

## COVID-19 Over the Counter Testing

### **Federal Government Requires Insurance Companies and Group Health Plans to Cover the Cost of At-Home COVID-19 Tests, Increasing Access to Free Diagnostic Testing**

On January 10, 2022, the U.S. Departments of Labor, Health and Human Services, and the Treasury (TriAgencies) released a [Frequently Asked Questions \(FAQs\) guidance document](#) regarding the implementation of the Families First Coronavirus Response Act (FFCRA), the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), and the Affordable Care Act (ACA). The federal guidance requires commercial insurers and group health plans (both fully insured and self-insured) to reimburse consumers for the cost of Over-the-Counter (OTC) COVID-19 diagnostic tests, with or without an order or clinical assessment by a healthcare provider.

Consistent with the guidance, Empire will utilize existing member claims submission procedures to provide benefits without cost share for OTC COVID-19 tests that members purchase, either online or through other retailers. In addition to the member demographic information that is normally filed with member submitted claims, the members will be required to certify that the test was purchased for personal use and not for employment purposes.

Reimbursement for OTC COVID-19 tests will be limited to 8 tests per member per month and will last until the end of the public health emergency.

Members enrolled in fully insured group plans will be able to order OTC COVID-19 tests through Empire's direct ship program that is currently accessible using the Sydney app and on-line at [www.empireblue.com](http://www.empireblue.com). Utilization of this program by members of our ASO group customers is not available at this time. We are currently investigating opportunities to expand the program to ASO customers.

The FAQs state the new guidance does not alter previous Tri-Agency guidance that health plans are not required to cover testing (including OTC COVID-19 tests) for employment purposes.

#### **FAQs**

##### **OTC Member Reimbursement Process and Requirements**

- How does a member get reimbursed for an at home COVID-19 diagnostic test?
  - Members can purchase the OTC tests and follow usual and standard procedures to submit a claim or reimbursement at [Anthem.com](http://Anthem.com) or [EmpireBlue.com](http://EmpireBlue.com). In the future members who have access to our Sydney Health app will allow members to upload a claim for these tests directly from the app and is available on both the Google Play and Apple App Store.

The member will be required to certify that the test was purchased for personal use, not for employment purposes, and will not be resold.

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- What is the maximum amount that Empire will reimburse for an OTC COVID-19 test?
  - Empire will reimburse the member based upon what the member paid for the test. We will actively monitor to determine if there is evidence of outlier/abusive pricing by retailers.
  
- Will we pay for shipping for online ordering? Will we pay for sales tax?
  - Empire will not pay for shipping charges of the OTC COVID-19 tests from retailers. Empire will pay for member submitted claims for the OTC COVID-19 tests and sales tax only.
  
- What types of OTC COVID-19 tests are covered?
  - The test must be authorized for emergency use by the FDA as a self-administered and self-read test in order to be within the scope of this guidance. Tests purchased that require the involvement of health care professionals to administer or read the test are reimbursed consistent with previous federal guidance.
  
- What is the limit of the required number of OTC COVID-19 tests to be covered at no cost to the member?
  - 8 total OTC COVID-19 tests per month per covered individual. For example, a box with two tests would count as two total tests.
  
- Are there a maximum of OTC COVID-19 tests a member can purchase per day? Can they purchase all 8 for a month on 1 day?
  - A member can purchase all 8 of the OTC COVID-19 tests per covered individual per month at once and submit for reimbursement for the maximum monthly amount at once. The member can also buy them as needed and file separate claims for reimbursement.
  
- What happens when a member reaches the 8 test per covered individual limit for the month of OTC COVID-19 tests?
  - Empire will reimburse for up to 8 tests per covered individual. For additional tests, the member will be responsible for the costs of purchasing the test.
  
- Is a care provider's order required?
  - Prior to the new federal guidance, member submitted claims for OTC COVID-19 tests required submission of evidence that the test was ordered by a care provider. Beginning on January 15<sup>th</sup>, we will no longer require a care provider order, consistent with the requirements of the guidance, for up to 8 OTC COVID-19 a month per covered individual.

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In addition, there is no limit on the number of tests, including at-home tests, that are covered if ordered or administered by a care provider.

