

Pathways to Coverage for COVID-19 Testing and Treatment for Adults in Medicaid Expansion and Non- Expansion States

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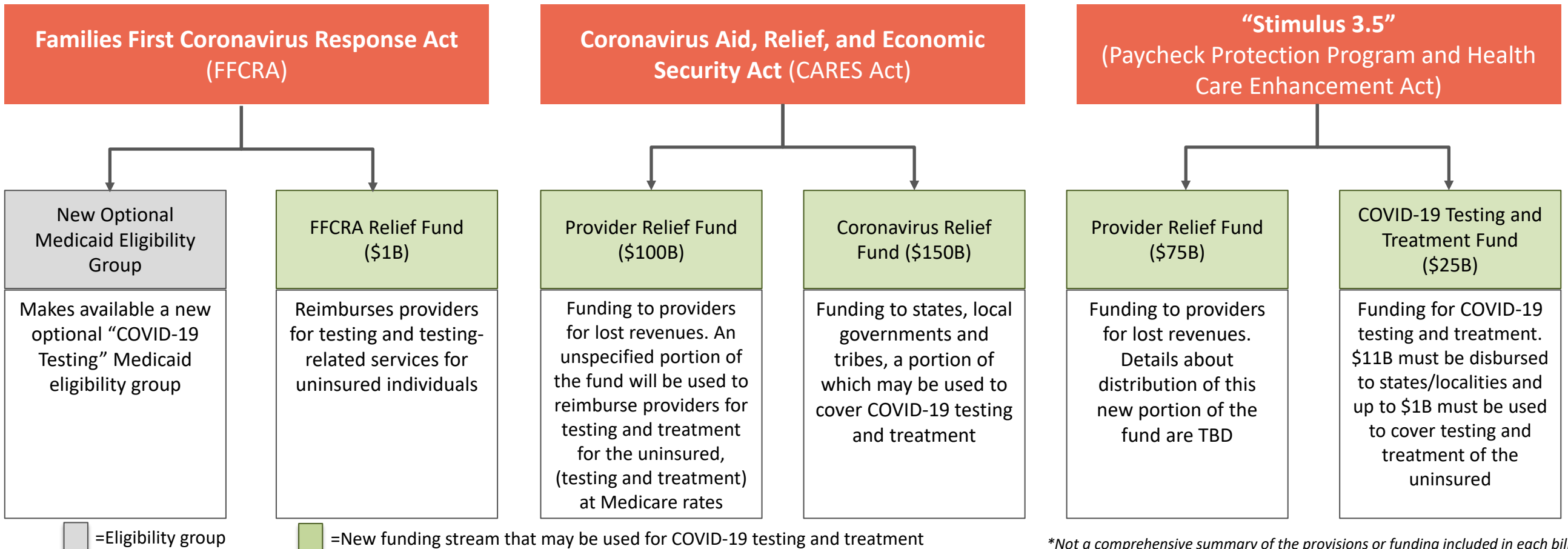
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Context Setting

- States are actively pursuing various coverage options for uninsured individuals who need COVID-19 testing and treatment
- Available coverage options vary based on an individual's income and immigration status and whether a state has expanded Medicaid or not
- In addition to existing Medicaid State Plan and Marketplace coverage options, Congress enacted new options for providing coverage for the uninsured for COVID-19: (1) testing-only; and (2) testing and treatment
- Federal legislation also includes other targeted funding to help support health care providers responding to the pandemic

Summary of Relevant Legislation and Funding Streams

Legislation in March and April 2020 created new opportunities for providers to be paid for COVID-19 testing and treatment via new Medicaid eligibility groups and new funding streams. Below is a high-level summary of the applicable mechanisms made available by each piece of legislation*



*Not a comprehensive summary of the provisions or funding included in each bill

Optional Medicaid Eligibility Group for COVID-19 Testing

- **The Families First Coronavirus Response Act (FFCRA) created a new optional “COVID-19 Testing” Medicaid Eligibility Group**
 - States may use the Medicaid Disaster State Plan Amendment (SPA) template to elect an optional Medicaid eligibility group to provide COVID-19 testing and testing-related services for uninsured individuals, without regard to income and without cost sharing, during the public health emergency
 - Uninsured individuals include those who are not enrolled in other commercial or federal health care programs
 - Regular Medicaid residency and immigration rules apply
 - Medical assistance and administrative costs are matched at 100% Federal Medical Assistance Percentage (FMAP)
 - Coverage may be effective as of March 18
 - The CARES Act amended the group to ensure that uninsured individuals in non-expansion states could be eligible for this group

Funding for COVID-19 Testing

Funding for COVID-19 Testing and Related Services

- **\$1 Billion FFCRA Relief Fund**
 - Funding to be used to pay claims for providers for reimbursement of testing and testing-related services for uninsured individuals
 - The Health Resources and Services Administration (HRSA) will distribute this funding through a claims-based system directly to registered providers, paid at Medicare rates
- **\$25 billion “COVID-19 Testing Fund” (“Stimulus 3.5”)**
 - Up to \$1 billion of the fund must be used to pay claims to providers for reimbursement of testing and testing-related services for uninsured individuals; details have not yet been released about how this funding will be distributed, but it is likely to follow the HRSA approach above
 - At least \$11B is available to states/localities to support testing and testing-related needs

