

AVALON HEALTHCARE SOLUTIONS THE END OF THE PUBLIC HEALTH EMERGENCY (PHE) AND ITS IMPACT ON THE HEALTHCARE AND LAB ECOSYSTEM

April 4, 2023





WELCOME & INTRODUCTIONS

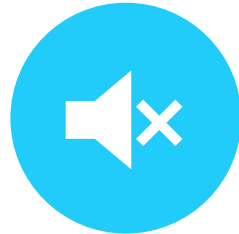
Michele Norton, SVP, Product Marketing



Before We Start



This meeting is being recorded.



We will be **MUTING** everyone except the presenter to make sure the audio is clean and clear.



Q&A will be done by using the “**Questions**” feature.

Agenda

OVERVIEW & INTRODUCTIONS

Michele Norton, SVP, Product Marketing

POST-PUBLIC HEALTH EMERGENCY: POLICY CHANGES

Julie Barnes, Principal, Maverick Health Policy

Eric Schiavone, Director, Maverick Health Policy

AVALON POLICY DEVELOPMENT PROCESS

Ben Horton, MD, MHA, VP, Medical Director, Avalon

IMPACT TO CODING, REIMBURSEMENT, AND TRENDS

Mike Snyder, EVP, Network, Avalon

Q&A

Michele Norton, SVP, Product Marketing



POST-PUBLIC HEALTH EMERGENCY: POLICY CHANGES

Julie Barnes - Principal, Maverick Health Policy

Eric Schiavone - Director, Maverick Health Policy





Overview

- Timing of the end of PHE
- Snapshot of Expiring Rules / Waivers
- How Plans Can Help Employers
- Other Resources / Guidance from HHS, CMS, DOL, FDA



When Does PHE Expire?

Expiration date was: April 11, 2023

Jan 30: White House announced end of PHE to begin on May 11, 2023

Feb 1: U.S. House passed bill to end PHE earlier

Mar 29: U.S. Senate passed it too

Now what?



PHE Provisions Expiring on May 11, 2023, or Sooner

- Free COVID tests
- No cost-sharing for COVID tests
- Public posting of cash prices for COVID tests
- Medicare pays \$100 for COVID tests
- Reimbursement for OON providers for COVID-19 vax and testing
- Medicare's waiver of a physician needing to order a COVID test
- Medicare's 20% add-on payment for hospitals for each COVID-19 patient
- Medicare's nominal specimen collection fee for labs to send techs to a beneficiary's home to collect COVID-19 test samples

ONE OTHER NOTE ABOUT LAB TESTS...

- The ACA requires plans to cover lab services as an Essential Health Benefit – applies to COVID-19 tests after the PHE ends.
- But plans may:
 - Impose cost-sharing
 - Limit coverage to in-network providers
 - Limit the number of tests that are covered
 - Require a prescription or physician's order
 - Impose cost-sharing for the associated physician visit

**On March 30, 2023, a Texas federal court blocked the EHB requirement that most insurers cover preventive care at no cost to the patient, including some cancer, heart and STD screenings*



Maverick Health Policy



PHE Provisions Expiring Some Other Day

Dec 31, 2023	Later
Medicaid's 6.2% increase in FMAP rates to states	Certain telehealth flexibilities (Dec 31, 2024): <ul style="list-style-type: none">• Waiver of geographic, location requirements and type of practitioner restrictions• Reimbursement for audio-only services• In-person visit requirement for tele-behavioral health services
Medicare will pay \$40 for vax	Acute Care Hospital at Home program (Dec 31, 2024)
Reimbursement parity for telehealth	FDA EUAs (?)
No direct supervision of non-physician practitioners	In-person requirement for prescribing controlled medications and 180-day grace period for patient-provider relationships established during the PHE (?)



How Plans Can Help Employer Groups

What changes need to be made to health benefits?

- Continue to cover COVID testing with no cost-sharing?
- Continue to cover out-of-network providers offering COVID vaccines?
- Extend the timeframes for special enrollment? COBRA election and payment? Claims and appeals deadlines?
- What notices should go out about deadlines and changes?
- Do any state laws alter the end-of-PHE changes?



