

Private Insurers Must Cover At-Home Tests

Mandate Starts Jan 15, 2022

- **Employer plans must cover at home tests ([here](#)).** This means that a consumer with private health insurance can purchase a test either at a pharmacy or online and have it either paid for up front by their health plan or be reimbursed for the cost by submitting a claim to their plan. Individuals do not need an order from their health care provider to access these tests for free.
- **Insurance companies and health plans are required to cover up to eight (8) free OTC at home tests per covered individual per month** (for a family of 4 this would be 32 tests/month). There is no limit if ordered by a health care provider or if needed due to underlying medical conditions. If plans and insurers make tests available for upfront coverage through preferred pharmacies or retailers, they are still required to reimburse tests purchased outside of the network up to \$12 per individual test.
- **Individuals would have no cost-sharing or deductible.** A family of four, all on the same health plan, would be able to be reimbursed by their insurance for 32 tests a month, for example.
- **Insurers may complain but tests are fairly cheap, and the limit is helpful.** America's Health Insurance Plans, one of the lead trade associations for health insurers, has expressed concerns about increasing prices for OTC tests and higher premium for consumers. Insurers note that they'll have to bring on additional staff to handle the increased volume of claims for OTC covid tests.
- **Healthcare costs have been manageable for plans during COVID and there has been a favorable policy environment during the public health emergency (PHE).** We are learning this week at JPM that medical costs aren't as high as delta, with hospitalizations with one firm being 60% of Omicron. That means low cost outpatient visits, and so forth.
- **NEXT UP: The rules starts Jan 15.** Separately, on BBB, we expect ACA subsidies to continue in some form or shape, even potentially as a rider to something else. While health plans may complain, we do not believe that the administration will change its tune. Recall Biden called for 500 M free home tests to be delivered to Americans in December. Last we checked, this dissemination has not yet begun.