



Compliance Alert

January 21, 2022

Over the Counter COVID-19 Tests

TO: Our Valued Clients and Brokers
FROM: Health Plans, Inc.
DATE: January 21, 2022
RE: Over the Counter COVID-19 Tests

Overview

This *Compliance Alert* supplements the e-Blast issued on January 14, 2022 (click [here](#)) in order to provide additional detailed information regarding the recent federal guidance concerning at-home over-the-counter COVID-19 diagnostic tests issued in the recent federal *Frequently Asked Questions (FAQs) regarding implementation of the Families First Coronavirus Response Act (FFCRA), the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), and the Affordable Care Act* (click [here](#)). The Federal agencies have also released a consumer directed FAQ that can be found [here](#).

To recap: Starting January 15th, health benefit plans must cover FDA approved at-home over-the-counter COVID-19 diagnostic tests (tests) without the involvement of a health care provider, and without imposing cost sharing or prior-authorization requirements. If the Plan's pharmacy benefit manager (PBM) will provide direct coverage of the tests, members can obtain the tests free of charge at point of sale. Any tests that members purchase outside the PBM's network offering will be reimbursed up to \$12 per test. If the Plan's PBM will not provide direct coverage, members can submit a claim to the Plan for full reimbursement of the cost of the test. Coverage is limited to no more than eight (8) tests per member per 30-day period. Please note that Plans are not required to provide coverage of testing (including an at-home over-the-counter COVID-19 test) that is for employment purposes.

Per our January 14th eBlast, we indicated that HPI was reviewing our internal operational systems and was in the process of assessing Plan and pharmacy benefit management arrangements. Since then, we have reached out to HPI's PBM partners, as well as our clients' direct PBM partners, to inquire whether the PBMs would provide for direct coverage of the at-home tests and, if so, whether they would also process member reimbursements for tests purchased outside of the network benefit. To date, all PBMs that have responded have indicated they will provide direct coverage through the pharmacy benefit and process member reimbursements. As such, HPI is taking the following actions:

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HPI Actions

- **SMMs:** We will draft a Summary of Material Modification (SMM) for our clients' medical benefit plans to amend the plans effective January 15, 2022 to provide coverage for the at-home tests. The SMM will indicate coverage is provided as follows:
 - Coverage of FDA approved over-the-counter COVID-19 at-home tests without any cost sharing (e.g. deductibles, copayments or coinsurance), prior authorization or other medical management requirements.
 - Coverage for the at-home tests is provided directly through the Plan's Prescription Benefits Administrator's (PBM) pharmacy network or preferred retailers with no upfront out of pocket costs.
 - If the network pharmacy does not have any at-home tests available or the pharmacy has not implemented operations to support direct coverage, Covered Persons can purchase the tests at an out of network pharmacy or on-line and submit to the PBM for reimbursement which will be limited to the lesser of the cost of the test or \$12.
 - Coverage for over-the-counter COVID-19 at-home tests is provided exclusively through the PBM benefit. The tests are not otherwise covered or reimbursable under the Plan.
 - The Plan will cover up to 8 tests per Covered Person, per 30-day period.
- **HPI Website:** We have added a section on our COVID-19 Information Page to provide members with benefit coverage information about the at-home tests which can be found [here](#).

New Federal Website for Free At-Home COVID 19 Test

Starting January 19, 2022, U.S. households can order four (4) free COVID-19 test kits directly from the federal government by accessing <https://www.covidtests.gov/>. To learn more about this federal program, please click [here](#).

Thank you for your patience with HPI as we work and move forward with understanding, implementing, and communicating the impacts of new regulations. If you have any questions, please feel free to reach out to your HPI Account Services Team.

The information in this Compliance Alert is intended to provide a summary of our understanding of recent regulatory developments which may affect our clients' plans. It should not be construed as specific legal advice or legal opinion.