Coverage for COVID-19 Testing, Vaccinations, and Treatment

Center on Budget and Policy Priorities

Various laws, regulations, and guidance that federal policymakers put in place since the beginning of the COVID-19 pandemic have expanded access to testing, vaccination, and treatment for the virus. This fact sheet summarizes these provisions and explains how the federal government, the states, and private health care providers can implement them so that all people can get the care they need.

What does Medicaid cover?

During the Public Health Emergency (PHE) and for more than a year after it ends,[1] Medicaid is required to cover COVID-19 testing, vaccinations,[2] and treatment for most enrollees, and it may not charge cost sharing for these services. The American Rescue Plan Act also provides federal matching funds to cover 100 percent of state Medicaid costs for providing vaccines and administering them starting April 1, 2021 and lasting more than a year after the PHE ends. As part of this benefit, effective December 2, 2021, Administration guidance also requires states to cover COVID-19 vaccine counseling visits for children and youth enrolled in Medicaid as part of the Early and Periodic Screening, Diagnostic, and Treatment benefit.[3]

States also have the option (by filing a Disaster Relief State Plan Amendment with the Centers for Medicare & Medicaid Services) to provide COVID-19 testing and diagnosis, vaccination, and treatment services through Medicaid to people who are uninsured, regardless of their income.[4] Individuals must attest that they live in the state and generally must provide a Social Security number. The option also can provide payment for emergency services provided to uninsured people who would be eligible under the option but for their immigration status. (For example, payment could be made for COVID-19-related emergency care provided to uninsured immigrants with income over Medicaid eligibility levels.) States receive federal Medicaid matching funds (officially, the federal medical assistance percentage or FMAP) that cover 100 percent of the costs of the services they deliver to this new optional group, as well as any investments in infrastructure and other administrative costs to implement the option — such as setting up a billing portal for providers or adjusting presumptive eligibility systems to account for this additional group. As of May 2021 (before the American Rescue Plan Act expanded the option to include coverage of vaccine and treatment services), 15 states had adopted this option.[5]

The Centers for Disease Control and Prevention's (CDC) Advisory Committee on Immunization Practices (ACIP) recommends the COVID-19 vaccine for children age 5 and older, so it is included in the federally funded, CDC-administered Vaccines for Children program.[6] That program ensures that children enrolled in Medicaid, children who are uninsured or underinsured, and children who are American Indians or Alaska Natives can get recommended vaccines free of charge. Medicaid covers the cost of vaccine administration for Medicaid-enrolled children. Children enrolled in separate

[1] Specifically, through the last day of the first quarter that begins one year after the PHE ends. For example, if the PHE ended March 31, 2022, the last day of the first quarter that begins one year after that would be June 30, 2023.

[2] Medicaid coverage of testing and treatment may not be available for enrollees in limited Medicaid benefit coverage, such as for breast and cervical cancer and family planning, but the American Rescue Plan Act made Medicaid coverage of vaccinations mandatory for people in these groups.

[3] "Press Release: Biden-Harris Administration Makes 100% Federal Medicaid Matching Funds Available for State Expenditures on Certain COVID-19 Vaccine Counseling Visits for Children and Youth," Centers for Medicare and Medicaid Services, December 2, 2021, https://www.cms.gov/newsroom/press-releases/biden-harris-administration-makes-100-federal-medicaid-matching-funds-available-state-expenditures.

[4] Individuals enrolled in Medicaid limited-benefit categories and those enrolled in short-term, limited-duration private plans are considered uninsured and eligible for treatment services through this option. The option originally provided COVID-19 testing services only; the American Rescue Plan Act added coverage for vaccination and treatment.

[5] Kaiser Family Foundation, "Medicaid Emergency Authority Tracker: Approved State Actions to Address COVID-19," July 1, 2021, https://www.kff.org/coronavirus-covid-19/issue-brief/medicaid-emergency-authority-tracker-approved-state-actions-to-address-covid-19/.

[6] Centers for Disease Control and Prevention, Advisory Committee on Immunization Practices, "COVID-19 ACIP Vaccine Recommendations," November 5, 2021, https://www.cdc.gov/vaccines/hcp/acip-recs/vacc-specific/covid-19.html.

Children's Health Insurance Program (CHIP) plans are not included in the Vaccines for Children program, but ACIP-recommended vaccinations for children are a required benefit in CHIP.

What are private health insurance plans required to cover?