Resources / Guidance



Feb 9, 2023 – HHS Roadmap

<https://www.hhs.gov/about/news/2023/02/09/fact-sheet-covid-19-public-health-emergency-transition-roadmap.html>



Feb 27, 2023 – CMS Fact Sheet

<https://www.cms.gov/newsroom/fact-sheets/cms-waivers-flexibilities-and-transition-forward-covid-19-public-health-emergency>



March 13, 2023 – FDA FAQs about EUAs

<https://www.fda.gov/emergency-preparedness-and-response/mcm-legal-regulatory-and-policy-framework/faqs-what-happens-euas-when-public-health-emergency-ends>



March 29, 2023 – Dept of Labor FAQ

<https://www.dol.gov/agencies/ebsa/about-ebsa/our-activities/resource-center/faqs/aca-part-58>



Feb 24, 2023 – DEA Proposed Rules for Permanent Telehealth Prescribing Flexibilities

<https://www.dea.gov/press-releases/2023/02/24/dea-announces-proposed-rules-permanent-telemedicine-flexibilities>



Additional Resources on Post-PHE Policies

<https://www.kff.org/implications-for-ending-the-covid-19-public-health-emergency/>

10 Things to Know About the Unwinding of the Medicaid Continuous Enrollment Provision (February 22, 2023)

Commercialization of COVID-19 Vaccines, Treatments, and Tests: Implications for Access and Coverage (February 13, 2023) (Related web event)

The End of the COVID-19 Public Health Emergency: Details on Health Coverage and Access (February 3, 2023)

What Happens When COVID-19 Emergency Declarations End? Implications for Coverage, Costs, and Access (January 31, 2023)



AVALON POLICY DEVELOPMENT PROCESS

Ben Horton, MD, MHA - VP, Medical Director, Avalon



Avalon's Response to COVID-19

- Early Involvement in the pandemic keeping informed on testing methodologies, strategies, and accumulating evidence
- Started Internal Policy Development, 2Q 2020
- Quarterly Policy Updates throughout the pandemic
- Hosted regularly scheduled webinars to inform others
- Presented Policy to Clients for Adoption at the end of PHE

Coronavirus Testing in the Outpatient Setting

AHS-G2174

- Initial Clinical Advisory Board (CAB) Presentation – 5/26/2020
- Quarterly updates since that time, last revision 12/7/2022
- Includes multiple indications and limitations of coverage
- Extensive scientific background section supporting the coverage criteria (22 pages)
 - Includes clinical validity and utility data

Policy Details

Coverage criteria that allow testing include:

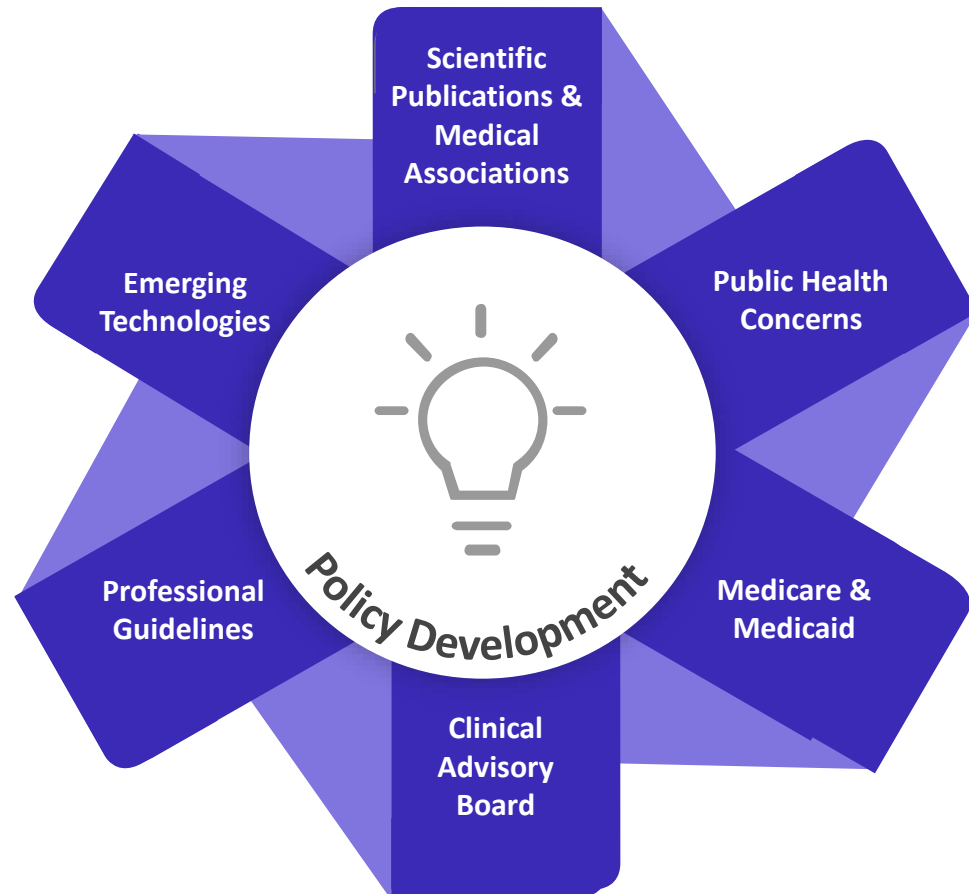
- Targeted nucleic acid testing with signs, symptoms, known exposure
- Antibody serology testing in certain situations
- Antigen detection testing for symptoms, including rapid tests
- Multiplex PCR and antigen panel testing of up to 5 pathogens with symptoms

