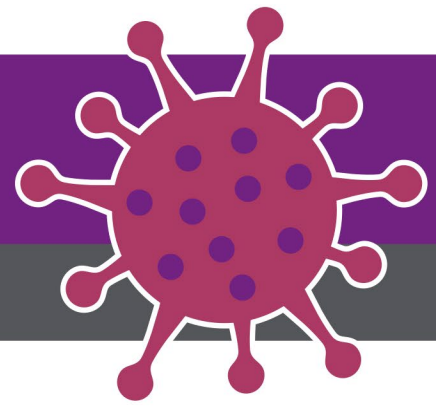


CORONAVIRUS DISEASE 2019 (COVID-19)

COVID-19 Testing Reimbursement – Non-Governmental Third-Party Payers & Cash Price Posting Requirement



Audience: Revenue Cycle Leaders, PBS, MGPS, Revenue Excellence

Revision Date: April 6, 2020

Version: Version #1

We appreciate your support as we work Together to ensure the safety of our patients, and community at large.

This document provides Regional Health Ministry ("RHM") Revenue Cycle and Patient Billing Service ("PBS") Leadership and colleagues with information and direction regarding the proper amount of reimbursement that should be received from non-governmental third-party payers ("payers") for COVID-19 diagnostic testing. In addition, it provides direction on action that is necessary to comply with Section 3202 of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act").

Section 3202(a) of the CARES Act requires payers to reimburse providers of COVID-19 diagnostic testing in one of three ways:

1. At the contractual rate the payer and provider negotiated **prior** to the Secretary of Health and Human Services ("HHS") declaration of a public health emergency on January 31, 2020.
2. At an amount equal to the provider's cash price for COVID-19 testing, as listed by the provider on its public website.
3. At a negotiated rate that is less than the provider's cash price for COVID-19 testing.

Despite the CARES Act requirement, many payers are seeking to reimburse providers for COVID-19 diagnostic testing at the rates established by the Centers for Medicare and Medicaid Services (CMS) for CPT/HCPCS codes U0001 and U0002. *In general, these rates are less than our cost for providing this testing and, subject to the guidance below, should **not** be accepted from payers.*

Reimbursement When the Contract Establishes a Rate

If a Regional Health Ministry ("RHM"), physician office, or provider has an existing participation agreement with a payer (e.g., Aetna, UHC, Blue Cross Blue Shield) that establishes, either directly or indirectly, a rate for COVID-19 testing, **the payer is required to pay the contractual rate**. RHM Revenue Cycle/PBS Leaders should work with their respective Managed Care Contracting counterparts to determine if such a rate exists and the appropriate amount of reimbursement for the same. *In addition, PBS leaders should establish an audit plan to ensure contractual rates are received.* [Laurie Singelyn](#), Sr. Payer Strategy Analyst, will provide a suggested audit process to PBS Payment Variance team leaders that can be used for this purpose.

Reimbursement When the Contract Does Not Establish a Rate

If after review of an RHM, physician office, or provider's participation agreement with a payer it is determined that a contractual rate for COVID-19 does not exist, Revenue Cycle/PBS Leaders and Managed Care Leaders should work together to determine if such a rate will be negotiated with relevant payers. If a rate will not be negotiated, Revenue Cycle/PBS Leaders should verify that the RHM, physician office, or provider has posted a cash price for COVID-19 testing on a public facing website. In either case, an audit plan should be established to ensure that reimbursement from such payers is either at the newly negotiated rate or in an amount equal to the cash price as posted on the RHM, physician office, or provider's public facing website. As mentioned above, [Laurie Singelyn](#), Sr. Payer Strategy Analyst, will provide a suggested audit process to PBS Payment Variance team leaders that can be used for this purpose.

Requirement to Publicize Cash Price for COVID-19 Diagnostic Testing

In addition to establishing how a provider can be reimbursed for COVID-19 diagnostic testing, Section 3202 of the CARES Act also requires each provider of such testing to post its cash price for the test on a public facing website. This is a requirement even if an RHM has preexisting negotiated contractual rates for COVID-19 testing with all of its contracted payers. The CARES Act provides HHS with the authority to issue civil monetary penalties to any provider that fails to post this information.

RHM Revenue Cycle Leaders should confirm that their RHM, physician offices, and providers are in compliance with this requirement.