



Coverage of OTC COVID-19 At-Home Test Kits

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Background Information:

- ❖ American Rescue Plan (ARP) Act of 2021:
 - Medicaid must cover all FDA-authorized COVID-19 Tests (including OTC)
 - No participant cost sharing
 - States may apply utilization management technics
 - States need to submit Medicaid State Plan Amendment to add coverage

- ❖ CMS/NAMD OTC COVID-19 Tests Workgroup Meeting - 1/24/22:
 - States can decide how to operationalize coverage of OTC COVID-19 at-home test kits
 - Pharmacy benefit vs. Durable Medicaid Equipment benefit
 - Medicaid cannot pay participants directly for tests
 - COVID-19 Public Readiness and Emergency Preparedness (PREP) Act
 - Expands scope of authority of licensed pharmacists to order and administer select COVID-19 therapeutics
 - States need to educate participants of coverage
 - States need to educate pharmacy providers of coverage

Maryland Medicaid met with:

- ❖ Internal Stakeholders – multiple times
 - Decided to cover under pharmacy benefit
 - Agreed to allow pharmacists to order, when necessary
 - Finalized provider reimbursement and quantity of test kits

- ❖ HealthChoice MCOs - twice
 - Decided to Carve-Out OTC COVID-19 Test Kits from MCO benefit
 - Instructed MCOs to notify participants

- ❖ Pharmacy Claims Processor – multiple times
 - Identified test kits to cover
 - Implemented necessary system changes
 - Created education/guidance to pharmacy providers
 - Operationalized on 2/17/22

Outcome/Decision:

- ❖ Coverage: 4 tests/member/30 days
 - More than 4 require Prior Authorization
- ❖ 12 different test kit products are covered (1 or 2 tests per kit)
 - Provider guidance provides specific products covered
- ❖ Pharmacy reimbursement:
 - \$10 per test
 - \$10.67 dispensing fee per claim
 - \$0 participant copayment

Q & A

