

Weekly Digest

• April 23, 2024 •

EMPLOYEE
BENEFITS

Employers Receiving Name/TIN Mismatches During ACA AIR Transmission Should Put A System in Place to Avoid or Mitigate Potential IRS Penalties

“Retransmitting a form that corrects a dependent error on or before the employer's filing deadline, including any extensions, will allow the employer to avoid accuracy-related penalties. If the employer transmits the corrected form after the filing deadline but on or before August 1 of the filing year, the penalty could be mitigated. If the employer transmits corrections after August 1 of the filing year, the employer will still be subject to the same maximum penalty as a failure to correct the error.” [Full Article](#)

Ernst & Young, LLP

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Rules Requiring All Prescription Drugs to Count Towards Out-of-Pocket Limits May Be Coming

“The DOL issued an FAQ stating that it intends to propose rulemaking that would require large group market and self-funded group health plans to treat prescription drugs covered by the plan, including those in excess of the state benchmark plan, as EHB and, therefore, subject to the annual out-of-pocket limit.” [Full Article](#)

Haynes and Boone, LLP

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IRS Issues FAQs on the Tax Treatment of Employer-Provided Work-Life Referral Services

"The IRS notes that these programs are frequently incorporated into EAPs or bundled with other employer services, although the IRS notes the FAQs only address the federal tax treatment of the services and not the direct or indirect payment for life-management resources or similar services offered through an EAP. Some employer programs cover both referrals for resources and the actual resources themselves. The IRS' statement is intended to limit the scope of the FAQs to exclude WLR programs that offer the actual resources themselves." [Full Article](#)

Groom Law Group



Ninth Circuit Refuses to Dismiss Class Action Challenging Insurer's Use of Algorithms to Process Mental Health/Substance Use Disorder Claims

"The court determined that by alleging a systematic denial of his MH/SUD benefit claims and citing the state report's conclusion that the insurer was applying a more stringent algorithmic review process to such claims, the participant had plausibly alleged that the insurer had applied an improper internal process to his claims in violation of the MHPAEA." [Full Article](#)

Thomson Reuters / EBIA

Prescription Drugs: Selected States' Regulation of Pharmacy Benefit Managers

"Prescription drug spending by private health plans climbed to nearly \$152 billion in 2021, an 18 percent increase from 2016. Health plans generally rely on PBMs to process claims, develop pharmacy networks, and negotiate rebates from drug manufacturers. GAO was asked to review states' regulation of PBMs serving private health plans. Among other things, this report describes actions selected states have taken to regulate PBMs, and lessons learned that state regulators identified for PBM regulation." [Full Article](#)

U.S. Government Accountability Office (GAO)



The Impact Of Telemedicine On Medicare Utilization, Spending, And Quality, 2019–22

"A major impediment to long-term coverage of telemedicine has been concerns that it will increase spending or hurt quality. The authors compared changes between 2019 and 2021-22 in utilization, spending, and quality for patients receiving care from health systems that used telemedicine at higher or lower rates." [Full Article](#)

Health Affairs Forefront