

March 10, 2020

Cesar J. Lopez  
Associate General Counsel  
Texas Hospital Association  
1108 Lavaca Street, Suite 700  
Austin, Texas 78701

Dear Mr. Lopez:

I write in response to your letter to Commissioner Kent Sullivan dated March 9, 2020, regarding COVID-19 precautions. The Texas Department of Insurance (TDI) has been working closely with state leaders and the insurance industry on appropriate steps to protect and care for Texans - for weeks. The Office of the Governor announced today that the state's largest insurers have agreed to waive consumer costs for medically necessary COVID-19 testing.

I've attached a copy of the Governor's news release. The insurers listed represent about 98% of the state-regulated market in Texas. As you know, the Texas Department of Insurance regulates fully insured health plans that account for about 15% of the market. We don't regulate self-funded plans, which include most large-employer plans. However, many insurers tell us they're asking their self-funded clients for approval to waive consumer cost testing for those plans as well.

Insurers also are taking additional steps to prepare and respond, including expanding the use of telemedicine and temporary changes to prescription refill policies. These steps are consistent with guidance TDI issued on February 28 (see attached) to the insurance industry.

This is still a developing situation, and we'll be closely monitoring the insurance industry's response. We're prepared to issue additional guidance and direction as necessary. If you have any questions, please contact me at 512-676-6028 in my office.

Very truly yours,



Luke Bellsnyder  
Deputy Commissioner, Agency Affairs



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Governor Abbott, TDI Ask Health Insurance Providers To Waive Costs Associated With Coronavirus ()

# Governor Abbott, TDI Ask Health Insurance Providers To Waive Costs Associated With Coronavirus

March 10, 2020 | Austin, Texas | [Press Release](#)

Governor Greg Abbott and the Texas Department of Insurance (TDI) today announced that they have asked health insurers and health maintenance organizations operating in Texas to waive costs associated with the testing and telemedicine visits for the diagnosis of coronavirus (COVID-19). Additionally, TDI is requesting that insurers report their actions related to consumer cost-sharing and access to services so that the department can ensure consumers are aware of their available benefits.

"We must ensure no Texan is denied access to testing resources relating to coronavirus," said Governor Abbott. "Texans who are concerned that they may have coronavirus should seek medical attention in the most appropriate setting, and telemedicine is a good first medical encounter for anyone experiencing mild symptoms. Consulting a physician from home is a practical way to avoid getting sick, prevent the spread of the virus, and help ensure that emergency rooms are available for those who truly need them. We appreciate the collaboration of health insurers operating in Texas to enhance our state's proactive approach to addressing any potential outbreaks of COVID-19. The State of Texas is unwavering in our commitment to protecting the health and safety of all Texans."

TDI is specifically requesting insurers to take the following actions as they relate to COVID-19:

- Waive co-payments, co-insurance, and deductibles for testing that is consistent with guidance issued by the Centers for Disease Control and Prevention (CDC).
- Waive consumer cost-sharing and facilitate expanded use of telemedicine.
- Cover necessary medical equipment, supplies, and services.
- Waive penalties, restrictions, and claims denials for necessary out-of-network services.
- Waive requirements for pre-authorization, referrals, notification of hospital admission, or medical necessity reviews for care consistent with CDC guidance.
- Allow extra time for health providers and facilities to file claims.
- Authorize payment to pharmacies for up to a 90-day supply of any prescription medication for individuals, regardless of when the prescription was filled.

The following health insurers and health maintenance organizations have already begun to waive cost-sharing for medically-necessary testing of COVID-19, with more being announced in the coming days:

- Aetna (CVS)
- Blue Cross and Blue Shield of Texas
- Cigna Health of Texas, Inc.
- Community Health Choice, Inc.
- Golden Rule Insurance (UHC)
- Humana Health Plan of Texas, Inc.
- Molina Healthcare Insurance Company of Texas
- Oscar Insurance Company
- Scott & White Health Plan
- Superior Health Plan (Centene)

- United Healthcare Insurance Company

These waived costs would specifically impact individuals covered by state regulated insurance plans. Families concerned about coronavirus who receive benefits through Medicaid and CHIP will be able to access testing ordered by a physician at no cost. Additionally, the Employees Retirement System of Texas, the Teacher Retirement System of Texas, The Texas A&M University System, and The University of Texas System have been asked to provide these same benefits to employees and retirees covered by their PPO and HMO plans. Texans should contact their plan administrator to confirm their benefits.

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# **TDI encourages proactive planning for COVID-19**

To the health insurers and health maintenance organizations of Texas:

The Texas Department of Insurance (TDI) encourages health insurers and health maintenance organizations to be proactive in planning for coronavirus COVID-19. While there are no community spread cases of COVID-19 in Texas to date, this is a developing public health issue that warrants taking appropriate precautionary steps now.

## **Review claims handling and utilization review procedures**

Closely monitor guidance from the Centers for Disease Control and Prevention (CDC) and the Texas Department of State Health Services. Adjust your policies and procedures as needed to ensure consistency with their guidance. For example:

- Make sure denials based on a failure to meet the prudent layperson standard for emergency care take into account COVID-19 and flu-like symptoms.
- Ensure consistency with CDC guidelines that require four negative tests before discontinuing transmission-based precautions for a patient hospitalized with COVID-19.

## **Increase member communications as needed**

Topics to consider include when to seek medical care and the availability of options such as telemedicine and nurse lines that can provide quick access to care and limit exposure to new infections in waiting rooms.

## **Review and update contingency plans**

Make sure your contingency and preparedness plans are up to date in case you need to add resources to answer calls, staff nurse lines or member chat services, or provide similar customer assistance.

To monitor the latest information on COVID-19:

- [Texas Department of State Health Services](#)
- [Centers for Disease Control and Prevention](#)

For more information, contact: [Commissioner@tdi.texas.gov](mailto:Commissioner@tdi.texas.gov)