January 20, 2022

TO: Pharmacies, Physicians, Physician Assistants, Nurse Practitioners, Oral Surgeons, Optometrists, Dentists, FQHCs, RHCs, Mental Health Service Providers and Nursing Homes

RE: COVID-19 OTC and "At-Home" Tests for Pharmacy Billing

Effective January 1, 2022, Alabama Medicaid will cover FDA-authorized COVID-19 diagnostic and screening tests with "at-home" sample collection for reimbursement with no cost sharing for eligible beneficiaries. "At home" tests include FDA-authorized point of care and over-the-counter (OTC) tests.

Policy:
- Covered "at-home" test kits must be authorized by the FDA for use in both symptomatic and asymptomatic patients and allow for self-collection without medical observation.

- A prescription by a Medicaid-enrolled prescriber or the standing order by the Alabama State Health Officer, Dr. Scott Harris, is required. Please see the standing order on the ADPH website here: https://www.alabamapublichealth.gov/covid19/assets/cov-testkit-standingorder.pdf.

- A maximum of 4 tests per month per eligible recipient (*each kit may contain two tests for serial testing*), will be covered. Maximum unit overrides will be available for medical necessity through the routine pharmacy override process (Kepro).

- Pharmacies may bill using the National Drug Codes (NDCs) provided which have been derived by using the Universal Product Code (UPC). Pharmacies may utilize the Medicaid online drug look-up tool to determine coverage and see pricing information. The online drug-look up can be found here: https://www.medicaid.alabamaservices.org/alportal/NDC%20Look%20Up/tabId/5/Default.aspx.

- Reimbursement for tests are based on Medicaid policy (Section 27.2.5, Reimbursement for Covered Drugs and Services, of the Provider Billing Manual). Questions related to reimbursement rates should be directed to the AAC Vendor, Myers & Stauffer at (800) 591-1183.

Questions related to this ALERT can be addressed by calling the Alabama Medicaid Pharmacy Department at (334) 242-5050.