

Date: September 10, 2020

To: Nursing Facility Administrators

From: Valerie Cooke, Director
Nursing Facility Rates and Policy Division
MN Department of Human Services

RE: COVID-19 Testing of Staff of Nursing Facilities

Nursing facilities have been severely impacted by COVID-19. The vulnerable adult population residing in congregate living in a healthcare setting have inherent risks, which requires aggressive efforts to limit COVID-19 exposure and to prevent the spread of COVID-19 within nursing facilities. The Minnesota Department of Health (MDH) and Centers for Medicare and Medicaid Services (CMS) have issued guidance related to implementing screening measures, including COVID-19 testing, for staff and residents. One of the most recent federal document released on this topic can be accessed here: <https://www.cms.gov/files/document/qso-20-38-nh.pdf>

This memo provides information regarding reimbursement from the Minnesota Department of Human Services (DHS) for Medicaid certified nursing facilities that offer and/or administer testing of staff for COVID-19. The information contained in this letter is subject to change per future state and federal guidelines. It is the DHS's expectation that nursing facilities seeking reimbursement from DHS for staff COVID-19 testing will be in compliance with the MDH and CMS COVID-19 testing mandates. See: [Long-term Care Testing: COVID-19 - Minnesota Dept. of Health](#).

Reimbursement information:

- Reimbursement for COVID-19 testing costs under M.S. 12A.10 is limited to what the guidance and mandates from the MDH and/or federal government indicate. For example, facility wide influenza testing is neither mandated nor recommended by MDH or CMS as a response to COVID-19 at this time, therefore, these costs are not reimbursable under the DHS NFRP COVID-19 expedited reimbursement program.
- For the purposes of COVID-19 testing reimbursement by DHS, a facility staff member is defined as any employee, contractor, consultant, pool staff, volunteer, students in the facility's nurse aide training programs or from affiliated academic institutions, and [Essential Caregivers](#) authorized under the state's program who provide care and services to residents on behalf of the facility, that are going into a Minnesota licensed nursing facility. This definition of "staff" is not applicable to the Medicaid nursing facility cost report.
- Medicaid certified nursing facilities in Minnesota cannot bill the facility staff, as defined above, for COVID tests nor Personal Protective Equipment because these costs can be covered by either CARES Act funds or M.S. 12A.10.
- In order to seek reimbursement for COVID-19 testing costs nursing facilities must use either the DHS NFRP [COVID-19 Form A](#) or Form B. These COVID-19 reimbursement forms may be submitted by facilities to DHS no more than once monthly. Costs for COVID-19 tests will not be allowed on the Medicaid nursing facility cost report regardless of who the test is for.
- Allowable costs for COVID-19 testing is limited to the Medicare Fee Schedule in effect on the date of service. Reimbursement from DHS will be the lessor of the actual lab charges or the Medicare fee schedule payment amount. If the lab is a related party to the nursing facility the CMS reimbursement rules pertaining to related parties will apply.

- If the nursing facility is using in-house nursing staff to collect specimens, a separate fee for that service will not be allowed on the cost report nor reimbursed via the DHS NFRP COVID-19 reimbursement program. Incremental staffing costs to perform this function can be claimed on Forms A or B under the DHS NFRP COVID-19 expedited reimbursement program.
- COVID-19 testing costs will continue to be eligible for reimbursement under the DHS NFRP COVID-19 expedited reimbursement program for dates of service during the Governor's peacetime emergency declaration for COVID-19 and up to 60 days after this declaration has ended.
- COVID-19 testing costs for residents generally will not be allowable on the NFRP COVID-19 expedited reimbursement forms nor the Medicaid cost report when they are separately billable. Labs and nursing facility providers with the CLIA waiver can bill for the resident's COVID-19 tests through the resident's insurance and the nursing facility is obligated to provide the insurance information of the residents to the labs. There are [state](#) and [federal](#) programs to cover COVID-19 testing costs for the uninsured.
- Nursing facilities must maintain records of the COVID-19 testing costs they have incurred and make this information available to the DHS NFRP audit staff upon request. These records must be kept for seven years. If the nursing facility is seeking reimbursement from DHS for COVID-19 test costs, this documentation must include the employee name and test date(s) for those the facility has paid for testing for. These records shall include documentation that the facility has incurred these costs, the costs were allowable, and that the facility has paid for these costs in full.
- Per M.S. 12A.10, if after receiving payment from the DHS for COVID-19 related costs, including COVID-19 testing, the nursing facility provider is able to acquire payment from another source for that cost, then the provider shall reimburse DHS. If the provider does not reimburse the commissioner, DHS will pursue the recovery of these funds. It is the DHS's expectation that federal funds made available to nursing facility providers to pay for COVID related costs will be exhausted before the provider seeks reimbursement for COVID costs from the DHS.

For questions about this memo, please contact Kim Brenne at kimberly.brenne@state.mn.us