



COVID Tests Mandate – What Does This Mean to Employers ?

January 20, 2021

Prepared by *Mitigate Partners, LLC*

Integrating ➔ *Educating* ➔ *Mitigating*

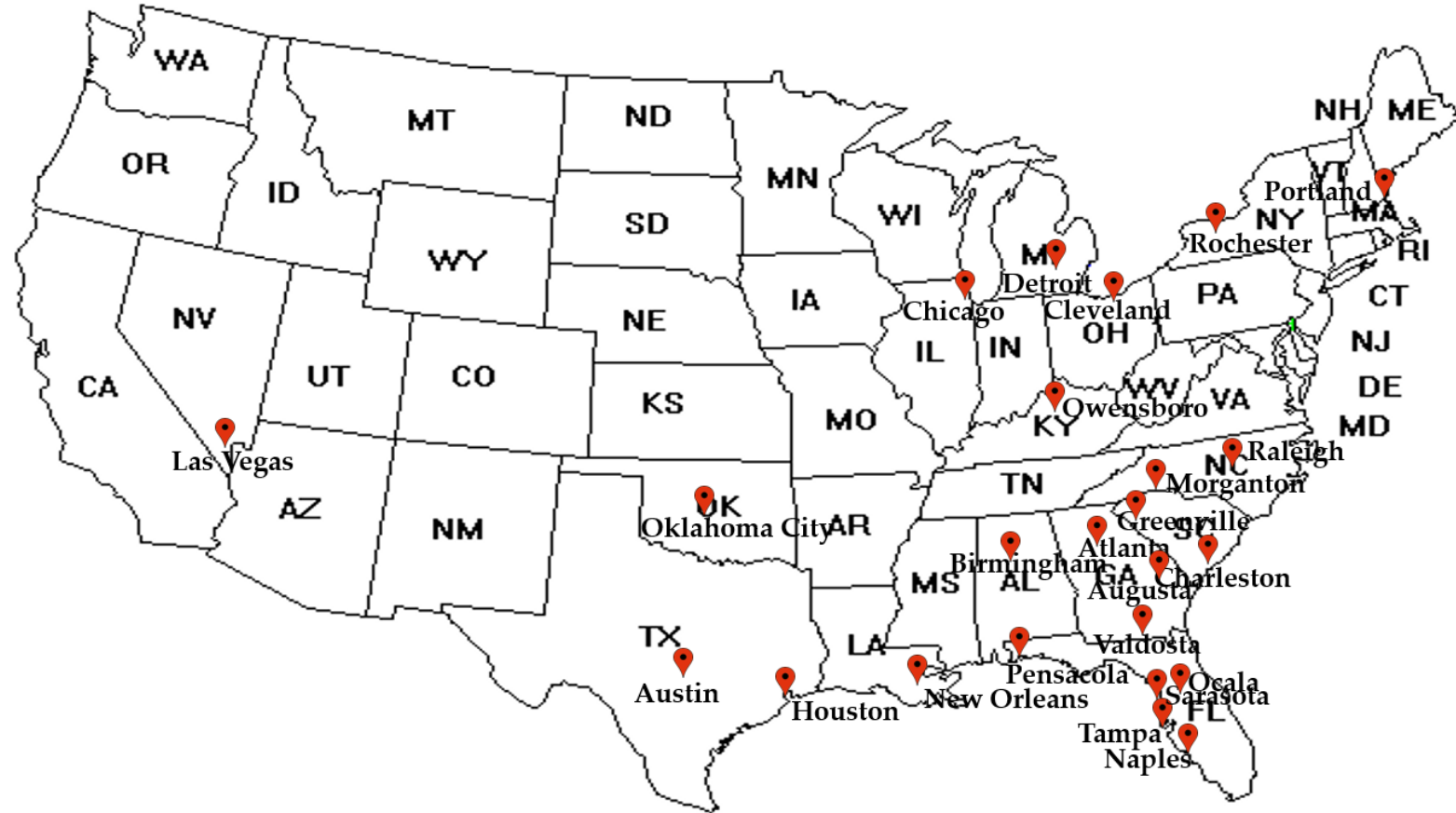


What is in this for You ?

- Understanding of employer's legal obligations
- Access to tests and managing employer's cost
- What to be aware of for employer's stop loss and claims funding
- Become an Active Manager of your health plan

Who Are the Mitigate Partners?