Funding for COVID-19 Testing and Treatment

Provider Relief Fund

- **The CARES Act established a \$100B fund** to reimburse eligible health care providers for expenses or lost revenue attributable to COVID-19, including related to testing and treatment
 - An unspecified portion of the fund will be earmarked for an “Uninsured Relief Fund” that HRSA will administer to reimburse providers for testing *and* treatment, at Medicare rates
 - **\$50B** of the fund to be distributed based on net patient revenues in 2018
 - **\$12B** for “high-impact” areas (i.e., targeted distributions to hospitals in areas that have been particularly affected by COVID-19)
 - **\$10B** for rural providers; **\$400M** for Indian Health Services; and an additional, unspecified allocation for Medicaid only providers
- **“CARES Act 3.5” appropriates an additional \$75B** to the Provider Relief Fund
 - HHS has not yet announced how that funding will be distributed, and whether any portion will support uninsured testing/treatment

Coronavirus Relief Fund

- **The CARES Act established a \$150B fund** to states, tribal governments and local governments. Key features include:
 - Funding is distributed by the Treasury, largely in proportion to state population (with a floor of \$1.25B per state)
 - Local governments with populations of 500,000 or more may receive up to 45% of state allocation
 - There are few restrictions on use of funding—may be used to support COVID-19 testing and treatment – but many demands on the fund

Pathways to Coverage for COVID-19 Testing and Treatment for Adults: Medicaid Expansion States

Income below 138% FPL

Citizen or lawful immigrant and not subject to five-year bar

Eligible for Medicaid¹; No co-pays for COVID testing and treatment

Lawful immigrant subject to five-year bar²
OR undocumented

Emergency Medicaid for emergency COVID-19 testing and treatment³

Enroll in Marketplace coverage, if eligible for special enrollment period (only for lawful immigrants subject to five-year bar)

Alternate testing and treatment options

Testing

See Slide 6 (Funding for COVID-19 Testing)

Testing and/or treatment

See Slide 7 (Funding for COVID-19 Testing and Treatment)

Income above 138% FPL (or higher in states with higher Medicaid eligibility levels for its adults)

Citizen or lawful immigrant and not subject to five-year bar

Implement time-limited expansion for Medicaid coverage above 138% (via SPA for full benefits or via 1115 waiver for limited coverage*)

Enroll in Marketplace coverage if eligible for special enrollment period

Alternate testing and treatment options

Testing

See Slide 5 (Optional Medicaid Eligibility Group)
See Slide 6 (Funding for COVID-19 Testing)

Testing and/or treatment

See Slide 7 (Funding for COVID-19 Testing and Treatment)

Lawful immigrant subject to five-year bar²
OR undocumented

Enroll in Marketplace coverage if eligible for special enrollment period (only for lawful immigrants subject to five-year bar)

Alternate testing and treatment options

Testing

See Slide 6 (Funding for COVID-19 Testing)

Testing and/or treatment

See Slide 7 (Funding for COVID-19 Testing and Treatment)

*Not approved by CMS for any states to date

Notes: ¹ A very small subset of immigrants who enroll in Medicaid for non-emergency coverage may be impacted by public charge rules. Most immigrants who are eligible for Medicaid are not subject to public charge determinations.

² States have the option to provide Medicaid coverage to pregnant women and children who are subject to the five-year bar; public charge determinations do not consider Medicaid benefits used by pregnant women and children.

³ Requires state to revise Emergency Medicaid policies to cover COVID-19 emergency testing and treatment; some states may have concerns about doing so if an individual is not in acute distress, but several states (MA, MI, NY, WA) have defined testing and treatment for symptoms of COVID-19 as emergency services within their emergency Medicaid programs.

Pathways to Coverage for COVID-19 Testing and Treatment for Adults: Medicaid Non-Expansion States



Income below non-expansion state's Medicaid eligibility levels

Citizen or lawful immigrant and not subject to five-year bar

Eligible for Medicaid⁵; No co-pays for COVID testing and treatment

Lawful immigrant subject to five-year bar⁶
OR undocumented

Emergency Medicaid for emergency COVID-19 testing and treatment⁷

Enroll in Marketplace coverage if eligible for special enrollment period (only for lawful immigrants subject to five year bar)

Alternate testing and treatment options

Testing

See Slide 6 (Funding for COVID-19 Testing)

Testing and/or treatment

See Slide 7 (Funding for COVID-19 Testing and Treatment)



Income above state's Medicaid eligibility levels

Citizen or lawful immigrant not subject to five-year bar

Implement time-limited Medicaid expansion coverage (via SPA for full benefits or 1115 waiver for limited coverage*)

Enroll in Marketplace coverage, if eligible for special enrollment period

Alternate testing and treatment options

Testing

See Slide 5 (Optional Medicaid Eligibility Group)
See Slide 6 (Funding for COVID-19 Testing)

Testing and/or treatment

See Slide 7 (Funding for COVID-19 Testing and Treatment)

Lawful immigrant subject to five year bar **OR** undocumented⁶

Enroll in Marketplace coverage if eligible for special enrollment period (only for lawful immigrants subject to five-year bar)

Alternate testing and treatment options

Testing

See Slide 6 (Funding for COVID-19 Testing)

Testing and/or treatment

See Slide 7 (Funding for COVID-19 Testing and Treatment)

*Not approved by CMS for any states to date

Notes: ¹ A very small subset of immigrants who enroll in Medicaid for non-emergency coverage may be impacted by public charge rules. Most immigrants who are eligible for Medicaid are not subject to public charge determinations. ² States have the option to provide Medicaid coverage to pregnant women and children who are subject to the five-year bar; public charge determinations do not consider Medicaid benefits used by pregnant women and children. ³ Requires state to revise Emergency Medicaid policies to cover COVID-19 emergency testing and treatment; some states may have concerns about doing so if an individual is not in acute distress but several states (MA, MI, NY, WA) have defined testing and treatment for symptoms of COVID-19 as emergency services within their emergency Medicaid programs.

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