# MEDICAID POLICY INFORMATION SHEET

**Policy Analyst**: Adriena Krul-Hall

**Phone Number**: 517-284-1221

Initial ☐ Public Comment ☒ Final ☒

**Brief description of policy:**

To support widespread COVID-19 testing, Medicaid will temporarily reimburse COVID-19 specimen collection when performed by outpatient hospitals, independent diagnostic laboratories, physicians, and other practitioners.

**Reason for policy (problem being addressed):**

Widespread COVID–19 laboratory testing requires significant provider resources to safely collect specimens from many beneficiaries during a pandemic. Reimbursement mechanisms are needed to provide payment for COVID-19 specimen collection services performed in community testing sites when no other billable service is performed.

**Budget implication:**

☐ budget neutral
☒ will cost MDHHS $ 2,549,888 for FY20, and is not budgeted in current appropriation
☐ will save MDHHS $

**Is this policy change mandated per federal requirements?**

No

**Does policy have operational implications on other parts of MDHHS?**

Yes, changes will require assistance from the Provider Enrollment and Claims Unit.

**Does policy have operational implications on other departments?**

No

**Summary of input:**

☐ controversial
☒ acceptable to most/all groups
☐ limited public interest/comment

**Supporting Documentation:**

| | |
|---|---|
| State Plan Amendment Required: ☐ Yes ☒ No<br>If Yes, please provide status:<br>☐ Approved ☐ Pending Approval ☐ Denied<br>Date: Date: | Public Notice Required: ☐ Yes ☒ No<br><br>If yes,<br>Submission Date: |

| DRAFT FOR PUBLIC COMMENT<br><br>Michigan Department of Health and Human Services | | |
|---|---|---|
| | **Project Number:** 2055-Lab | **Date:** August 11, 2020 |

**Comments Due:** September 15, 2020
**Proposed Effective Date:** March 10, 2020
**Direct Comments To:** Adriena Krul-Hall
**Address:**
**E-Mail Address:** Krulhalla@michigan.gov
**Phone:** 517-284-1221 **Fax:**

**Policy Subject:** COVID-19 Response: COVID-19 Specimen Collection

**Affected Programs:** Medicaid, Healthy Michigan Plan, Children's Special Health Care Services, Maternity Outpatient Medical Services

**Distribution:** Practitioners, Outpatient Hospitals, Local Health Departments, Federally Qualified Health Centers, Rural Health Clinics, Independent Diagnostic Laboratories, Medicaid Health Plans, Pharmacies

**Summary:** To support widespread COVID-19 testing, Medicaid will temporarily reimburse COVID-19 specimen collection when performed by outpatient hospitals, independent diagnostic laboratories, physicians, and other practitioners.

**Purpose:** To provide payment for COVID-19 specimen collection services performed in community testing sites when no other billable service is performed.

**Cost Implications:** $2,549,888 for FY20. (GF Cost: $537,134/Federal Cost: $2,012,755). $7,926,799 for FY21.

**Potential Hearings & Appeal Issues:** Aware of None

| | |
|---|---|
| **State Plan Amendment Required: Yes** ☐ **No** ☒<br>**If yes, date submitted:** | **Public Notice Required: Yes** ☐ **No** ☒<br>**Submitted date:** |

**Tribal Notification: Yes** ☐ **No** ☒ **- Date:**

**THIS SECTION COMPLETED BY RECEIVER**

| | |
|---|---|
| ☐ **Approved** | ☐ **No Comments** |
| | ☐ **See Comments Below** |
| ☐ **Disapproved** | ☐ **See Comments in Text** |

| | |
|---|---|
| **Signature:** | **Phone Number** |
| **Signature Printed:** | |
| **Bureau/Administration** *(please print)* | **Date** |

MDHHS Michigan Department of Health & Human Services

Medical Services Administration

# BULLETIN MSA

**Bulletin Number:** MSA 20-57

**Distribution:** Practitioners, Outpatient Hospitals, Local Health Departments, Federally Qualified Health Centers, Rural Health Clinics, Independent Diagnostic Laboratories, Medicaid Health Plans, Pharmacies

**Issued:** August 11, 2020

**Subject:** COVID-19 Response: COVID-19 Specimen Collection

**Effective:** March 10, 2020

**Programs Affected:** Medicaid, Healthy Michigan Plan, Children's Special Health Care Services, Maternity Outpatient Medical Services

Per Centers for Disease Control and Prevention (CDC) and State recommendations, widespread diagnostic testing for COVID–19 is a critical component of a public pandemic response to support infection control and proper treatment. Assessment and specimen collection to support widespread COVID–19 testing will require extraordinary and resource intensive measures. These temporary policy changes offer additional payment for COVID-19 assessment and specimen collection to support testing by outpatient hospitals, independent diagnostic laboratories, physicians, and other practitioners.

Consistent with public health emergency conditions at both the state and federal level related to COVID-19, the Michigan Department of Health and Human Services (MDHHS) is issuing this policy effective March 10, 2020. Given the circumstances, this policy is intended to be time-limited, and MDHHS will notify providers of its termination.

Per Section 1905(a)(3)(B) of the Social Security Act, Medicaid coverage includes in vitro diagnostic products (as defined in Food and Drug Administration [FDA] regulations at 21 C.F.R. § 809.3[a]) for the detection of SARS-CoV-2 or diagnosis of COVID-19, and the administration of such in vitro diagnostic products. Recognizing the critical importance of expanding this testing, Medicaid will temporarily reimburse COVID-19 specimen collection to support covered testing in recognition of the significant resources involved in safely collecting specimens from many beneficiaries during a pandemic.

