

Our Take: Participants Will Need Help Navigating OTC COVID-19 Test Coverage

By Corporate Synergies
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Effective January 15, 2022, group health plans and health insurers must cover over-the-counter (OTC) COVID-19 tests without any cost-sharing requirements, prior authorization or other medical management requirements. However, carriers have implemented a range of solutions with each one doing it slightly differently. This presents a communication challenge for employers when guiding participants through their OTC COVID-19 test coverage.

The [guidance](#) significantly expands access to free and low-cost COVID-19 at-home tests. Insurers must cover up to eight FDA-authorized rapid tests per member per month, including dependents, but the guidance doesn't dictate *how* insurers manage this coverage process. This results in the spectrum of approaches we've seen from carriers, rather than one universal process, and an abundance of client questions.

Research by [KFF](#) details the split among major insurers between "direct coverage" and "reimbursement" options with varying details for individual coverage processes. Seven of the 13 largest insurers are currently using various reimbursement policies, and six have direct coverage options. This may also be handled through a third-party administrator or pharmacy benefit manager.

Table 1: Rapid at-home COVID tests direct coverage and reimbursement policies for 13 largest private insurers, as of January 2022

| Insurance Company (Subsidiary) ^A | Direct coverage available? | Direct coverage retailers | Reimbursement cap (outside of direct coverage) | Reimbursement mechanism (outside of direct coverage) | Reimbursement claim filing details |
|---|----------------------------|--|--|--|--|
| Anthem | No | N/A | N/A | Online | Claim form with receipt |
| Blue Cross Blue Shield of Michigan | No | N/A | N/A | Mail | Claim form with receipt |
| Blue Cross Blue Shield of North Carolina | Yes | In-network pharmacies (pharmacy counter to bill insurer) | \$12 | Mail | Claim form with receipt and UPC bar code |
| Blue Shield of California | No | N/A | N/A | Mail | Claim form with receipt and UPC bar code |
| Care First | No | N/A | N/A | Mail | Claim form with receipt and UPC bar code |
| Centene/Ambetter | Yes | In-network pharmacies (pharmacy counter to bill insurer) | \$12 | Mail | Claim form with receipt |
| Cigna | No | N/A | N/A | Mail/fax | Claim form with receipt |
| CVS Group /Aetna | Not yet specified | N/A | N/A | Not specified | Not yet specified |
| Guidewell (Florida Blue) | Yes | In-network pharmacies (pharmacy counter to bill insurer) | \$12 | Mail (if needed) | Claim form with receipt |
| Health Care Service Corporation | Yes | In-network pharmacies (pharmacy counter to bill insurer) | \$12 | Mail (if needed) | Claim form with receipt |
| Humana | Yes | In-network pharmacies (pharmacy counter to bill insurer) | Not specified | Mail | Claim form with receipt |
| Kaiser Permanente | Not yet (planned) | Working on making tests available to members, including through mail-order | N/A | Online | Claim form with receipt |
| United Health Group | Yes | Walmart, Sam's Club, Rite Aid, Bartell | \$12 | Online/Mail (if needed) | Claim form with receipt |

SOURCE: KFF review of insurer websites January 18-20, 2022 • [PNG](#)





As KFF's chart shows, each process is slightly different and both direct coverage and reimbursement options come with nuances.

For reimbursement, submission processes vary between mail and online submission and what forms and information are required. The upfront costs necessary before reimbursement can also present obstacles for low-income participants.

For direct coverage, members must purchase tests through certain retailers, pharmacies, or direct-to-consumer programs, again depending on carrier. If these members purchase tests outside of participating retailers, they can also apply for reimbursement. This is capped at \$12 and the process varies by carrier.

Employers must carefully communicate OTC COVID-19 test coverage details.

Clear communication is especially important if the employer offers plans from multiple carriers.

Additionally, these covered tests cannot be used to fulfill any employer-mandated testing requirement. Some carriers are requiring members to provide attestations that the covered test will not be used for employment purposes. This messaging must also be clearly provided to employees.

Plans and insurers can place other limits on coverage including setting limits on the number or frequency of tests that are covered (as long as the insurer provides at least eight tests per month without cost-sharing) and taking steps to prevent, detect and address fraud and abuse.

Employers and plan sponsors should connect with their insurance carrier or third-party administrator to understand how this new requirement will impact their plans, including which pharmacies or retailers will be making the tests available in-network. Then, they should ensure that they communicate this new coverage requirement to employees and plan participants. ■

For additional information on OTC COVID-19 test coverage, please see the [January 11 Compliance Alert on the Compliance Resource Page](#).

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