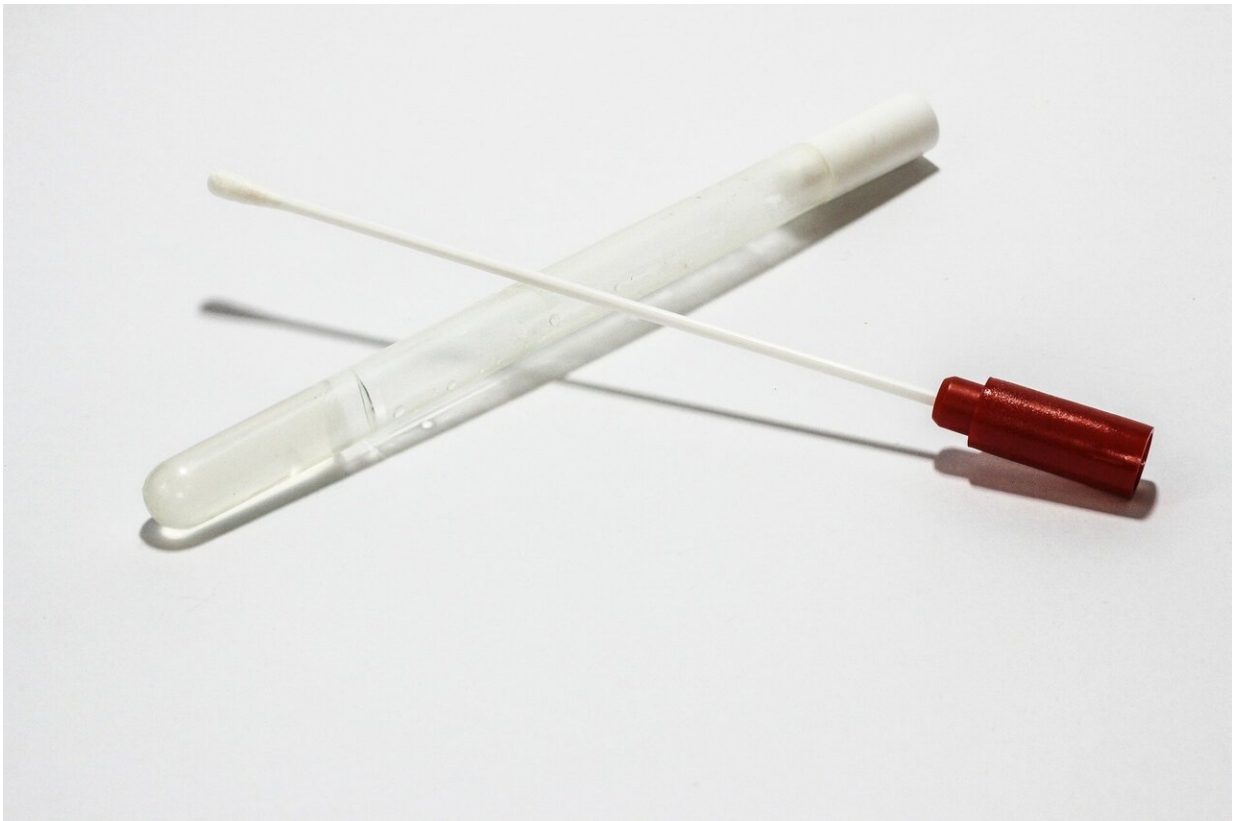


How easy will health insurers make it to get free, at-home COVID-19 tests?

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Trying to get screened for COVID-19 before the holidays, Gia Ingenito stood in a long line at a free testing site in a park two blocks from the White House last week.

The free, at-[home tests](#) at her neighborhood library had been snapped up in minutes.

So she patiently waited in the December chill, on the day President Joe Biden announced new measures to make at-home tests more available—although not until January.

Next month, Americans will be able to request free tests from a website and kits will be mailed to homes.

The website, and other details about how and when the tests will be distributed, have not been released.

Also still to come are the parameters for how private health insurers will have to pick up the tab for over-the-counter tests, a requirement Biden announced at the beginning of December as the highly infectious omicron variant was just starting to spread.

If consumers have to seek reimbursement from the insurer after buying a test, rather than getting it free at the pharmacy, that would be "better than nothing," said Ingenito, 37, an executive assistant at an accounting firm.

"But it's another deterrent," she added.

Ingenito said it would be "ideal" if consumers could just show an [insurance card](#) when picking up an at-home test at the pharmacy, similar to how she provided her insurance information at the city's free site.

She's not alone in that view.

Experts urge fewer hurdles

It's not clear yet if the White House plan will require consumers to seek reimbursement from insurers, or if insurers will work with pharmacies to make the tests free to consumers up front.

Several top health experts have urged the latter approach. They say that requiring reimbursement would create additional hurdles for consumers, who would have to save receipts, submit them and wait to get their money back. And the U.S. can't afford a burdensome process at a time when infections are rising, the demand for testing is higher than ever, and people are gathering inside during the winter months.

"If you are somebody who is struggling to make ends meet and they're being asked to spend some of your own money to buy rapid tests and then wait for reimbursement, that's really not even going to be an option for people even if they do get reimbursed," said Dr. Celine Gounder, an epidemiologist who advised Biden's transition team on COVID-19.

But insurers might not want to make it too easy to get the free tests. Extensive use could escalate their costs and [health plans](#) have warned those bills could be passed along to consumers through higher premiums.

