

COVID-19 Over-the-Counter (OTC) Test Coverage

2.10.2022

Frequently Asked Questions

Background

The COVID-19 pandemic is an evolving situation. The answers provided below, which are subject to change, are current as of February 10, 2022. We will continue to provide updates, as they become available.

Independence Administrators worked with our Pharmacy Benefits Manager, FutureScripts, an OptumRx company, to establish a new preferred network to cover the cost of the COVID-19 test at the point-of-sale without member cost sharing. Rite Aid, Walmart, and Sam's Club pharmacies will be the initial retail Preferred Network Partners. We recently added Walgreens to our COVID Testing Preferred Network, and we are looking to expand our preferred network in the days ahead as other retailers become operationally ready. We have also expanded our direct coverage offering with a direct-to-consumer shipping option using OptumRx's Mail Order/Home Delivery service.

If members choose to pay at the point of purchase outside of Rite Aid, Walmart, Sam's Club, or Walgreens, they will need to submit a pharmacy [claim form](#) to FutureScripts for reimbursement. Members will be reimbursed for the cost they paid for the test or \$12 per test, whichever amount is lower.

Your group health plan continues to cover FDA-authorized COVID 19 diagnostic tests with no cost share for any member when ordered or administered by a health care provider following an individualized clinical assessment.

Frequently Asked Questions

Q: What is the Over-the-Counter Test Coverage Mandate?

A: The Biden Administration announced new federal guidance on January 10, 2022, that people with employer-sponsored or individual health insurance coverage can seek reimbursement for the purchase of FDA-authorized over-the-counter COVID-19 tests from their employer group or health insurer effective with tests purchased on or after January 15, 2022. This guidance will remain in effect through the end of the Federal Public Health Emergency (PHE). The coverage is not retroactive and will not apply to any test kit purchases made prior to January 15, 2022.

Q: What does the Over-the-Counter Test Coverage Mandate Cover?

A: Currently, we have identified the following OTC diagnostic COVID-19 Antigen test kits as covered. The most common tests are Flowflex™, Ellume™, IntelliSwab™, BinaxNOW™ and On/Go.™

Product ID	Product Label	Product Name Extension	GPI-14
11877001140	BINAXNOW COV KIT HOME TES	BINAXNOW COVID-19 AG CARD HOME TEST	94101024356400
56964000000	ELLUME COV19 KIT HOME TES	ELLUME COVID-19 HOME TEST	94101024356400
50021086001	ELLUME COV19 KIT HOME TES	ELLUME COVID-19 HOME TEST	94101024356400
82607066026	FLOWFLEX KIT HOME TST	FLOWFLEX COVID-19 AG HOMETEST	94101024356400
08337000158	INTELISWAB KIT COVID-19	INTELISWAB COVID-19 RAPID TEST	94101024356400
60006019166	ON/GO COVID KIT ANTIGEN	ON/GO COVID-19 ANTIGEN SELF-TEST	94101024356400
14613033968	QUICKVUE HOM KIT COVID-19	QUICKVUE AT-HOME COVID-19 TEST	94101024356400
14613033972	QUICKVUE HOM KIT COVID-19	QUICKVUE AT-HOME COVID-19 TEST	94101024356400
14613033967	QUICKVUE HOM KIT COVID-19	QUICKVUE AT-HOME COVID-19 TEST	94101024356400

Under the new federal guidelines, members can seek reimbursement for up to eight (8) FDA-authorized tests per member per calendar month.

Note: Tests may be packaged individually or with multiple tests in one package. The quantity limit will apply to total number of tests dispensed. For example, a member will be limited to 8 boxes containing 1 test kit (8 total units) or 4 boxes containing 2 test kits each (8 total units)

Q: Who is eligible for the over-the-counter test reimbursement?

A: Members with employer-sponsored group health plans can seek reimbursement for the purchase of FDA-authorized over-the-counter COVID-19 tests.

Additionally members can visit Community-based [testing sites](#) and pharmacies that offer low or no-cost testing, or visit www.COVIDtests.gov to order free at-home tests from the Federal government.

Q: How do my members get OTC tests covered through my health plan?

A: If your group health plan has FutureScripts, the plan will administer coverage of OTC COVID-19 tests through the pharmacy benefit in two ways:

1. When shopping at a Rite Aid, Walmart, Sam's Club, or Walgreens, members should check out at the pharmacy counter and present their prescription drug ID card. When they do, the pharmacist will process the tests at a \$0 copay, and the member won't have to save the receipt or submit a claim form.

If the member purchased the tests online or not through the pharmacy counter of a Rite Aid, Walmart, Sam's Club, or Walgreens, they can submit an Rx claim form with their original receipt

by going [here](#).

