

March 10, 2020

Coronavirus Testing Benefit Considerations

As we continue to monitor COVID-19 and its impact throughout the world and within the U.S. there are several issues impacting employee benefits that employers need to consider quickly. While information is changing rapidly we wanted to provide some immediate updates based on what we know as of right now, so you can make decisions on how you would like to proceed.

COVID-19 Testing

Last Thursday, The [US Centers for Disease Control and Prevention \(CDC\)](#) expanded its testing guidelines for COVID-19 to be covered as a preventive benefit. Lab Corp. announced last Thursday, that it was immediately offering testing for COVID-19, while Quest Diagnostics said it will start testing specimens this week. It is important to note that there continues to be a testing supply issue so while these labs may be able to complete the testing they may not have the supplies to do so. Members cannot just request testing, a physician's prescription is required, and will be ordered based on CDC guidelines after completion of an overall risk assessment that will review symptoms and potential for exposure based on travel, interaction with those having potential or presumptive diagnosis in the area, etc.

Cost Impact

There is significant concern that cost could be a barrier for testing which was compounded by stories in the media around price gouging examples that had an average testing charge exceeding \$3,000. In order to help quickly identify and diagnose potential exposures to limit the continued spread many national carriers have advised that costs will be provided at no charge for their fully insured customers. Additionally, some of these carriers are offering telemedicine at no cost to provide frontline support to avoid having potentially at risk individuals seek care in a physician's office or hospital which would expose more individuals.

While this helps support employers with fully insured plans those employers who are self-funded are being asked to quickly determine if they would also like to waive cost share and absorb the full cost of testing.

Unfortunately, there are no estimates of total costs being provided by the carriers as there is no way to estimate the number of tests that will be needed. For most plan changes, Trion and plan sponsors consider this information to be vital in terms of making an informed decision. Since we cannot confirm the potential total cost impact to waive cost share, we are providing the unit cost information we have to date.

Where the test is completed will impact the cost of the testing, for example when completed in a lab versus in a hospital setting. In terms of the cost of the testing we have polled the national carriers to try and gage their estimated costs and have received various ranges from \$50-\$150. Cigna is reporting that LabCorp is offering the test at \$51.31 and Quest at \$95. Please keep in mind that your carrier may have a preferred lab differential in cost. We have heard from Highmark that locally, the physician rate paid if the test is performed in an office setting is between \$81.50 and \$143.70 and an independent lab rate paid if the test is performed in that setting is between \$81.50 and \$99.22 with out of area pricing not being available at this point. Keep in mind that physicians are not prepared with supplies to complete the testing in the office location at this point. This may change in the coming weeks as testing supplies increase.

Action Steps

- Self-funded employers need to quickly determine if they will cover the test with no cost share and advise their Third Party Administrator accordingly.
- If plans decide to cover the test, your plan documents should be updated to reflect this coverage change to assure accuracy and avoid any issues from a stop loss perspective.
- If you currently work with a Third Party Administrator that has not yet established a position we encourage you to work with your Trion team to prepare and make determinations on how your plans would like to proceed.

Frequently Asked Questions

Do self-funded plans have the option to not waive employee cost share?

Yes, many carriers are taking the approach that employers have assumed consent to cover and if an employer wants to opt out of covering with no cost share they will need to advise per that carrier's specific guidelines by the dates communicated. Please keep in mind that members will be receiving communications from various sources and in most cases do not understand if their plan is fully insured or self-funded so the opportunity for confusion rises.

If we decide to cover the cost of the test does that mean the member will have no out of pocket costs?

No, the test for the coronavirus itself will be considered preventive and can be covered at 100% for any plan, that doesn't mean the patient is exempt from any cost related to the physician visit or potentially cost of care if diagnosed.

Members should *not* consider the physician visits as preventive care services (only the test itself) as they are visiting their physician because of a condition and as such cost share may apply. In terms of high deductible health plans the testing can be covered at no charge but in terms of actual treatment HDHP participants will need to meet their deductibles first.

Should we communicate our decision to cover the testing with no cost share or not cover to the Members?

This is an employer level decision, each carrier has released or is in the process of releasing information on how benefits will be covered as well as providing information on any additional resources they may be offering to their members. Given the quickly changing dynamics of this situation you may want to defer to the carrier's communications to avoid having to field questions that only they can effectively answer. Please note we believe most employers will be covering with no cost share and that customer service, telemedicine, and employee assistance programs being deployed as additional resources will most likely be working off the assumption that all plans are covering with no cost share.

Are there other benefit impacts we need to be aware of at this point?

Some carriers and PBMs are temporarily relaxing or waiving refill too soon programs to make sure patients have the medications on hand should mandatory or self-imposed quarantines take place. CVS Health announced yesterday that they would be making free prescription home delivery available so patients can avoid leaving their homes: <https://www.usatoday.com/story/money/2020/03/09/coronavirus-cvs-deliver-medications-no-extra-cost/5002329002/>

Carrier Responses and Resources:

Please note the links below were current as of release of this communication, Employers should work with their Trion teams and Carrier contacts to make sure they have the latest information on coverage and services. Some of these carriers have also provided sample communications that you may find useful:

[Aetna](#)

[Carefirst](#)

[Anthem](#)

[Cigna](#)

[BCBS of IL](#)

[Highmark](#)

[BCBS of Texas](#)

[Horizon BCBSNJ](#)

[BCBS of MA](#)

[Humana](#)

[BCBS of NC](#)

[Independence](#)

[BCBS of WNY](#)

[Kaiser](#)

[Capital Blue Cross](#)

[UHC](#)

[UPMC](#)

Additional Resources:

MMA has multiple resources across our family of companies to help your business prepare and respond effectively including:

Coronavirus Planning, Response, and Recovery Webinar Replay:

Marsh's insurance, claims, business continuity, crisis management, and resiliency consulting specialists can help you manage the potential risks to your organization from the coronavirus outbreak. The webinar below will help walk through what your business needs to do right now.

[Listen to Replay Here](#)

We can also help you consider appropriate employee support mechanisms and/or communications and considerations relating to your medical and/or travel accident policies for domestic or mobile employees. Please find attached a useful presentation from our Colleagues at Mercer which includes survey data on how other Employers are planning to respond.

With your Trion relationship you have access to ThinkHR which is available to help with specific compensation, policy and leave questions as well as providing sample business policies that may be of value should the situation escalate.

We can help with custom communications in addition to some of the useful CDC and other sample communication materials provided below.

Please contact your MMA Trion representative directly with any questions or concerns.

Resources

[Outbreaks, Epidemics, and Pandemics: Preparedness and Response](#)

[How to Put People First As the Coronavirus Outbreak Grows](#)

[New Coronavirus Outbreak: Immediate Steps for Multinationals](#)

[World Health Organization](#)

[Centers for Disease Control and Prevention](#)

[CDC Coronavirus Fact Sheet](#)

[Mercer Corona Report](#)

[Marsh Coronavirus Resilience Fact Sheet](#)

[Coronavirus Flyer](#)

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