Ensuring that Americans can get tested easily and affordably is a central part of the administration's strategy to reduce the spread of the coronavirus without shutting schools and businesses. But in addition to the cost obstacle, tests are in short supply. Retailers have been limiting how many can be purchased at a time.

"One of the other things that we know that has to be done is more testing," Biden said when announcing new measures to help. "And on that score, we are not where we should be."

Adrienne McCray, a 47-year-old landscape architect who put an hour's

worth of money into her parking meter before getting in line for a COVID-19 test Tuesday, said she would use her [health insurance](#) to get an at-home test even if it meant having to seek reimbursement after purchase. But she thinks many others will bypass that option.

"It just needs to be more accessible all around," McCray said of testing.

Insurers can make it easier or harder

Jeff Zients, the White House COVID-19 response coordinator, said last week that all ideas, including requiring insurers to work with pharmacies so people don't have to file for reimbursement, are "on the table."

"That'll be worked through across the next couple of weeks with clear guidance on how American consumers with private health insurance can be easily reimbursed for their test," Zients said during the COVID team's final briefing before Christmas.

Without a mandate, insurance companies will decide how easy they want it to be for consumers to buy tests, said Larry Levitt, executive vice president for health policy at the Kaiser Family Foundation, a non-partisan research organization.

"My guess is they're going to make it hard, not easy, for people to get them," he said. "The cost could end up being substantial."

Insurers are already required to pay for COVID-19 tests administered at testing sites and medical offices, which can cost \$100 or more. Home-tests, which consumers can buy without a prescription at retail stores or online, are less expensive. Walmart sells the BinaxNow kit for \$14. Others cost \$25 or more.

The cumulative cost would quickly mount if the more than 150 million

people with private insurance want to test themselves weekly, or even more often, with at-home kits.

Despite what insurers are already spending on pandemic-related costs, however, Levitt said they have "still done quite well" financially.

Insurers already have options

Even before Biden's announcement, Express Scripts, one of the nation's largest pharmacy benefit managers, announced it's offering health plans the option of covering over-the-counter COVID-19 test kits through their existing pharmacy benefit plans.

If insurers go along, consumers could use their Express Scripts member ID card to pick up tests at participating in-network pharmacies starting in January.

Express Scripts didn't respond to questions about whether insurers have expressed interest in that option.

A spokesman for the trade association representing pharmacy benefit managers deferred questions about the Biden administration's reimbursement requirement to insurance companies.

Kristine Grow, spokeswoman for America's Health Insurance Plans, said it's too soon for her trade association to comment on "potential approaches until we receive further guidance from the administration."

When Biden's reimbursement requirement was announced in early December, Grow said that while ensuring everyone has access to affordable testing is an important tool to fighting the pandemic, the reimbursement requirement could also lead to manufacturers hiking the cost of the tests and higher insurance premiums.

"As we continue our work with the administration in the fight against COVID-19," Grow said at the time, "we will make sure that the full impact of these actions on patients, consumers, and hardworking families is understood."

The nation's pharmacies might also oppose any effort to nix the up-front consumer payment requirement. Drug stores are fine with selling the tests, but they're concerned that having to work out payments with insurers, instead of customers, will burden pharmacists who are already strapped by the pandemic.

"From the patient standpoint, absolutely, it would be easy and probably more accessible," said Hannah Fish, director of strategic initiatives for the National Community Pharmacists Association, said of having pharmacists get paid by health plans rather than consumers. "From a pharmacy standpoint, it would actually make it a little more challenging."

Testing services tend to be covered on the medical benefit side of health insurance rather than the prescription side, Fish said. And reimbursements on the medical side are not as straightforward—and are often delayed, she added.

Plus, not every pharmacy has a contract with all insurance plans, and tests don't have to be purchased in pharmacies; some will be purchased online or through other retailers.

Experts say the White House's testing plan should be driven by what will deliver the biggest public health benefit, not what hurdles it might create for insurers and pharmacies. Any obstacles for consumers will have a negative impact on their ultimate goal: Getting the pandemic under control.

"If consumers face out-of-pocket costs, even if they're relatively cheap, the likelihood is that they won't use the tests," said Rena Conti, associate professor at the Questrom School of Business.

She said decades of economic research shows that the default option matters. So if consumers have to seek reimbursement, inertia will set in and they won't do it.

Waiting for White House guidance

Sabrina Corlette, a co-director of the Center on Health Insurance Reforms at Georgetown University's McCourt School of Public Policy, said insurers might actually find it easier to deal with pharmacies and pharmacy benefit managers instead of consumers.

"There's not just the cost to the carrier in terms of cutting the checks," she said. "It's a hassle factor for them too, to be collecting all these receipts."

Still, she said, "so much depends on the guidance that the administration puts out next month."

Health and Human Services Secretary Xavier Becerra said there is always the possibility that insurers could challenge the reimbursement requirement, similar to how the administration's mandate that larger employers ensure their workers are either vaccinated or regularly tested is now before the Supreme Court.

"We've done what we think our authorities allow us to do. Now we've got to see it play out," Becerra told reporters this month. "So if an insurer says, 'I'm not paying for it,' we'll test that out."

Micah Johnson, who was waiting for a COVID-19 test last week to "take

every precaution" before seeing his granddaughter, had spent 20 minutes on hold trying to find a testing site before lining up in the park.

Johnson, 73, welcomed more options but feels the government has been more reactive than proactive in dealing with the pandemic.

"It is what it is," Johnson concluded. "I'm just going to do my part—and try to take advantage of what is available."

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