2. Members can also purchase tests from other in-store or online retailers (outside of Rite Aid, Walmart, Sam's Club, or Walgreens); however, if they do, they will need to submit an online claim [form](#) and include their receipt(s). Members will be reimbursed for the cost they paid for the test, or \$12 per test, whichever amount is lower.

Q: Where can I find OTC COVID-19 tests covered through the FutureScripts Preferred Network?

A: Your group health plan will cover up to eight (8) OTC COVID-19 tests that are FDA-authorized with emergency use authorization (EUA). These tests are sold at an ever-growing list of retailers, though they may be hard to find due to a limited supply and high demand. Initially, Rite Aid, Walmart, Sam's Club, and Walgreens will participate in the COVID Testing Preferred Network. We are looking to expand our preferred network in the days ahead as other retailers become operationally ready.

We have also expanded our direct coverage offering with a direct-to-consumer shipping option using OptumRx's Mail Order/Home Delivery service. Members can log in to the Independence Administrators member portal at myibxtpabenefits.com, click on 'Pharmacy' in the 'My Benefits' box, scroll down and select 'Pharmacy Mail Order / Home Delivery.' A new page will open. From there, members will select 'Order Now' to get at-home COVID-19 tests with \$0 copay. There is a minimum order amount required to get free shipping. Members who have not accessed the Pharmacy Mail Order/Home Delivery function previously will be required to register their account.

We will continue to share updates through our regular communications channels to keep our clients and members informed.

Q: Are OTC COVID-19 tests covered even if the tests were not ordered or recommended by a health care provider?

A: Yes. OTC COVID-19 tests purchased without an order or individualized clinical assessment by a health care provider are covered—up to eight (8) tests per member per calendar month. Please note that most tests are packaged with multiple tests per package. The coverage is per test, not per package.

Q: Does Independence Administrators have the ability to differentiate COVID-19 tests ordered by a physician vs OTC tests? [Added February 3, 2022]

A: Yes. The claim will distinguish the origin and type of test the member receives for us to differentiate between OTC tests and physician-ordered tests. This will allow us to ensure that members can only receive eight (8) OTC tests per member per calendar month, in accordance with the new Biden Administration policy, and that members can receive an unlimited number of physician-ordered tests so long as the test complies with our [testing coverage medical policy](#).

Q: Can a member be reimbursed for OTC COVID-19 tests for employment purposes?

A: No. Group health plans are not required to provide coverage of COVID-19 testing, including OTC tests, for employment, travel, or return-to-school purposes.

Q: Does the group health plan still cover the cost of COVID-19 tests administered with a health care provider's involvement or prescription?

A: Yes. During the Federal Public Health Emergency (PHE), the group health plan will cover the cost of a COVID-19 diagnostic test without applying member cost share (such as deductibles, copays, and coinsurance) for tests ordered by a provider or when a provider refers you for a test.

Q: How long will it take for a member to be reimbursed for OTC tests?

A: Members should allow on average 30 days for claims processing and for payment to be issued.

Q: How can a member check on the reimbursement status when the claim is submitted through FutureScripts?

A: Members can access the Independence Administrators Member Portal to check their claim status or contact OptumRx/FutureScripts via the message center if the claim is not yet appearing. If additional assistance is needed, members can call the customer service number on the back of their member identification card.

Q: How do my members get reimbursed for over-the-counter tests?

If a member paid out of pocket for an OTC COVID-19 test on or after January 15, 2022, the member can submit a [claim](#) to be reimbursed up to \$12 per test.

As always, members can call the phone number on their member ID card if they have any additional questions.

Q: What will the cost be to self-funded group employers when FutureScripts is the PBM?

A: For the Preferred Network, pricing will be based upon Rite Aid's, Walmart's, Sam's Club's, and Walgreens's owned pharmacies Usual & Customary (U&C) submissions, plus a \$0.50 dispensing fee per claim. This \$0.50 dispensing fee replaces the existing contracted dispensing fee for these test kits. There will also be a \$2 per claim administrative fee. The \$2.50 fee (administrative and dispensing) is assessed per claim, not per test. So, if a member submits a claim for one test or eight tests, the total fee (administrative and dispensing) assessed is the same: \$2.50.

For Direct Member Reimbursement (DMR) claim pricing will be processed at a cost of up to \$12 per test with a \$2 per claim administrative fee. The \$2 administrative fee is assessed per claim, not per test. So, if a member submits a DMR claim for one test or eight tests, the total fee assessed is the same: \$2.

Our Fraud, Waste, and Abuse (FWA) processes will closely monitor the U&C charges to protect the financial best interests of our clients.

Q: What is the approximate cost of the COVID-19 test kits?

A: The average U&C is between \$10-\$13 per test for Rite Aid, Walmart, Sam's Club, and Walgreens.