- 30+ Benefit Consulting Firms
- Collaboration vs. Competition
- Local Management
- Health Rosetta Certified Advisors
- Cutting Edge of Benefit Solutions
- Eliminates myopic view
- More than 150 years of experience



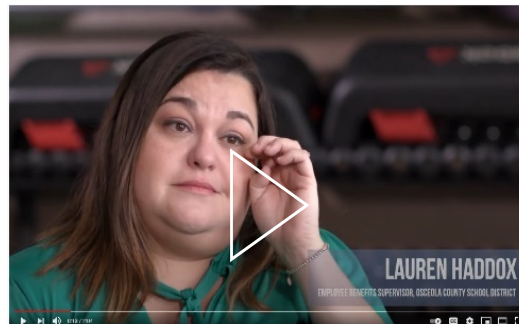
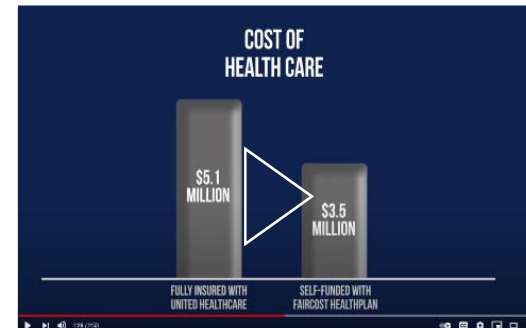
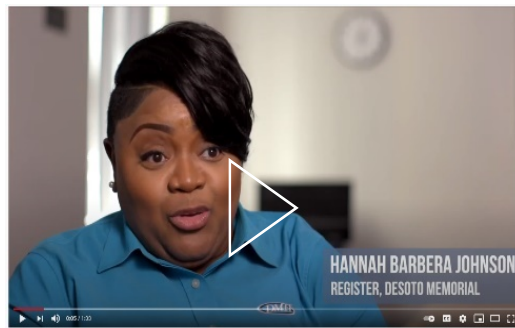
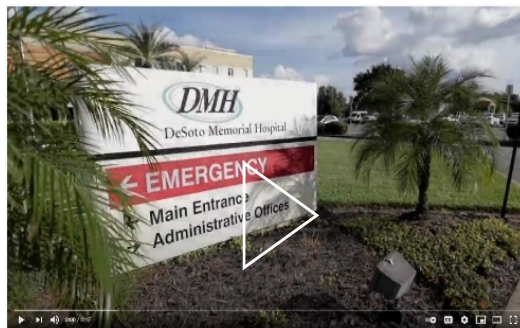
What makes us different ?



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[Learn how their school district saved money and increased their quality of care](#)

What Makes Us Different



[Current Clients Overview: Utilizing Mitigate Partners \(2 Minutes\)](#)

- We invite you to hear the results for yourself.
- We can make these same impacts for employers in your communities.

“We have to change what we’re doing.”

“The system we have now is broken.”

“You as an employer – you can do something.”

“We’re going direct. That’s how you save.”

“We know up front what we’re paying.”

“There are no surprises.”

“We eliminate barriers to care that are so prevalent.”

“We’re giving our employees better coverage.”



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6 JUNE, 2022

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Meet Our Panelists



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COVID Test Coverage Mandate: Legal Compliance



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COVID Test Requirement

- Families First Coronavirus Relief Act (FFCRA) required free COVID-19 test coverage as of 3/18/20 for duration of public health emergency
 - No cost sharing
 - No prior authorization
 - No medical management techniques
- CARES Act (3/27/20) set reimbursement rates to providers for free COVID testing
 - At negotiated rate
 - If none - at the test rate posted on the provider's website
 - Providers are required to post rates or face fines and penalties

Prior Agency Interpretations

- Affordable Care Act (ACA) FAQs Part 43 (6/23/20)
 - Free COVID diagnostic testing includes FDA approved (EUA) at-home tests ***if ordered by an attending health care provider***
 - At the time no home tests had FDA approval – EUA or otherwise
 - Must be medically appropriate
 - Does not include testing required for surveillance or employment purposes
 - No limit on tests covered

Biden-Harris Expansion

- ACA FAQs Part 51 issued 1/10/22 with an effective date of 1/15/22
 - Eliminates requirement that health care provider order test
 - Limited to 8 tests per covered person per month unless ordered by health care provider
 - Not for employment purposes.....
 - Incentivizes free tests at point of sale (Safe Harbor)
 - If free at point of sale (pharmacy network, retail or mail order), out of network costs may not exceed \$12 per test (e.g. \$24 per two pack test)
 - Requires “adequate access” to tests at point of sale to enforce payment cap

Biden-Harris Expansion

- ACA FAQs Part 51 issued 1/10/22 with an effective date of 1/15/22
 - Failure to meet Point of Sale Safe Harbor
 - Must reimburse actual cost of test ***with no cap***
 - Employers permitted to address fraud and abuse
 - May require attestation that tests are for personal use, will not otherwise be reimbursed, are not for employment purposes
 - Must be “brief”
 - Cannot request “multiple” documents or require “numerous” steps to show proof
 - May require proof of purchase, including UPC code and receipt documenting date and price

Next Steps

- Confirm how claims will process - pharmacy or medical or both (*caution regarding coordination of claims*)
- Coordinate point of sale coverage if using safe harbor
 - Until free at point of sale must pay full cost for test regardless where purchased
- Amend plan docs
- Prepare Employee Communications
 - Employees can order free tests from post office ([COVIDtests.gov](https://www.covidtests.gov) website)
 - False claims/attestations can result in discipline up to termination of employment

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Health Plan

Thank you!



