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Agencies Issue Transparency in Coverage Final Rules

Oct. 12, 2026

On October 5, 2026, the Department of Health and Human Services (through the Centers for Medicare & Medicaid Services), in partnership with the Departments of Labor and the Department of the Treasury (collectively, the "Agencies") jointly finalized changes to the Transparency in Coverage (TiC) regulations issued in December 2025 ("Final Rules"). The Final Rules impact employers who sponsor group health plans and are effective for plan years beginning on or after January 1, 2027.

As background, the original TiC regulations require most non-grandfathered group health plans and issuers to disclose pricing information beginning July 1, 2022. The disclosures consist of:

- Public machine-readable files containing negotiated in-network rates and out-of-network allowed amounts and historical billed charges.
- Consumer-facing cost-sharing disclosures that allow participants, beneficiaries, and enrollees to obtain personalized out-of-pocket cost estimates for covered items and services.

The TiC rules have been updated over time, most recently in December 2025, but the required disclosures remain challenging to implement and difficult for users to find and navigate in part due to the large size of the files. The Agencies report that they adopted the October 2026 final rules to improve access to information and to simplify and standardize the public pricing disclosures.

For employers, the practical impact depends on plan funding and administration.

- ### Fully insured non-grandfathered plans
  The insurance carrier generally performs most file-generation and disclosure functions, but the employer should confirm contractual responsibility and public link procedures.
- ### Self-funded non-grandfathered plans
  The employer plan sponsor remains legally responsible for compliance, even where a third-party administrator (TPA), pharmacy benefit manager (PBM), or vendor performs the operational work.

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- Level-funded plans
  Level-funded plans are self-insured plans, and the plan sponsor remains responsible for the compliance. Employers should confirm that vendors are handling applicable obligations.
- Grandfathered group health plans
  While grandfathered plans are exempt from the TiC rules, they are still covered by the price-comparison requirement and should prepare to comply with the new phone disclosure requirements.

The key changes in the Final Rules focus primarily on making the public pricing files more consistent and useful. For example, the Final Rules include new or modified requirements relating to:

- New "context" files to help users understand and use the pricing data**.**
- Additional data fields (**such as** plan/product type and provider network information)**.**
- Changes to the level at which data must be reported or aggregated**.**
- Removal of certain in-network rates for unlikely provider-to-service combinations**.**
- Improved standards intended to make files more accurate and easier to interpret.

The Final Rules also provide for less frequent updates to the posted files, which now must be updated on a quarterly rather than monthly basis, and focus on making the public pricing files easier to find online, including clearer links, contact information, and more standardized access points. Employers should coordinate with vendors to review the updates on access requirements to determine where the public links will be hosted and how the information will be displayed, ensure contact information is up to date, and decide whether prescription drug files (if applicable) should be included in the same link or displayed separately.

Another key change for employers is the requirement for phone access to cost estimates. The original TiC rules require employers to provide participants and beneficiaries with personalized cost estimates online or on paper by request. The Final Rules expand this disclosure and now require that same cost information to be available by phone. This could be one of the more challenging obligations and employers should immediately work with their vendors to ensure access to this information by phone can be accommodated by their TPA. Otherwise, this obligation in self-funded plans will fall on the employer.

There are a number of technical requirements to be implemented and as most employers rely on their vendors for this TiC compliance obligation, employers should add these new rules to discussions for 2027 changes and implementation. For self-insured employers, the obligations to ensure compliance with the TiC Final Rules should be reflected in administrative service contracts with TPAs or through independent vendors engaged for these services.

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Employer Action Items

- Engage early with vendors to ensure the new disclosure requirements of the Final Rules are incorporated into existing machine-readable files.
- Decide on the host location for the machine-readable files and confirm it meets the new link and access requirements.
- Confirm plan administrators can handle the phone access for cost estimates in addition to online and paper estimates.
- Update participant communications regarding the new access requirements and phone contacts for cost estimates.

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