Q: Will rebates apply to these tests?

A: No, rebates will not apply to these over-the-counter products.

Q: Why is OptumRx charging a \$2 per claim administrative fee for self-funded customers?

[Added February 3, 2022]

A: OptumRx is putting forth a substantial level of unanticipated operational and administrative effort, including added personnel, to build and consistently maintain multiple dimensions of a program like this. These efforts include network pharmacy contracting; claims adjudication setup/maintenance; direct member reimbursement support; product file maintenance; member and provider service/communications support; program-specific analytics/reporting; web portal enhancements; and fraud, waste, and abuse monitoring. The assessed fees are designed to help cover some of the associated costs of these efforts and are in line with, if not lower than, industry benchmarks. Further, we are not adding any margin nor passing on any applicable DMR fees to our customers. The \$0.50 per

claim dispensing fee is being paid directly to the pharmacy. These are OTC products (not prescription items) for which pharmacies would typically collect a full retail price.

Additionally, OptumRx is fully passing through pharmacy network pricing to all our customers, traditional and pass-through, applying special adjudication logic for this unique Network. Also, if a member processes a claim for eight (8) tests, the fee is only assessed once for the submitted claim; it is not assessed per test.

Q: Where do Independence Administrators' administrative services agreements with customers allow for the administrative fees and pharmacy rates? [Added February 3, 2022]

A: Independence Administrators' administrative services agreements with self-funded customers authorize Independence Administrators to charge self-funded customers administrative fees for administrative services. In response to the Biden Administration's regulatory guidance, Independence Administrators established the COVID Testing Preferred Network with unique rates and adjudication rules. Independence Administrators' administrative services agreements with self-funded customers did not contemplate or include services related to the COVID Testing Preferred Network. Therefore, it is appropriate and reasonable for Independence Administrators to charge an administrative fee to self-funded customers for services related to the COVID Testing Preferred Network. The self-funded customer's participation in Independence's COVID Testing Preferred Network will assist the self-funded customer in its compliance with the regulatory guidance. OTC tests dispensed through the COVID Testing Preferred Network will be charged to the customer at the participating pharmacies' U&C plus a \$0.50 dispensing fee. Additionally, an administrative fee of \$2 per claim to OptumRx will be added and rebates will not apply to these over-the-counter product claims. Participation in the COVID Testing Preferred Network is voluntary and customers may choose not to participate in the COVID Testing Preferred Network if these terms are not acceptable to them.

Q: Does Independence Administrators require an amendment to plan documents to reflect coverage of OTC/at-home test kits? [Added February 3, 2022]

A: Independence Administrators' contracts include a 'Compliance with Law' provision that requires that Independence comply with all applicable Federal, state, and local laws, and regulations. Therefore, an amendment to our contracts is not necessary.

Q: What are the Safe Harbor requirements?

A: Safe Harbor requirements apply if the health plan or insurer provides tests through its pharmacy network at Point-of-Sale and a direct-to-consumer shipping program, under which there is no upfront out-of-pocket expenditure by the participant. Independence Administrators, in working with FutureScripts, is offering a Point-of-Sale provider network and good faith, diligent compliance efforts to establish a direct-to-consumer shipping option using OptumRx's Mail Order/Home Delivery service.

Q: Can you confirm that your coverage of OTC COVID tests satisfies the two safe harbors on behalf of self-insured (SI) clients?

A: Independence Administrators does not provide legal advice. Independence Administrators, in working with FutureScripts, is offering a Point-of-Sale provider network and good faith, diligent compliance efforts to establish a direct-to-consumer shipping option using OptumRx's Mail Order/Home Delivery service.

Q: Explain the \$12 cost cap the government is talking about?

A: The \$12 cost cap is a cap on coverage for out-of-network providers that can be implemented when the Safe-Harbor requirements are met. The maximum amount that is required to be reimbursed is \$12

per test.

Q: How will OTC COVID-19 tests be adjudicated for clients that enroll in this network?

A: A COVID-19 OTC Drug List will be associated with the network to allow coverage of OTC COVID-19 antigen tests that are FDA-authorized and are included in the Medispan file through the pharmacy benefit.

The adjudication platform is set-up to process any OTC COVID 19 antigen test currently on our drug list with a max quantity limit of 8 units per covered member per calendar month across the entire list of products included in the OptumRx standard offering. A rejection will occur if the member selects product package sizes that do not comply with established quantity limits (e.g., packages containing greater than 8 tests that cannot be broken apart) and a PCR test that requires submission to a lab and provider involvement to review and confirm results.

If a member attests the test is for illness or contact with COVID-19, our solution's point-of-service (POS) rules will limit the number of tests a member can purchase to eight per person per calendar month to align with the requirements of the Biden administration's insurance coverage mandates.

