Proposed Changes to Machine-Readable File Requirement

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As previously reported, on February 25, 2025, President Trump signed an Executive Order (EO 14221) directing federal agencies to update the existing health care price transparency guidance and enforcement efforts, including those addressing machine-readable files ("MRFs"). In response, on May 23, 2025, the Departments of Labor, Health and Human Services, and the Treasury (collectively, "the Departments") released some FAQs signaling their improvement of the MRF disclosure process and issued a request for information ("RFI") for how best to report prescription drug information.

Background

Under the Transparency in Coverage ("TiC") final rules, group health plans and health insurance carriers must make public MRFs that disclose:

1. In-network rates;
2. Out-of-network allowed amounts and billed charges; and
3. Negotiated rates and historical net prices for covered prescription drugs.

While (1) and (2) above went into effect on July 1, 2022, the prescription drug MRF was delayed. In FAQ 61, the Departments announced that the enforcement deferral for the prescription drug MRF was rescinded, and that additional guidance would be issued in order for plans and carriers to comply with this requirement.

Improving Efficiency

The latest FAQs indicate that the Departments have identified several areas for strengthening disclosure requirements. The Departments intend to address concerns regarding the MRFs related to accessibility due to file size, data integrity, and a lack of critical context that limits full transparency. The Departments intend to release schema version 2.0, which will implement revised technical requirements for the in-network file and out-of-network allowed amount and billed charges file. In particular, schema version 2.0 will reduce file size by requiring exclusion of duplicative data, reducing unnecessary data fields, and will include updates to better contextualize the data, making it more meaningful to ultimately achieve greater transparency. The Departments intend to finalize schema version 2.0 on October 1, 2025, with compliance being required by February 2, 2026.

The Departments are also considering rulemaking to further refine and improve upon the MRF requirements.

Prescription Drug Reporting

The RFI is intended to gather input from the public regarding implementation of the machine-readable file disclosure requirements as to prescription drugs in particular. The Departments previously deferred enforcement of this requirement.

Questions concern topics such as how to:

- Identify more meaningful data elements;
- Avoid unnecessary or irrelevant disclosures; and
- Capture rebate amounts.

Employer Action

At this time, there are no immediate action items for employers. As a reminder, with respect to the transparency requirements currently in effect:

- **Fully insured plans:** Health insurance carriers remain responsible for compliance with transparency requirements. Employers should obtain written confirmation that the carrier posts this information on behalf of the plan.
- **Self-funded plans:** Employers are responsible for ensuring compliance but may contract with third-party administrators (TPAs) and pharmacy benefit managers (PBMs) to fulfill these obligations.

It is important to note that generally, an employer sponsoring a self-funded plan can satisfy the MRF disclosure requirements by entering into a written agreement under which a TPA posts the MRFs on its public website on behalf of the plan. However, if the TPA fails to do so, the plan is liable. Employers without such a written agreement should post a link to the TPA's MRFs.

When the Departments provide their guidance, employers should engage with their carriers, TPAs, and PBMs to understand how they plan to comply with the new transparency requirements and whether updates to service agreements may be necessary. We will continue to monitor these developments and provide updates as new information becomes available.