6 coverage criteria that do not allow testing:

- Whole genome sequencing of paired specimens from distinct lineages
- Antigen panel testing of **6 or more** antigens
- Multiplex PCR-based panel testing of **6 or more** respiratory pathogens
- For all other situations not described above, host antibody serology testing
- For all situations, neutralization antibody testing
- Testing for other endemic coronaviruses, such as 229E, NL63, OC43, and HKU1

Policy Development: What Does The Science Say?

LABORATORY POLICY DEVELOPMENT IS CENTERED ON INPUTS FROM THE FOLLOWING:



Avalon's **dedicated full-time scientists** support and maintain ~70 Routine and ~70 Genetic outpatient laboratory policies

All policies are researched, written, and maintained in-house by **dedicated science team, including PhDs**

Demonstrated conditions of coverage

Each policy has **robust scientific rigor**, typically using ~ 50 references

Annual updates; **approved by** Avalon's independent **clinical advisory board**

Avalon Clinical Advisory Board

PROVIDING SCIENTIFIC EXPERTISE, CONSULTATION, AND A “VIEW INSIDE THE LAB”



Geoffrey Baird, MD, PhD

- **Practicing Pathologist, Board Certified**
- **Professor and Chair of Laboratory Medicine and Pathology, Dept of Laboratory Medicine and Pathology, University of Washington, Seattle**
- **Director of Clinical Chemistry, Harborview Medical Center, Seattle**



Timothy Hamill, MD

- **Professor Emeritus and Ex-Vice Chair, Laboratory Medicine, University of California, San Francisco**
- **Prior Director, UCSF Clinical Laboratories**



Jane Gibson, PhD

- **Professor of Pathology and Chair, Department of Clinical Sciences and the Associate Dean for Faculty Affairs at the University of Central Florida College of Medicine**
- **Founding Fellow of the American College of Medical Genetics (ACMG)**



Brian Rubin, MD, PhD

- **Practicing Pathologist with subspecialty expertise in bone and soft tissue tumors**
- **Professor and Vice Chair of Pathology; Director, Soft Tissue Pathology; Director, Bone & Soft Tissue Pathology, Fellowship Program, Cleveland Clinic**



Brian R. Smith, MD

- **Professor and Chair of Laboratory Medicine, Professor of Biomedical Engineering, Medicine (Hematology) and of Pediatrics, Yale School of Medicine**