These tests will adjudicate at \$0 member copay until the member reaches the limit. Once the member has exhausted their allowed tests, the member will be responsible for the cost of their tests.

If a member exhausts their allowed test or attests that it's for school or employment reasons, the solution's rules will deny the claim, and the member will need to cover the full cost of the test.

Q: Is a prescription required to get an OTC COVID-19 test?

A: No, a prescription will not be required for OTC COVID-19 test kits.

Q: Will the OTC COVID-19 tests be covered without cost sharing for HDHP members?

A: Yes, HDHP members are eligible to receive up to 8 tests per covered member per calendar month.

Q: Will you be able to process claims from vendors outside of the COVID Testing Preferred Network?

A: Yes, members can submit a claim for reimbursement using this [form](#).

Q: Will reporting be available to customers?

A: Yes, we're in the process of evaluating the specific metrics to provide detailed reporting to our clients in the coming weeks.

Q: Are members required to provide proof of purchase, and/or written attestations that tests are for personal use? What processes are in place to prevent potential fraud?

A: Members will be required to provide a receipt and to attest to the purpose of the test when submitting for reimbursement. We include an acknowledgment on the form which states, "I certify that the OTC COVID-19 test for which reimbursement is requested were received for use by the patient above, and that I (or the patient, if not myself) am eligible for benefits. I also certify that the test kits received were not for employment-related COVID-19 testing requirements." Additionally, when a member purchases a COVID-19 OTC test from a pharmacy, the pharmacist will get a pop-up notification asking the member to certify that the test is not for employment purposes.

Q: For plans with carved-out pharmacy benefits please confirm if the underlying medical plan will

standardly cover this so that coordination with the PBM can be done to exclude coverage. If the plan wanted to cover through the PBM instead, is it possible to exclude coverage under medical to avoid both the TPA and PBM funding more than the required allotted number of maximum tests?

A: We will deny the claim under medical, if it's being covered under the PBM, to ensure benefit accumulators are accurate.

Q: What is the setup for self-funded/ASO clients who do not have Pharmacy/PBM benefits through FutureScripts?

A: For clients that use a PBM other than FutureScripts, we are assuming the client will be using their PBM for coverage of the tests. PBMs have the network to meet the requirements by implementing a preferred pharmacy and/or direct-to-consumer solution, which cannot be accomplished in the same manner through medical benefits. If the client does not want to use their PBM and wants to process reimbursement claims through the medical coverage, they need to contact their Account Executive for details. It is important to keep in mind that to ensure only eight tests per member per calendar month are processed, using one benefit program will be ideal.

Q: Are pharmacies that are not in the COVID Testing Preferred Network considered non-participating?

A: Yes, for Test Kits. If a member obtains an FDA-authorized OTC test on or after January 15, 2022, without leveraging our available COVID Testing Preferred Network solution, that member will still be eligible for reimbursement, but would be limited to a max reimbursement of \$12 per test obtained and 8 tests per 30 calendar days.

Q: Will COVID testing done by a provider (PCP, urgent care, pharmacist, etc.) be counted towards the limit (i.e., 8 tests per member per calendar month)?

A: No. Any diagnostic test a member receives through and ordered by a health care provider will not be subject to the 8 test per calendar month limit.

Q: Will you exclude coverage of any OTC COVID tests (e.g., tests not authorized by the FDA)?

A: Yes. Coverage is only available to FDA EUA OTC tests subject to the Federal guidelines.

Q: Will the group health plan that has FutureScripts limit the reimbursement of tests purchased at non-preferred pharmacies or at other non-preferred retailers to the lesser of \$12 or the actual price of the OTC test (e.g., if two tests in a kit, you will reimburse \$24)?

A: Yes.

Q: Will the group health plan stop covering OTC COVID tests when the emergency order is no longer in place?

A: Yes, coverage of OTC tests will last for the duration of the Federal Public Health Emergency (PHE).

Q: How are you educating the member on which pharmacies/sellers are preferred and on the coverage limit (i.e., \$12 per test) when a non-preferred pharmacy/seller is used?

A: The group health plan will communicate all the program details with its members.

Q: What reasonable steps will be taken to ensure that members have sufficient access to tests through an adequate number of retail locations, as required by the safe harbor?

A: Through our COVID-19 Testing Preferred Network, for group health plans that have FutureScripts, members will have access to purchase OTC tests at over 2,700 Rite Aid locations in nearly 20 states, over 4,800 Walmart locations, nearly 600 Sam's Club locations in all 50 states, and nearly 9,000 Walgreens locations nationwide.

Q: Will the OTC COVID test be covered at no cost for members enrolled in an HSA eligible plan?

A: Yes, HSA members will not incur any costs for OTC COVID tests.

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