

MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES

NOTICE OF PROPOSED POLICY

Public Act 280 of 1939, as amended, and consultation guidelines for Medicaid policy provide an opportunity to review proposed changes in Medicaid policies and procedures.

Please review the policy summary and the attached materials that describe the specific changes being proposed. Let us know why you support the change or oppose the change.

Submit your comments to the analyst by the due date specified. Your comments must be received by the due date to be considered for the final policy bulletin.

Thank you for participating in the consultation process.



Director, Program Policy Division  
Bureau of Medicaid Policy, Operations, and Actuarial Services

**Project Number:** 2419-Lab    **Comments Due:** August 13, 2024    **Proposed Effective Date:** October 1, 2024

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**Policy Subject:** Termination of COVID-19 Home Test Kit Coverage and Special Reimbursement for COVID-19 Specimen Collection and Clinic Vaccine Administration

**Affected Programs:** Medicaid, Healthy Michigan Plan

**Distribution:** Practitioners, Outpatient Hospitals, Laboratories, Pharmacies, Local Health Departments, Federally Qualified Health Centers, Rural Health Clinics, Tribal Health Centers, Medicaid Health Plans, Integrated Care Organizations

**Policy Summary:** This bulletin describes the termination of several COVID-19 laboratory policies including over-the-counter testing kits dispensed by a pharmacy, separate reimbursement for COVID-19 specimen collection services, testing performed for screening purposes without a clinical indication, and a pharmacist's ability to order testing under the PREP act authority. The bulletin also describes the termination of special reimbursement of COVID-19 vaccine administration services provided by FQHCs, RHCs, THC, and Tribal FQHCs when no other eligible qualifying clinic visit was performed on the same date of service. Termination of coverage and reimbursement outlined with the policy is effective for dates of service on and after October 1, 2024.

**Purpose:** Mandatory Medicaid coverage of certain COVID-19 services specified under the American Rescue Plan Act of 2021 (ARP) ends September 30, 2024. MDHHS has chosen not to extend these special coverages beyond this date.

# Proposed Policy Draft

Michigan Department of Health and Human Services  
Behavioral & Physical Health and Aging Services Administration

- Distribution:** Practitioners, Outpatient Hospitals, Laboratories, Pharmacies, Local Health Departments, Federally Qualified Health Centers, Rural Health Clinics, Tribal Health Centers, Medicaid Health Plans, Integrated Care Organizations
- Issued:** September 1, 2024 (Proposed)
- Subject:** Termination of COVID-19 Home Test Kit Coverage and Special Reimbursement for COVID-19 Specimen Collection and Clinic Vaccine Administration
- Effective:** October 1, 2024 (Proposed)

**Programs Affected:** Medicaid, Healthy Michigan Plan

This bulletin notifies providers of the intent for the Michigan Department of Health and Human Services (MDHHS) to discontinue Medicaid coverage of over the counter (OTC) COVID-19 home test kits and special reimbursement for COVID-19 laboratory specimen collection and vaccine administration. The bulletin also notifies providers of a return to traditional laboratory policy coverage parameters for COVID-19 testing. This policy is effective October 1, 2024.

## I. COVID-19 Laboratory Services

### A. Laboratory Performed Test Coverage

Medicaid will continue to cover laboratory-performed COVID-19 testing when ordered by an allowable practitioner type; however, services performed on or after October 1, 2024, must be medically necessary in accordance with Medicaid laboratory policy. Screening tests performed when the need for the test is not clinically indicated will not be covered. Medicaid-covered laboratory services and associated rates can be found on the Laboratory fee screen database at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders) >> Billing & Reimbursement >> Provider Specific Information.

### B. OTC Home Test Kit Coverage

Bulletin [MSA 21-50](#) provided for Medicaid coverage of select molecular and antigen OTC COVID-19 home test kits dispensed by a Medicaid-enrolled pharmacy. Beginning October 1, 2024, Medicaid coverage of the OTC test kits will be discontinued.

### **C. Tests Ordered by Pharmacists**

The federal Public Readiness and Emergency Preparedness (PREP) Act declaration, as amended, continues to allow the ordering of COVID-19 testing by a broader range of qualified medical professionals through December 31, 2024. In alignment, Medicaid will continue to allow enrolled pharmacists to be reported as the ordering provider on OTC COVID-19 home test kits dispensed by a Medicaid-enrolled pharmacy through September 30, 2024, and on laboratory performed COVID-19 tests for dates of service through December 31, 2024. COVID-19 testing services performed by a laboratory on and after January 1, 2025, will be subject to the allowable ordering providers under Medicaid laboratory policy unless the PREP act is further amended.

### **D. Specimen Collection**

Under bulletins [MSA 20-57](#), [MSA 20-74](#), and [MMP 23-24](#), MDHHS allowed separate reimbursement for COVID-19 laboratory specimen collection performed by physicians, pharmacists, other qualified practitioners, Federally Qualified Health Centers (FQHCs), Rural Health Clinics (RHCs), Tribal Health Centers (THCs), and Tribal FQHCs that provided collection services in order to submit samples to an off-site laboratory for processing and no other evaluation and management service was provided by the practitioner/clinic on the same date of service. This policy notifies providers that separate reimbursement will be discontinued for dates of service on and after October 1, 2024. Additionally, reimbursement for Independent Clinical laboratories collecting a COVID-19 specimen from a home bound beneficiary and the associated travel mileage will be discontinued as of October 1, 2024.

COVID-19 specimen collection performed by practitioners, pharmacies, and laboratories will revert to traditional Medicaid laboratory policy. Laboratory specimen collection is an integral part of the procedure and included in the reimbursement for the test processing and/or the associated evaluation and management service. FQHCs, RHCs, THCs, and Tribal FQHCs will revert to the applicable clinic reimbursement policy.

## **II. COVID-19 Clinic Vaccine Administration**

Under bulletins [MSA 21-42](#) and [MMP 23-26](#), MDHHS updated reimbursement policies for COVID-19 vaccine administration services provided by FQHCs, RHCs, THCs and Tribal FQHCs when no other eligible qualifying clinic visit was performed on the same date of service. This policy notifies providers that the special reimbursement will be discontinued for dates of service on and after October 1, 2024. COVID-19 vaccine administration services provided by FQHCs, RHCs, THCs, and Tribal FQHCs will revert to the applicable clinic reimbursement policy.