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CMS Increases Medicare Payment for High-Production Coronavirus Lab Tests

CMS helps expand testing capacity and monitoring for COVID-19 in nursing homes and other settings with high volume testing needs

Under President Trump's leadership, the Centers for Medicare & Medicaid Services (CMS) today announced Medicare will nearly double payment for certain lab tests that use high-throughput technologies to rapidly diagnose large numbers of 2019 Novel Coronavirus (COVID-19) cases. This is another action the Trump Administration is taking to rapidly expand COVID-19 testing, particularly for those with Medicare, including nursing home residents who are among the most vulnerable to COVID-19 and most affected by COVID-19 outbreaks across the country.

"CMS has made a critical move to ensure adequate reimbursement for advanced technology that can process a large volume of COVID-19 tests rapidly and accurately," said CMS Administrator Seema Verma. "This is an absolute game-changer for nursing homes, where risk of Coronavirus infection is high among our most vulnerable."

Medicare will pay the higher payment of $100 for COVID-19 clinical diagnostic lab tests making use of high-throughput technologies developed by the private sector that allow for increased testing capacity, faster results, and more effective means of combating the spread of the virus. High-throughput lab tests can process more than two hundred specimens a day using highly sophisticated equipment that requires specially trained technicians and more time-intensive processes to assure quality. Medicare will pay laboratories for the tests at $100 effective April 14, 2020, through the duration of the COVID-19 national emergency.

Increasing Medicare payment for these tests will help laboratories test in nursing home communities that are vulnerable to the spread of COVID-19. On March 30, 2020, CMS announced that Medicare will pay new specimen collection fees for COVID-19 testing for homebound and non-hospital inpatients, to help facilitate the testing of homebound individuals and those unable to travel. As a result of these actions, laboratories will have expanded capability to test more vulnerable populations, like nursing home patients, quickly and provide results faster.

For other COVID-19 laboratory tests, local Medicare Administrative Contractors (MACs) remain responsible for developing the payment amount in their respective jurisdictions. MACs are currently

paying approximately $51 for those tests. As with other laboratory tests, there is generally no beneficiary cost-sharing under Original Medicare.

This announcement builds upon recent CMS actions to expand testing for COVID-19. On March 30, 2020, CMS announced that hospitals, laboratories, and other entities can perform tests for COVID-19 on people at home and in other community-based settings outside of the hospital. This will both increase access to testing and reduce risks of exposure. Additionally, CMS took action to allow healthcare systems, hospitals, and communities to set up testing sites to identify COVID-19-positive patients in a safe environment.

Increasing Medicare payment for tests that use high-throughput technologies, and earlier CMS actions in response to COVID-19, are part of the ongoing White House Coronavirus Task Force efforts. To keep up with the important work the Task Force is doing in response to COVID-19, visit www.coronavirus.gov. For a complete and updated list of CMS actions, and other information specific to CMS, please visit the Current Emergencies Website.

For more information on this payment announcement, please visit:
https://www.cms.gov/files/document/cms-2020-01-r.pdf