IMPACT TO CODING, REIMBURSEMENT, AND TRENDS

Mike Snyder, Executive Vice President, Network, Avalon



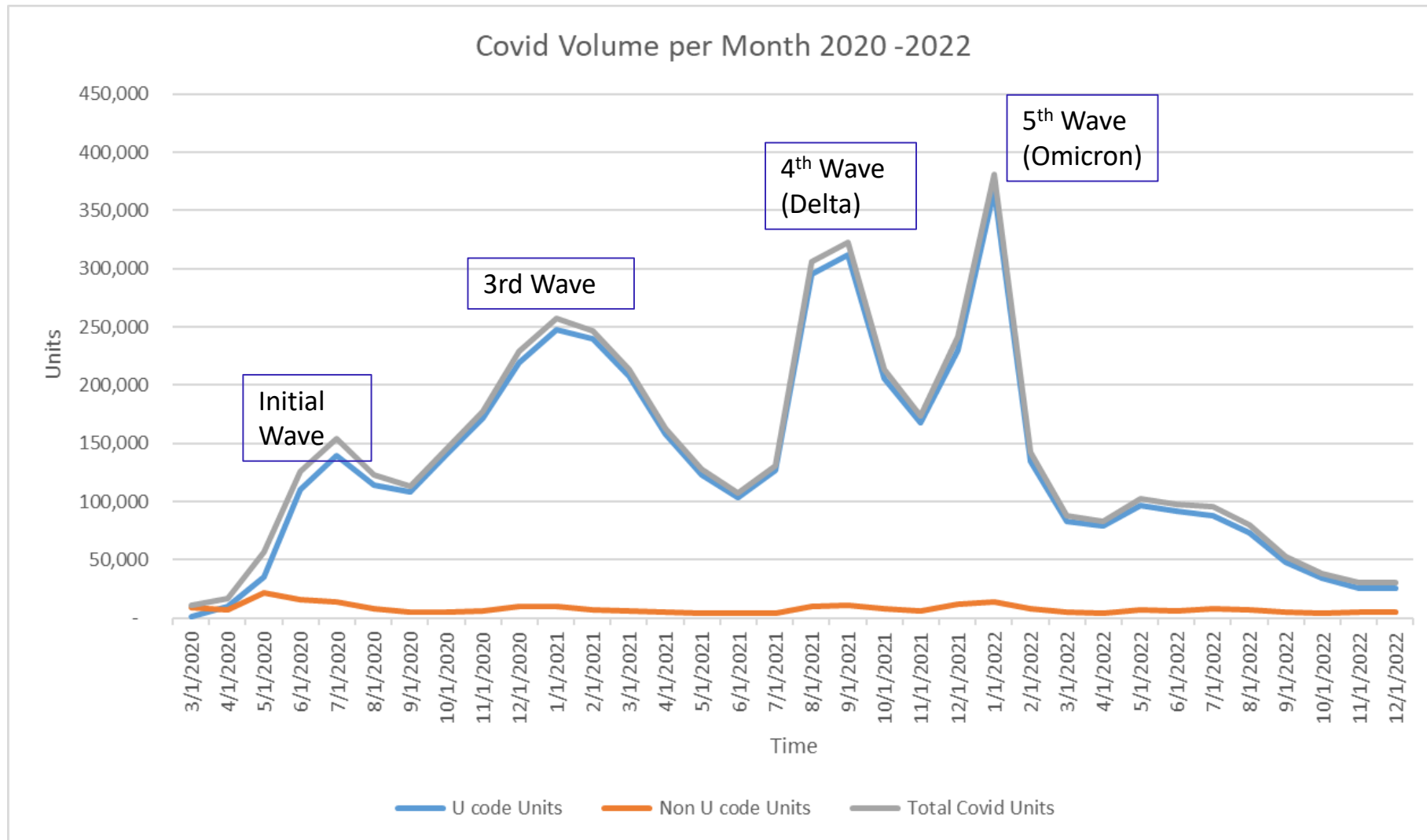
Changes to COVID-19 Testing: Coding and Reimbursement

- Traditional Medicare:
 - Continued coverage WITHOUT cost share if the testing is ordered by a physician or other qualified provider (e.g., PA, nurse) and if the testing is performed by a laboratory
- Medicare Advantage and Other Commercial Insurance:
 - Cost sharing will apply as determined by the managing health plan and member benefit
 - OTC testing is NO longer covered (100% MOOP)
- The increased payment for “high-throughput” technology testing will NO longer apply:
 - The temporary codes U0003, U0004 and U0005 will NO longer be recognized or reimbursed
 - PCR testing for COVID-19 will be described by CPT code 87635 and reimbursed by CMS at \$51.31. Commercial health plans MAY negotiate rates for in-network testing and apply cost sharing benefits for OON lab testing.
- The COVID-19 collection codes, G2023/G2024, will NO longer be recognized or reimbursed

