

Medicare Will Cover COVID-19 At Home Test Kits

CMS Model Enables Free Access by Early Spring 2022

- **Medicare and Medicare Advantage beneficiaries are eligible for free OTC COVID-19 tests ([here](#)), after CMS did the same for commercially covered Americans.** Under the new initiative beginning Spring 2022, Medicare beneficiaries can get eight at home FDA approved or authorized COVID-19 test kits per month, with zero cost sharing.
- **Up to 8 tests are covered, with CMS likely reimbursing pharmacies & entities directly (though details have not been worked out by CMS yet).** Beneficiaries can pick up their tests at eligible pharmacies and other participating locations. Currently, Medicare does not provide coverage for OTC COVID-19 tests.
- **CMS's initiative sets a new precedent for providing free OTC tests.** This model enables payment from Medicare directly to participating pharmacies and points of pick up. Medicare beneficiaries will incur no costs at the point of sale. Medicare already fully covers one lab-performed test without a physician's order, during the public health emergency. However given the significant backlogs in getting test results from labs, CMS's decision will mitigate waiting times and encourage beneficiaries to test themselves proactively.
- **Medicare Advantage beneficiaries may be eligible and Part A and Part B beneficiaries are eligible for coverage.** As of now, Medicare Advantage Plans may cover and pay for OTC COVID-19 tests as a supplemental benefit, in addition to coverage under Part A and Part. Under the new CMS model, Medicare beneficiaries under Part B will be eligible to get eight free OTC COVID-19 tests per month regardless of their Medicare Advantage plan enrollment.
- **Recall employer plans must cover at home tests effective January 15, 2022 ([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.
- **Possible FDA Commissioner Rob Califf is committed to streamlining the COVID test approval process upon confirmation. He may need to act on this promise sooner rather than later with CMS's announcement.** Today's announcement from CMS and Califf's proposed EUA reforms have an immediate impact on COVID testing manufacturers (Abbott, CareStart, Maxim, OraSure, and Quidel and others, see [here](#)). Note Califf's Senate confirmation vote is reportedly under fire. While his nomination is not dead, it is not 100% alive as well. He requires 51 votes (simple majority) for confirmation.
- **NEXT UP: Too little too late with Omicron waning? Medicare coverage for COVID-19 at home test kits goes live by early Spring 2022.** The Biden administration is big leaps to address the COVID-19 testing crisis. Remember every American household is eligible for home delivery of four free COVID-19 test kits at [covidtests.gov](https://www.covidtests.gov). Biden continues to receive pushback on this ability to address the immediate needs of the pandemic, and his plans to address the inevitable endemic status of COVID-19. These efforts to expand accessible testing could influence opinions going into the mid-term elections.