- Is there an end date to the federal mandate for OTC COVID-19 test coverage?
  - The mandate is only effective during the public health emergency. The public health emergency was recently extended to April 17, 2022, but it could be further extended.
- Does this mandate change in any way the limit on the number of OTC COVID-19 tests a member can get when ordered by a care provider?
  - There is no limit to the number of at home tests that can be ordered by or administered by a care provider. This mandate applies to OTC COVID-19 tests not ordered by a care provider.

### **Empire's Direct Ship COVID-19 Test Kits Programs**

- How does a member obtain an OTC COVID-19 diagnostic test kit from Empire directly?
  - Current eligible members (Fully Insured) can continue to order the test kit (containing two tests) through the Sydney Health app or the member portal ([www.Empireblue.com](http://www.Empireblue.com)).
- How does a member know if they are eligible to order the free diagnostic test kit from Empire?
  - If eligible, it will be an option available on the Sydney Health app or the member portal ([www.Empireblue.com](http://www.Empireblue.com)). If a member is not eligible, they will not see the option to do so.
- If an employer is using Empire's bulk shipment program to order OTC COVID-19 tests and providing them to employees would accounts/members be able to submit the costs to reimbursed?
  - The Empire bulk shipment program was designed to fill the need of employers needing to do workplace testing. COVID-19 tests for that purpose is not intended to be included in the federal mandate.
  - Under this new guidance only claims for OTC COVID-19 tests without a care provider order submitted by members accompanied by a purchase receipt from a retailer will be reimbursable.

### **Health Plan and ASO Requirements**

- Based on funding type, who is responsible for covering the cost of the OTC COVID-19 tests?
  - For Fully Insured groups, Empire as the insurer will cover the costs for OTC COVID-19 tests. for ASO, the health plan established by the employer will be responsible for covering the cost of the OTC COVID-19 tests.

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- ASO members will still submit their claims for reimbursement through Empire, following their standard practices.
- Can ASO opt out?
  - No, the FAQs' guidance applies to the commercial market including ASO and fully insured accounts. They cannot opt out of these requirements.
- Does the guidance require an insurer or group health plan to create a point-of-sale program so that members can obtain free OTC COVID-19 tests without having to first pay out of pocket?
  - No. While the Tri-Agencies encourage making a point-of-sale program available through retail outlets and direct shipping, it is not mandated. We are exploring options for creating a pharmacy network that will bill for these tests using the existing point of sale system for prescription drugs, as well as expanding our direct shipping program to ASO groups.
- Can groups take advantage of the opportunity to cap the reimbursement of OTC COVID-19 tests to \$12 per test?
  - Not at this time. The opportunity to limit reimbursement to \$12 per test only arises if the group offers a point-of-sale benefit for the tests that utilizes a sufficient number of retailers.
- If the group has a carve out pharmacy vendor along with its medical benefits administrator, do both entities have to manage the benefits for OTC COVID-19 tests?
  - No. The obligation for compliance rests with the ASO group, and it can negotiate with each entity for which one would manage the benefit. Because of the potential of duplication of claims payments and not being able to manage the benefit limits, it is not recommended that both entities independently pay claims for the tests.
- Can ASO groups cap reimbursement for member submitted claims to \$12 per test as described in the FAQs?
  - Not at this time. The \$12 per test limit requires the group health plan to offer a point-of-sale benefit for the tests that utilizes a sufficient number of retailers. We are evaluating the feasibility to put these programs in place for our ASO customers.

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- Do OTC PCR tests that are sent to a lab for processing apply to this mandate?  
No. The FAQs only apply to tests that are administered and read at home, not at a lab. However, medically necessary OTC COVID-19 PCR test are covered and reimbursed outside of this mandate.
  
- How will we support compliance for Jointly Administered Accounts (JAA) Groups?
  - Claims for JAA groups are administered by the client group or it's TPA. Any member claims submission for OTC COVID-19 tests will need to be administered like any other member submitted claim that would be directed to the client or its TPA. As with other ASO groups, opportunities for support through Empire's direct shipment option or a carved in IngenioRx pharmacy point of sale program are being evaluated.