

HHS: Short-Term Plans Count As Insurance For Treatment, Not Testing

By [Amy Lotven](#) / April 27, 2020 at 6:17 PM

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HHS tells *Inside Health Policy* the hospital reimbursement fund for the uninsured that officially opened Monday (April 27) will consider people covered by short-term plans as insured, which means CARES Act dollars cannot be used to reimburse providers for those individuals' COVID-19 treatment, yet short-term plans will not be viewed as insurance when it comes to COVID-19 testing and thus providers can get federal relief money for enrollees' testing.

The distinction is needed because the \$1 billion for testing included in the Family First Coronavirus Response (FFCRA) Act defines 'uninsured' as anyone not enrolled in a comprehensive plan, but the separate hospital uninsured fund was not in statute, so HHS defined uninsured as someone who does not have "any" coverage.

IHP asked for clarification because an administration official told reporters last week that short-term plans -- which are not required to cover the ACA's essential benefits -- would be considered insurance for the purposes of the reimbursement fund. However, Brookings Institution fellow Christen Linke Young later pointed out in Twitter comments that FFCRA specifically defines insurance as comprehensive coverage -- so short-term coverage would not fall into that category. Since, HHS had seemingly combined the FFCRA's \$1 billion for testing into the same pot as the CARES money, HHS must follow Congress' definition - not the one crafted by the department, she said.

On Friday, Sen. Chris Murphy (D-CT) also told *Inside Health Policy* that the administration must follow the law, not the administration's political priorities.

The Trump administration is in an untenable position, Murphy said. Officials know that short-term plans are not actual insurance, but they have to pretend it is since they have tried to undermine the Affordable Care Act by acting as if the junk plans provide true coverage.

The administration also knows that a lot of hospitals are not going to get reimbursed under its policy due to patients who bought the non-comprehensive coverage, but still pretends that they will, he adds.

Inside Health Policy also asked HHS whether the department intended to follow the FFCRA definition since the funds were apparently being combined.

On Monday the department clarified that short-term plans will not be considered insurance for the "testing fund" claims, [per the terms under FFCRA](#). But the same plans will be considered insurance for the "treatment fund," created with the CARES Act money, [per the program's terms and conditions as crafted by HHS](#), which says the claims can only be paid for "individuals who do not have any health care coverage at the time the services were provided."

Linke Young says that while HHS might be accurately describing how short-term plans should be treated under the program on paper, it is unclear how that will work in practice.

Suppose there's a patient enrolled in a short-term plan, or a health care sharing ministry, and that plan will pay for a small amount of out-patient care and maybe \$1,000 a day for inpatient care but won't pay for COVID-19

testing. In that situation, there's a mix of claims, some of which are eligible for reimbursement and others that aren't, she says.

Providers will need clear guidance on how to fill out the forms and possibly separate attestations to avoid confusion, she adds.

Meanwhile, the administration on Monday officially opened a portal at the Health Resources and Services Administration for providers to use to submit claims, and the portal makes no mention of separate funds.

"As part of the Families First Coronavirus Response Act and the Coronavirus Aid, Relief, and Economic Security (CARES) Act, healthcare providers can request claims for reimbursement electronically through the COVID-19 Uninsured Program Portal and receive reimbursement, generally at Medicare rates, for testing uninsured individuals for COVID-19 and treating uninsured individuals with a COVID-19 diagnosis," HHS says in a release.

"Congress appropriated funding for COVID-19 testing for the uninsured and also appropriated funding for a general fund to support providers affected by COVID-19," HHS Secretary Alex Azar adds in the statement. "The President and HHS made the bold decision to ensure that some of this money is specifically devoted to covering care for the uninsured, going to providers at the front lines of the pandemic response. Providers will be able to bill the government for this care at Medicare rates, and uninsured individuals will be protected from any balance-billing for COVID-19 testing and treatment."

The department is slated to hold training on the program Wednesday (April 29), and hospitals can start submitting claims May 6. -- *Amy Lotven* (alotven@iwpnews.com)

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