



## Coverage for At-Home COVID Testing - For Some But Not All

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As of January 15, 2022, the Biden Administration is requiring insurance companies and group health plans to provide insurance coverage for at-home COVID tests. As a result of this recent mandate, beneficiaries with private health insurance coverage, including coverage provided by an employer, can purchase an at-home COVID test and have it covered by their insurance carrier, with no out-of-pocket payment by the beneficiary in most instances. Coverage for COVID tests may be provided directly at the point of sale or by way of reimbursement upon submission of a valid receipt to the insurance carrier.

Under the new requirement, up to eight (8) at-home COVID tests per beneficiary per month are covered, regardless of whether the tests are purchased all at once or over time and regardless of how the tests are packaged and distributed (e.g., single test or multiple tests packaged together). Further, at-home COVID tests addressed by this new requirement do not require a physician's office visit or a physician order.

If an insurance carrier has not set up a network of preferred stores, pharmacies, or retailers at which a beneficiary can purchase an at-home COVID test pursuant to this mandate, then the carrier is required to reimburse the beneficiary for the full cost of the test. If the insurance carrier has set up a network of preferred stores, pharmacies, or retailers at which a beneficiary can obtain an at-home COVID test, the beneficiary has two options. First, the beneficiary can obtain the test at a preferred retailer at no charge.

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Alternatively, the beneficiary can obtain the test elsewhere and be reimbursed by the carrier either the actual cost of the test or \$12 per test, whichever is less. Thus, as a result of the \$12 cap, insurers are incentivized to establish a network of preferred stores, pharmacies, or retailers from which a beneficiary may obtain an at-home COVID test free of charge.

An interesting, somewhat odd exception to the new requirement mandated by the federal government relates to Medicare beneficiaries, as the federal Medicare program is not bound by the coverage mandate\*. Following the submission of this article, Medicare announced on February 3, 2022 that, under a separate program, it would begin allowing Medicare beneficiaries to receive up to eight (8) over-the-counter COVID tests per month free of charge. The free COVID tests will be available to Medicare beneficiaries through eligible pharmacies and other participating entities starting sometime this spring.

. In other words, while private payors are now required to provide coverage for at-home COVID tests, the Medicare program is not. In fact, Medicare generally only covers COVID testing performed by a laboratory and ordered by an authorized healthcare professional; although Medicare does allow Medicare beneficiaries to receive one (1) laboratory performed COVID test per beneficiary per year without a physician order – a stark contrast to the eight (8) COVID tests per month the private insurers are now required to cover.

Ironically, this elderly population traditionally served by the Medicare program has been the most susceptible to severe illness and death resulting from COVID-19. In fact, according to the CDC, almost 75% of deaths from COVID in the United States occur in the 65 and older population.

Finally, coverage for an at-home COVID test is dependent on whether or not a beneficiary can actually locate an at-home COVID test to purchase. As of the writing of this article, with the spike in cases caused by the Omicron variant, at-home COVID tests are hard to come by, with people flocking to retailers as soon as tests are rumored to be in stock. This latest action by the Biden Administration does not address the shortage and supply issues the United States is currently facing, although the Administration has put in place other measures aimed at addressing the supply deficit.

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