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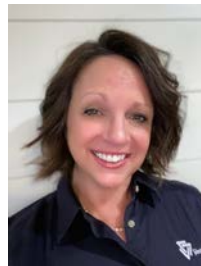
Government Mandate At Home Over-the-Counter COVID-19 Test for Free



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Catherine Mackey, Sr. Director Strategic Implementations
Ventegra, Inc. A California B-Corporation

What is it ?

- Biden-Harris Mandate for Insurance Companies and Group Health Plans requirement to cover cost of FDA approved, At-Home, Over the Counter COVID-19 Antigen Tests
- Must be Free to member
- Mandate released Monday January 10th
- Effective Saturday January 15th

What are the details ?

- Insurers can cap reimbursement at \$12
- Must have available access network
- Two points of access allowed:
- Point of Sale
- Direct Member Reimbursement
- Max 8 tests per member per month.
- Controlled via Point-of-Sale edits
- No indication of requirement deadline

What did Ventegra Do?

- Allowed Self Insured Employers to determine best path for their model
- Contacted pharmacy network to establish network of providers for Real Time adjudication
- Implemented on 1/15 access levels as determined by client
- No indication of requirement deadline

What's Happening Now?

- Clients that chose to have testing run through pharmacy benefit, claims are processing
- Challenges:
 - Balancing Access with Client Costs
 - State Requirements inhibit access
 - Pharmacy submission requirements create challenges
 - Pharmacy providers electing to not submit to PBMs without a written prescription

Next Steps

- Managing every changing landscape
- Managing Direct Member Reimbursements
- Monitoring Claims
- On Going Member Communications
- Government website releasing Wednesday January 18.
Free tests mailed to home.

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Government Mandate to Cover OTC COVID-19 Testing Stop Loss Perspective



**accident
& health**



**Julie Bobak, Senior Vice President Accident & Health
Intact Insurance Specialty Solutions**

What are the Potential Cost Impacts to the Plan?

- We cannot predict whether the new requirements will further exacerbate the testing shortage or enough approved tests can be brought to market to meet demand.
- Contributing factors to the cost include:
 - Limited Test Supplies
 - Access to the Suppliers
 - Member understanding of the program
 - The hassle of submitting documentation for reimbursement
 - Potentially waning need for testing over time
- Maximum Exposure: If plan limits cost to \$12 per test and 8 tests per member per 30 days, result is about \$3,000 per employee per year or about a 20 – 25% increase in claims for the average plan
- Factors listed above suggest perhaps a more reasonable estimate of < 2 tests per employee per month, which results in an increase to plan costs of 1.5%

Kaiser Health News Article – 1/19/22

KHN

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COVID-19

5 Things You Should Know About 'Free' At-Home Covid Tests

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DISPONIBLE EN ESPAÑOL

By Damon Darlin
JANUARY 19, 2022

2. Will the insurance company just swallow those imposed costs?

If companies draw from the time-tested insurance giants' playbook, they'll pass along those costs to customers. "This will put upward pressure on premiums," said [Emily Gee](#), vice president and coordinator for health policy at the Center for American Progress.

Major insurance companies like Cigna, Anthem, UnitedHealthcare and Aetna did not respond to requests to discuss this issue.

How Can Employers Manage the Cost to the Plan?

- Limit the number of OTC tests to 8 per family member per 30-day period
- Offer a preferred arrangement with no out of pocket to members, and then limit tests obtained elsewhere to cost, not to exceed a \$12 reimbursement
- Require reasonable documentation of proof of purchase and attestation that tests are purchased for a member covered under the Plan
- Provide education and consumer support to facilitate access to, effective use of and prompt payment for OTC COVID-19 tests

What Impact on Insurance Costs Can be Expected?

- 2 – 25% Increase to cost adds significant uncertainty to the trend levels carriers select at time of renewal
- Self-funded employers with a track record of actively managing their plans should expect that carriers will push trend increases at renewal with less negotiation
- Aggregate factors may adjust above trend
- Fully insured or insurance company managed plans are likely to see increases above trend at the next renewal

Will Plan Changes be Required?

That Depends upon what is in the plan now

- Families First Coronavirus Response Act (3/18/2020) and CARES Act (3/27/2020) already required testing to be covered without cost sharing, however, plans could limit testing coverage for diagnosis and treatment of COVID-19.
- Plans were not required to cover testing for public health surveillance or employment purposes.
- CMS updated guidance effective 1/15/2022 requires coverage for testing even for individuals without symptoms or recent exposure
- If the plan does not support the changes required, the plan may need to be amended
- If the plan is amended, the stop loss carrier should be informed, and may make adjustments allowed under the policy

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QUESTIONS ?



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It is time for a Revolutionary New Approach!

“We cannot solve our problems with the same thinking we used when we created them” ~ Albert Einstein

Thanks for your time!

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