmation Email** – Carriers must email HIDWSupport@opm.gov after each file/group of files has been transmitted so that OPM can confirm receipt of file(s). In the e-mail, please include the following:
   I. Record count for Column C (Product/Service ID) for each Pharmacy Cost and Utilization file
   II. Record count for Column D (product Description) for each Rebate file

III.   Sum total for Column R (Plan Paid Amount) for each Pharmacy Cost and Utilization file

IV.   Sum total for Column E (Plan Paid Amount) for each Rebate file