

Weekly Digest

• April 25, 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

"In our experience most employers receive error messages when they transmit their Affordable Care Act (ACA) information through the IRS's ACA Information Reporting (AIR) System. One of the most common reasons employers receive errors is because the name and tax identification number (TIN) or social security number (SSN) of an employee or dependent does not match the information in the IRS's database. These filing errors could trigger assessment of accuracy-related penalties, as they do with other IRS transmissions." [Full Article](#)

Ernst & Young, LLP

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

"Generally, employer-sponsored group health plans must have compliant annual out-of-pocket limits on "essential health benefits" ("EHB") under the ACA. The ACA defines EHB to include prescription drugs and a plan is permitted to define EHB in accordance with a state benchmark plan." [Full Article](#)

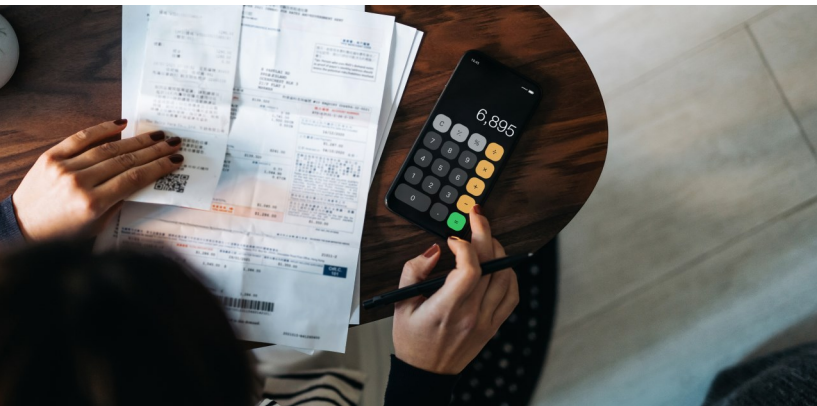
Haynes and Boone, LLP

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

"On April 16, 2024, the IRS issued Fact Sheet 2024-13, which includes FAQs addressing the tax treatment of employer-provided work-life referral services. The FAQs generally provide that the value of these services can be excluded from an employee's gross income and employment taxes as a de minimis fringe benefit." [Full Article](#)

Groom Law Group



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. However, some researchers and stakeholders have questioned certain PBM practices, such as PBMs retaining a share of the rebates and use of spread pricing."

[Full Article](#)

U.S. Government Accountability Office (GAO)

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



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. To inform long-term policy, policy makers have called for more research to increase understanding of how the growth in telemedicine during the pandemic affected health care spending and the quality of care that patients received. To address this research need, we quantified the association between greater use of telemedicine and costs and quality by exploiting the variation in the use of telemedicine across health systems." [Full Article](#)

Health Affairs Forefront