Reimbursement Policy

<table>
<thead>
<tr>
<th>Title:</th>
<th>COVID-19 Diagnostic Testing</th>
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</thead>
<tbody>
<tr>
<td>Policy Number:</td>
<td>RP-PF-435X</td>
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<tr>
<td>Application:</td>
<td>All products</td>
</tr>
<tr>
<td>Last Updated:</td>
<td>4/16/2020</td>
</tr>
<tr>
<td>Effective Date:</td>
<td>2/4/2020</td>
</tr>
<tr>
<td>Related Policies:</td>
<td>N/A</td>
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Disclaimer: This reimbursement policy is intended to provide general guidance regarding Medica’s policy for the services described, and does not constitute a guarantee of payment. You are responsible for submitting accurate claims. Factors affecting claims reimbursement may include, but are not limited to, state and federal laws, regulations and accreditation requirements, along with administrative services agreements, provider contracts, and benefit coverage documents. Coding methodology and industry standards are also considered in developing reimbursement policy.

Medica routinely updates reimbursement policies, and new versions are published on this website. If you print a copy of this policy, please be aware that the policy may be updated later, and you are responsible for the information contained in the most recent online version. Medica communicates policy updates to providers via Medica’s monthly e-newsletter, Medica Connections®, as well as through Medica Provider Alerts.

All content included on the provider portion of medica.com is an extension of providers’ administrative requirements, which all Medica network providers are contractually obligated to follow.

Summary:

The World Health Organization has declared a global pandemic from the novel Coronavirus known as COVID-19. As a result, the federal and many state governments have declared a state of emergency, which has resulted in a host of state and federal coverage and benefit level mandates on health plan companies. In response to the government declarations resulting from COVID-19, Medica has reviewed its reimbursement provisions across various contracts and has determined that in order to meet the newly required mandated benefit levels, Medica is implementing an emergency reimbursement policy to pay fixed rates for all COVID-19 diagnostic testing to all providers, whether participating in Medica’s network or not.

In order for all Medica members from all lines of business to have the same access and experience with all providers with respect to COVID-19 lab tests, we are implementing this reimbursement policy effective immediately, applicable for dates of services on and after February 4, 2020.

Policy Statement:

The Centers for Medicare & Medicaid Services (CMS) has established two Healthcare Common Procedure Coding System (HCPCS) codes for coronavirus testing. HCPCS code U0001 is for CDC approved labs to use, and HCPCS code U0002 is for CDC non-approved labs to use when reporting SARS-CoV-2 testing.

The CMS has established two new HCPCS codes for high throughput technology testing, HCPCS code U0003 and U0004 are to be used when making use of high throughput technologies, as described by
CMS-2020-01-R. HCPCS U0003 and U0004 are effective for high throughput technology testing effective on and after 4/14/2020.

The CMS has established new specimen collections codes for laboratories billing for COVID-19 testing. Clinical diagnostic laboratories should use these codes to identify specimen collection for COVID-19 testing, effective with item date of service on or after March 1, 2020. These codes are billable by clinical diagnostic laboratories. HCPCS G2023 for specimen collection for severe acute respiratory syndrome, any specimen source and HCPCS G2024 for specimen collection for severe acute respiratory syndrome, from an individual in a skilled nursing facility or by a laboratory on behalf of a home health agency, any specimen source.

The AMA published CPT code 87635 in an effort to help report and track testing services related to SARS-CoV-2 in an effort to assist in reporting and reimbursement.

Medica’s reimbursement rates are based upon rates that were recently announced by the Centers for Medicare and Medicaid Services for COVID-19 testing. Medica will reimburse contracted and non-contracted providers for COVID-19 testing, unless otherwise specified by law.

Reimbursement Rates for Coronavirus Diagnostic Testing:
- HCPCS U0001: $35.92
- HCPCS U0002: $51.33
- HCPCS U0003: $100.00 (effective date 4/14/2020)
- HCPCS U0004: $100.00 (effective date 4/14/2020)
- CPT 87635: $51.33
- HCPCS G2023: $23.46
- HCPCS G2024: $25.46
- New codes will be added once CMS rates are assigned

Diagnosis Codes to be used for confirmed Coronavirus:
- B97.29: Other coronavirus
- B34.2: Coronavirus Infection
- U07.1: 2019 COVID acute respiratory disease

Diagnosis Codes recommended by the CDC for suspected Coronavirus exposure:
- Z03.818: Encounter for observation for suspected exposure to other biological agents ruled out
- Z20.828: Contact with and (suspected) exposure to other viral communicable diseases

CPT/HCPCS applicable for Coronavirus:
- HCPCS U0001: CDC 2019 Novel Coronavirus (2019-nCoV) Real-Time RT-PCR Diagnostic Panel - CDC approved lab (to be used by approved lab)
- HCPCS U0003: Infectious agent detection by nucleic acid (DNA or RNA); Severe Acute Respiratory Syndrome Coronavirus 2 (SARS-CoV-2) (Coronavirus disease [COVID-19]), amplified probe technique, making use of high throughput technologies as described by CMS-2020-01-R
COVID-19 Diagnostic Testing

- HCPCS U0004: 2019-nCoV Coronavirus, SARS-CoV-2/2019-nCoV (COVID-19), any technique, multiple types or subtypes (includes all targets), non-CDC, making use of high throughput technologies as described by CMS-2020-01-R
- CPT 87635: Infectious agent detection by nucleic acid (DNA or RNA); severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) [Coronavirus disease [COVID-19]], amplified probe technique (interchangeable with U0002)
- HCPCS G2023 – Specimen collection for severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) [Coronavirus disease [COVID-19]], any specimen source (to be used by clinical diagnostic laboratories)
- HCPCS G2024 – Specimen collection for severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) [Coronavirus disease [COVID-19]], from an individual in a skilled nursing facility or by a laboratory on behalf of a home health agency, any specimen source

By submitting a claim to Medica for COVID-19 testing, providers accept the above reimbursement amount as payment in full for each COVID-19 test performed and will not seek additional reimbursement from Medica members.

Note:

Network clinics and facilities will continue to be reimbursed for all other covered health services in accordance with their contracts.

COVID-19 diagnostic testing codes are included in the CMS grouper rates and the Medica proprietary grouper rates. COVID-19 diagnostic testing codes will not be paid in addition to the DRG, per diem, per case rate payment.

<table>
<thead>
<tr>
<th>Effective Date:</th>
<th>2/4/2020</th>
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<tbody>
<tr>
<td>Revision Updates:</td>
<td>Added HCPCS codes U0003 and U0004 and rates</td>
</tr>
<tr>
<td>4/16/2020</td>
<td>Added guidance on grouper rate payment</td>
</tr>
<tr>
<td>4/15/2020</td>
<td>Updated reimbursement rate for code G2024</td>
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<tr>
<td>4/7/2020</td>
<td>Added clinical diagnostic laboratory code rates</td>
</tr>
<tr>
<td>4/1/2020</td>
<td>Added clinical diagnostic laboratory codes G2023 and G2024</td>
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<tr>
<td>3/24/2020</td>
<td>Added new diagnosis code U07.1</td>
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