Providers may bill for COVID-19 collection services for date of service on or after March 10, 2020 as described below:

**Practitioners:** Practitioners may be reimbursed for COVID-19 specimen collection using the procedure code 99000 (*handling and conveyance of specimen for transfer from office to lab*)or 99001 (*handling and conveyance of specimen for transfer from patient in other than an office to lab*) as appropriate. To be eligible for payment, CPT 99000 and 99001 must be reported with one of the following ICD-10-CM diagnoses:

- Z03.818 - Encounter for observation for suspected exposure to other biological agents ruled out (*possible exposure to COVID-19*)
- Z11.59 - Encounter for screening for other viral diseases (*asymptomatic*)
- Z20.828 - Contact with and (suspected) exposure to other viral communicable diseases (*confirmed exposure to COVID-19)*

COVID-19 specimen collection is covered as a separate service only when no other evaluation and management service or visit related to COVID-19 testing is provided on the same date of service.

**Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs):** FQHCs and RHCs may be reimbursed for COVID-19 specimen collection using procedure codes 99000 or 99001 and diagnosis Z03.818, Z11.59, or Z20.828 when no other eligible qualifying clinic visit is provided on the same date of service. Services will be excluded from the prospective payment system methodology and reimbursed at a fee screen pursuant to the practitioner payment methodology.

- RHC/FQHC Visiting Nurses: If a visiting nurse has an otherwise covered RHC or FQHC visit, they can obtain a sample to send to the laboratory for COVID-19 diagnostic testing. Specimen collection will not be reimbursed separately in these instances.

**Outpatient Hospitals (OPH):** Enrolled OPHs may be reimbursed for COVID-19 specimen collection using Healthcare Common Procedure Coding System (HCPCS) code C9803 (*Hospital outpatient clinic visit specimen collection for severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) (coronavirus disease [COVID-19], any specimen source*). Payment will be made according to MDHHS Outpatient Prospective Payment System (OPPS) methodology.

**Independent Diagnostic Laboratories:** Laboratories may be reimbursed for COVID-19 symptom specimen collection and travel when the laboratory sends a technician to collect a sample from a beneficiary if it is medically contraindicated for the beneficiary to leave the home. Providers should use HCPCS code G2023 (*specimen collection for SARS-CoV-2, any specimen source*) to report the specimen collection and P9603 *(travel allowance one way in connection with medically*

*necessary laboratory specimen collection drawn from homebound patient*) to report the associated travel millage.

COVID-19 specimen collection services and travel are not eligible for separate reimbursement when performed on beneficiaries residing in a nursing facility or receiving Medicaid covered home health nursing services.

**Pharmacists:** COVID- 19 specimen collection services performed by pharmacists or pharmacy technicians under the supervision of a pharmacist, may be reimbursed through the beneficiary's medical benefit. Pharmacists should use the professional claim formats and report procedure code 99001 and diagnosis Z03.818, Z11.59, or Z20.828.

To be eligible for payment, pharmacists must be enrolled in the Community Health Automated Medicaid Processing System (CHAMPS) as a Rendering Only provider and associate themselves to the pharmacy he/she is employed by as the billing provider. Specimen collection performed by a pharmacy technician must be billed under the supervising pharmacist.

**Nursing Facilities:** Drawing, collecting, and delivery of laboratory specimens are routine nursing services. As such, they are included in the nursing facility's per diem rate regardless of who performs the service (i.e., nursing facility or ancillary laboratory provider). COVID-19 specimen collection will not be reimbursed separately in these instances.

**Home Health Agencies:** If a beneficiary is receiving home health nursing services, the home health nurse, during an otherwise covered visit, may obtain the sample to send to the laboratory for COVID-19 diagnostic testing. Specimen collection will not be reimbursed separately in these instances.

Any COVID-19 specimen collected shall be tested at a laboratory or entity in accordance with federal Clinical Laboratory Improvement Amendments (CLIA) regulations. Proper training for collecting the sample and adherence to the testing device manufacturer's instructions and CDC specimen collection procedures is required. All beneficiaries should be notified of their test results in a timely manner that maintains patient privacy in accordance with state and federal laws and regulations. Providers must comply with any COVID-19 reporting requirements issued by MDHHS.

This policy supplements the existing laboratory services policy. All current laboratory ordering and documentation requirements, standards of care, and limitations remain in effect regardless of whether the service is related to COVID-19 testing.

**Public Comment**

The public comment portion of the policy promulgation process is being conducted concurrently with the implementation of the change noted in this bulletin. Any interested party wishing to comment on the change may do so by submitting comments to Adriena Krul-Hall via email at:

E-mail: KrulHallA@michigan.gov

Please include "COVID-19 Response: COVID-19 Specimen Collection" in the subject line.

Comments received will be considered for revisions to the change implemented by this bulletin.

**Manual Maintenance**

Information is time-limited and will not be incorporated into any policy or procedure manuals.

**Questions**

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Health and Human Services, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mailed to ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, NPI number, and phone number so you may be contacted if necessary. Typical Providers may phone toll-free 1-800-292-2550. Atypical Providers may phone toll-free 1-800-979-4662.

**Approved**

Kate Massey, Director
Medical Services Administration