Engage PEO Client Alert

Over The Counter Rapid Antigen COVID-19 Home Tests Reimbursed by Health Insurers

What's New: The Biden Administration issued guidance requiring all group health plans and health insurers to cover FDA-approved over the counter (OTC) rapid antigen COVID-19 home tests purchased by the health plan member. Engage PEO wants to inform clients of this change to ensure employees have access to at home tests in the event they are needed.

Why It Matters: Effective January 15, 2022, employees and their family members covered by Aetna or Kaiser Permanente health insurance policies through Engage PEO may purchase up to eight (8) tests (four kits if in a two-test package) in a 30-day period, online or in person, and submit the receipt for reimbursement by Aetna or Kaiser Permanente. Additional details:

- Reimbursement is offered for tests purchased on or after January 15, 2022.
- Tests purchased due to a physician's order are not subject to the quantity limit.
- Health plans are only required to cover tests intended for diagnosis or treatment and not routine screenings for employment, school, or recreational purposes.
- This mandate is in effect until the end of the federal public health emergency.

Free home tests from the Federal Government: Starting January 19, anyone in the U.S. can request four (4) free rapid antigen home tests, without shipping fees, from the federal government. The administration said it also plans to distribute 400 million N95 masks for free through pharmacies, grocery stores and community health centers starting next week.

Further information about Aetna's process

- Direct Member Reimbursement: Members should hold their claim submissions until Aetna shares further details. Claims will initially be reimbursed at the billed cost until the direct coverage arrangement is in place.
- Direct Coverage: Aetna is working to implement an arrangement through its retail pharmacy network as soon as possible. The plan will cover the cost of the OTC tests with direct reimbursement to the pharmacy and no upfront out of pocket cost for members.

Further information about Kaiser Permanente's process

- Kaiser members can submit a reimbursement claim for tests.
- In the coming days, as the supply of tests increases, Kaiser will make more rapid antigen home tests available to members. Visit kp.org/coronavirus for the most up-to-date information on supply, testing, and vaccinations.

If you have any questions about this federal guidance, please contact your Account Manager.