During the PHE:

- **Testing:** Most private group and individual market plans (including grandfathered plans, which are plans that existed before the 2010 Affordable Care Act and have not changed significantly since) must cover COVID-19 testing and diagnosis without charging enrollees cost sharing such as copayments or deductibles.[7] Plans cannot require prior authorization for these services, nor can plans and providers require an individual to have symptoms or suspected COVID-19 exposure as a condition of coverage. The Administration also announced it will issue guidance in early 2022 requiring plans to reimburse enrollees for the cost of over-the-counter COVID-19 tests.[8] Plans may cover testing for public health surveillance or employment purposes, but they are not required to do so.
- **Vaccinations:** Most private group and individual market plans (but not grandfathered plans) must cover COVID-19 vaccinations (including boosters) without charging cost-sharing amounts or deductibles or requiring prior authorization. Plans may not charge enrollees any cost sharing for an office visit if the main reason for the visit is vaccination. Plans may not offer different coverage for vaccines produced by different manufacturers; all vaccines that ACIP recommends must be covered. Plans cannot deny coverage based on a state's or locality's vaccine prioritization schedule (for example, if a person got vaccinated before the state opened vaccinations to their age group). Federal guidance instructs insurers to pay in-network providers the negotiated rate and out-of-network providers "reasonable" rates (for example, the Medicare reimbursement rate).

  For people enrolled in plans that do not cover vaccinations or that require cost sharing for vaccinations, providers can submit claims to the federal Health Resources and Services Administration (HRSA) COVID-19 Coverage Assistance Fund (CAF). Vaccine administration fees and any patient cost sharing related to vaccines are eligible for reimbursement through CAF. Providers are reimbursed at Medicare rates and cannot balance bill patients. CAF is funded through the larger federal Provider Relief Fund.
- **Treatment:** Unlike testing and vaccinations, individuals enrolled in private health insurance have no special financial protections for treatment for COVID-19. Existing cost-sharing charges under a plan (such as copayments, coinsurance, and deductibles) apply. For marketplace enrollees, existing protections apply, such as the annual out-of-pocket maximum for in-network coverage.[9]

How are testing, vaccines, and treatment covered for people who are uninsured?

People who are uninsured should be able to get COVID-19 testing, vaccines, and treatment at no cost, regardless of income or immigration status.

- **Medicaid COVID-19 option:** If they live in a state that has adopted the Medicaid COVID-19 option described above and they're not eligible under another Medicaid category, they will qualify for services through the option — unless they are not citizens or don't have a satisfactory immigration status that makes them eligible them for Medicaid. Medicaid payment for emergency services provided to these individuals may be available, however. Providers can

[7] Short-term, limited-duration plans are not required to cover testing or vaccinations, although the Department of Health and Human Services encourages them to do so and not to require cost sharing. See Centers for Medicare & Medicaid Services, "Toolkit On Covid-19 Vaccine: Health Insurance Issuers And Medicare Advantage Plans," updated May 14, 2021, https://www.cms.gov/files/document/COVID-19-toolkit-issuers-MA-plans.pdf. Individuals with these plans are considered "uninsured" and eligible for coverage through a state's Medicaid COVID-19 option (if the state has adopted the option). Otherwise, providers may claim reimbursement for providing testing, vaccination, and treatment services for these individuals through the federal Health Resources and Services Administration's COVID-19 Uninsured Program.

[8] "President Biden Announces New Actions to Protect Americans Against the Delta and Omicron Variants as We Battle COVID-19 this Winter," White House Fact Sheet, December 2, 2021, https://www.whitehouse.gov/briefing-room/statements-releases/2021/12/02/fact-sheet-president-biden-announces-new-actions-to-protect-americans-against-the-delta-and-omicron-variants-as-we-battle-covid-19-this-winter/.

[9] For more on how cost-sharing protections normally work in marketplace plans, see Health Reform: Beyond the Basics (a project of the Center on Budget and Policy Priorities), "Key Facts: Cost-Sharing Charges," https://www.healthreformbeyondthebasics.org/cost-sharing-charges-in-marketplace-health-insurance-plans-answers-to-frequently-asked-questions/.

also submit claims to the HRSA Uninsured Program (described in the next bullet) for services provided to these individuals.

