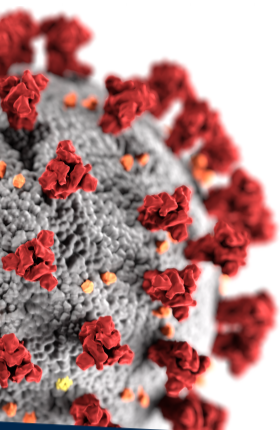


# Value-Based Insurance Design and the COVID-19 Pandemic



- **68% of adults report out-of-pocket costs would be very or somewhat important in their decision to get care if they had symptoms of the coronavirus**
- **Patient out-of-pocket costs for COVID-19 hospitalization can reach:**
  - **\$1,300 in employer sponsored health plans**
  - **\$1,400-1,600 in traditional Medicare and Medicare Advantage plans**
- **40% of Americans don't have \$400 for an unexpected bill**

Value-based insurance design principles can mitigate the harmful effects of the virus by reducing barriers to necessary care

## Policies to Increase Access to Necessary Care

**March 11, 2020:** Notice 2020-15, HDHPs and Expenses Related to COVID-19, extended pre-deductible coverage for medical services to test for and treat the virus

**March 18, 2020:** Families First Coronavirus Response Act

- Eliminated cost-sharing for COVID-19 testing
- Eliminated cost-sharing for any in-person or telehealth provider visit that results in a COVID-19 test

**March 29, 2020:** Several private plans waive cost-sharing for COVID-19 treatment, in both privately insured individual and groups plans, and Medicare Advantage and Medicaid

**March 11, 2020:** Private health plans begin to announce partial or full coverage for COVID-19 testing and related services

**March 27, 2020:** Coronavirus Aid, Relief, and Economic Security Act (CARES)

- Mandates coverage of COVID-19 testing by all plans without cost-sharing
- Allows HSA-HDHPs to cover telehealth services - including care not associated with COVID-19 - on a pre-deductible basis
- Requires first dollar coverage of a COVID-19 vaccine in all plans by amending Public Health Service Act Section 2713

**March 30, 2020:** CMS expanded Medicare coverage of telehealth visits and issued regulatory changes to further support hospitals, physicians, and other healthcare organizations

Policies that reduce consumer cost-sharing are **mostly voluntary** and need to be **swiftly and generously implemented** to encourage patients to seek necessary care