Coding and Reimbursement Before and After May 11, 2023

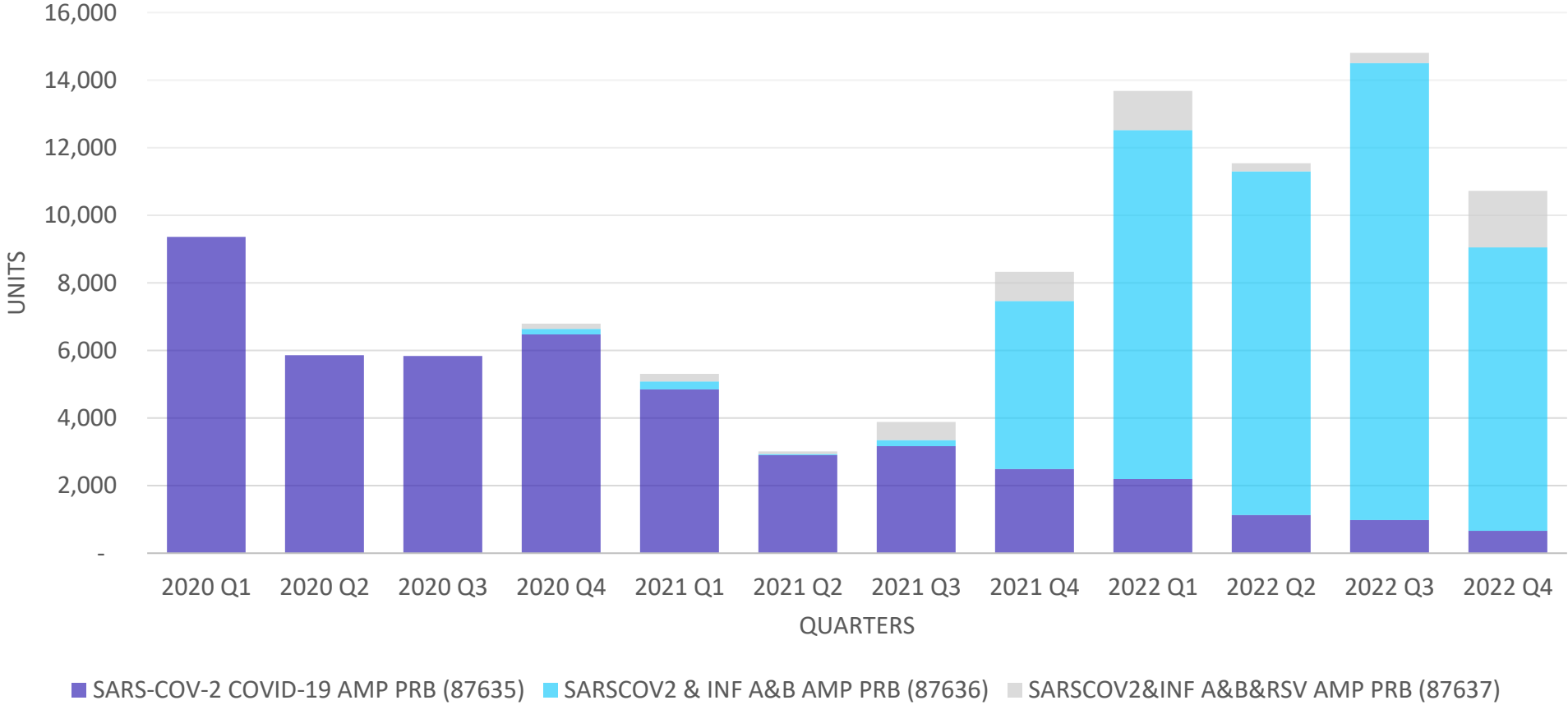
HCPCS CODE	DESCRIPTION	2022 UNITS	CMS FEE Q1-23	FEE POST 5/11/23
87635	SARS-COV2 C19 Amp prb	4,952	\$ 51.31	\$ 51.31
U0003	SARS-COV2, C19 Amp prb, high thruput	573,814	\$ 75.00	\$ -
U0004	SARS-COV2 C19 any tech, high thruput	50,992	\$ 75.00	\$ -
U0005	SARS-COV2 C19 high thruput, w/in 2 days	520,921	\$ 25.00	\$ -
87636	SARS-COV2 + Flu A/B Amp prb	42,437	\$ 142.63	\$ 142.63
87637	SARS-COV2 + Flu A/B + RSV Amp prb	3,369	\$ 142.63	\$ 142.63

Trends in COVID-19 Testing



Trends in COVID-19 Testing

COVID PCR CODES UNITS BY QRTR 20-22



Conclusions and Observations

- Health plans are no longer obligated to reimbursement labs for COVID-19 testing at 100% of billed charges
- Member cost share is back. This includes the ability of the health plan to pay OON providers within the defined member benefits (e.g., no reimbursement or at an increased cost share)
- Plans should monitor the utilization of respiratory panels
- Plans should carefully review a lab's utilization before adding the lab to the participating network
- Remind members that Direct Access Testing (DAT) may not be covered



Q&A

Michele Norton, SVP, Product Marketing



Thank you



Clients Contact:

Kerri Fritsch, Chief Client Officer
813-751-3832
kerri.fritsch@avalonhcs.com

Prospects Contact:

Barry Davis, Chief Growth Officer
201-218-3425
barry.davis@avalonhcs.com

SAVE THE DATE

Avalon Webinar – May 23 | 2:00 - 3:00 PM EDT

To register for our upcoming webinars, please visit: www.avalonhcs.com