- **Other states:** If an uninsured person lives in a state that has not adopted the Medicaid COVID-19 option, providers can claim reimbursement through the federal Health Resources and Services Administration (HRSA) COVID-19 Uninsured Program, regardless of the individual's income or immigration status.[10] Health care providers must register for the program with HRSA and can then submit claims to HRSA for COVID-19 testing,[11] vaccinations, and treatment[12] that they provided to uninsured individuals. HRSA's COVID-19 Uninsured Program provides reimbursements for claims at Medicare rates and providers are not allowed to balance-bill patients — that is, charge them for the difference between what they charge and what the program provides in reimbursements. As of December 2021, the program had paid $14.1 billion in claims.[13]

TABLE 1

Coverage of COVID-19 Testing, Vaccination, and Treatment During the Public Health Emergency*

	Testing	Vaccination	Treatment
Uninsured	• Covered through the Medicaid COVID-19 option, if a state adopts it. • Providers can be reimbursed for services provided to uninsured individuals who are not covered by the Medicaid COVID-19 option through the HRSA COVID-19 Uninsured Program, regardless of a patient's income or immigration status. Providers are not permitted to balance-bill patients for these services. • Emergency Medicaid may be available to pay for emergency services for individuals who would qualify for Medicaid but for their immigration status.		
Medicaid enrollees	• Must be covered without cost sharing for full-benefit enrollees.	• Must be covered without cost sharing, including for limited-benefit enrollees. • 100% FMAP for vaccine and administration.	• Must be covered without cost sharing for full-benefit enrollees.
Individuals in Medicaid optional COVID-19 group	• States may take up this option to cover testing, vaccination, and treatment for uninsured individuals, regardless of income. • Individuals in limited-benefit Medicaid groups qualify for testing and treatment through this option, but vaccines must be covered as part of their limited-benefit Medicaid coverage. • Immigrants who would qualify for this option but for their immigration status may qualify for payment of emergency services.		

[10] For the HRSA COVID-19 Uninsured Program, Medicaid enrollees in limited-benefit groups are not considered uninsured for purposes of testing-related services but are considered uninsured for purposes of treatment services. See HRSA, "FAQs for COVID-19 Claims Reimbursement to Health Care Providers and Facilities for Testing, Treatment and Vaccine Administration," https://www.hrsa.gov/coviduninsuredclaim/frequently-asked-questions.

[11] Includes testing-related visits such as office visits, telehealth, urgent care visits, emergency room visits, and inpatient hospital visits.

[12] Treatment is only covered if COVID-19 is the primary diagnosis, except for pregnant individuals for whom COVID-19 may be listed as a secondary diagnosis. Treatment includes office visits, telehealth, emergency room, inpatient, outpatient/observation, skilled nursing facility, long-term acute care, rehabilitation care, home health, durable medical equipment (e.g., oxygen, ventilator), emergency ambulance transportation, non-emergency patient transfers via ambulance, and Food and Drug Administration-licensed, authorized, or approved treatments as they become available for COVID-19 treatment.

[13] Department of Health and Human Services, "Claims Paid for Testing & Treatment," accessed December 8, 2021, https://taggs.hhs.gov/Coronavirus/Uninsured.

TABLE 1

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	Testing	Vaccination	Treatment
	• States receive 100% FMAP for services as well as administrative costs to support this optional group.		
Enrollees in non-grandfathered group and individual market health plans	• Must be covered without cost sharing (whether delivered by an in-network or out-of-network provider).		• Regular cost-sharing policies apply.
Enrollees in grandfathered plans	• Must be covered without cost sharing (whether delivered by an in-network or out-of-network provider).	• May, but are not required to cover vaccinations. Cost-sharing may apply. • Providers may submit claims through the HRSA COVID-19 Coverage Assistance Fund and be reimbursed for vaccine administration fees and any patient cost sharing related to vaccination.	• Regular cost-sharing policies apply.
Enrollees in short-term, limited-duration plans	• May, but are not required to cover testing, vaccinations, or specific treatments. Cost-sharing may apply. • Not counted as insurance for purposes of eligibility for Medicaid COVID-19 category or provider reimbursement through the HRSA COVID-19 Uninsured Program.		

*Medicaid provisions remain in place until the end of the first quarter that begins one year after the PHE ends.

Vaccine Outreach

The federal government is now buying and distributing all COVID-19 vaccines. As a condition of receiving vaccines, pharmacies and other COVID-19 vaccination providers must vaccinate individuals free of charge, regardless of insurance status or form of coverage. The critical work to ensure that everyone can access vaccines, however, is complex and ongoing.

Various laws have allocated federal funding to support vaccine distribution, outreach, and monitoring efforts. Most recently, the American Rescue Plan Act allocated more than $15 billion to support CDC efforts, the vaccine supply chain, and the vaccine-related efforts of the Food and Drug Administration. The Act also includes nearly $9 billion for public-health-related investments, most — $7.6 billion — of which is allocated for Federally Qualified Health Centers' COVID-19 testing and vaccine outreach and administration efforts. Another $7.66 billion is allocated to state, local, tribal, and territorial health departments.

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