

REINSTATEMENT OF CHIP CO-PAYS FOR COVID-19 VACCINES, TREATMENT, AND TESTING SERVICES

05/31/2024

BACKGROUND

To comply with Section 9821 of the American Rescue Plan Act of 2021, HHSC must ensure COVID-19 related vaccine, treatment, and testing services are provided without cost-sharing, including co-pays effective March 11, 2021, and ending on the last day of the first calendar quarter that begins one year after the last day of the COVID-19 public health emergency period (which is September 30, 2024). Children's Health Insurance Program (CHIP) providers have been prohibited from collecting co-payments for COVID-19 related vaccines (and the administration of such vaccine), testing, and treatment, including preventative therapies; treatment of post-COVID-19 conditions (e.g., long-haul COVID-19); and treatment of health conditions that may seriously complicate the treatment of COVID-19 during the period when a beneficiary is diagnosed with, or is presumed to have, COVID-19.

Aligned with federal requirements, HHSC will reinstate co-pays for CHIP COVID-19 vaccines, treatment and testing services on October 1, 2024.

The reinstatement of co-pays for CHIP COVID-19 vaccines, treatment and testing services does not apply to:

- Mental health and substance use disorder outpatient office visits. Co-pays have been permanently removed for mental health and substance use disorder outpatient office visits to comply with federal regulations.

This notice provides guidance to CHIP managed care organizations (MCOs) on required actions as a result of the reinstatement of co-pays for CHIP COVID-19 vaccines, treatment and testing services. The HHSC Vendor Drug Program will issue a separate MCO notice about pharmacy CHIP co-pays and services.

SUMMARY OF REQUEST

MCOs will need to take steps outlined below to notify members and providers and to end this flexibility.

Action:

MCOs are required to take the following actions to reinstate co-pays for CHIP COVID-19 vaccines, treatment and testing services:

- Pursuant to Section 8.1.5.3 of the Uniform Managed Care Contract, MCOs must notify members 30 days prior to the effective date of the change. HHSC recommends, where possible, that MCOs provide a 45-day advance notice to ensure timely mail delivery. MCOs must notify all CHIP members and issue guidance about reinstating co-pays by August 31, 2024.

Note: HHSC does not require MCOs to use a specific method of notification to meet the member communication requirement above. However, HHSC expects written documentation to be provided to all members by August 31, 2024 (e.g., a letter or email [if there is member consent to do so]). MCOs may send one notice per household. For example, if a member has three members living in the same household, one notice can be sent to the household instead of three separate notices.

MCOs may create their own materials or language for members. Any new language created must be routed to the HHSC Marketing Team, via the Data Management System, for review. HHSC approval is not required to use or distribute any pre-approved language included in this notice.

- MCOs must issue guidance to providers about reinstating co-pays by August 31, 2024.
- HHSC is including pre-approved language for both member and provider communications, see “Provider and Member Language_CHIP MCOs Reinstatement of CHIP Co-pays for COVID-19 services”, attached to this notice.
- MCOs must implement any necessary system changes to ensure reimbursement to providers is reduced by the amount of reinstated co-pays. MCOs must take all steps to ensure providers receive the applicable rate of reimbursement for these services (i.e., reduce reimbursement by the amount of co-pay(s) that will be collected from a member).
- MCOs must inform HHSC when member and provider notifications are complete, and system changes have been made, by emailing the attached attestation form to Managed_Care_Initiatives@hhs.texas.gov and copying their Managed Care Compliance and Oversight Health Plan Team.

Additional Information:

Through September 30, 2024, HHSC and MCOs will continue using the non-risk payment process described in the June 8, 2023, MCO Notice: “Update on Reimbursement for Non-Risk Criteria for COVID-19 and CHIP Copay Waiver” and the September 22, 2022 MCO Notice: “Prohibition of Cost Sharing for COVID-19 Vaccine, Treatment, and Testing Services”. HHSC will implement a run-off period of two years for non-risk CHIP co-pays from October 1, 2024, through September 30, 2026.

MCOs and providers must follow applicable claims and encounters data submission policy.

Resources:

Provider and Member Language CHIP MCOs Reinstatement of CHIP Co-pays for COVID-19 services (Attached)

Attestation Form CHIP MCOs Reinstatement of CHIP Co-pays for COVID-19 services (Attached)

MCO Notices posted to TexConnect:

June 8, 2023 - *Update on Reimbursement for Non-Risk Criteria for COVID-19 and CHIP Copay Waiver*

September 22, 2022 - *Clarification Regarding Outpatient Pharmacy CHIP Copayments for COVID-19 Vaccines, Treatment, and Testing*

September 22, 2022 - *Prohibition of Cost Sharing for COVID-19 Vaccine, Treatment, and Testing Services*