MARCH 10, 2020

TO: ALL ACUTE CARE HOSPITALS AND SPECIALTY HEART HOSPITAL

FROM: JUDITH PERSICHILLI, COMMISSIONER

RE: RESPONSE TO COVID-19 AND WAIVER OF CO-PAYS FOR PATIENTS ELIGIBLE FOR CHARITY CARE ASSISTANCE.

The purpose of this memorandum is to provide guidance to all acute care hospitals and one specialty heart hospital licensed to operate in New Jersey (hospitals) as the State responds to the global Coronavirus (“COVID-19”) outbreak. COVID-19 is a respiratory infection caused by a novel virus that arose in December 2019. Once a person is infected, the virus causes respiratory illness. Outbreaks of novel virus infections among people are always of public health concern. The risk from these outbreaks depends on the characteristics of the virus, including how well it spreads between people, the severity of the resulting illness, and the medical or other measures available to control the impact of the virus (for example, medications or vaccines).

Visits to the hospital for testing and screening for COVID-19 are reimbursed through a variety of public and private payers. Entities in the State are acting in coordination to remove any barriers associated with the costs of testing and screening for COVID-19. Insurance carriers under the jurisdiction of the Department of Banking and Insurance, the Medicaid program in the Department of Human Services, State Health Benefits programs, and certain programs for the uninsured, including the Hospital Assistance Program (Charity Care), are being instructed to waive copay requirements for patients to access COVID-19 screening visits and testing.

In order to ensure that cost-sharing is not a barrier to testing for COVID-19 for individuals who have a low-income and are uninsured, the Department of Health (“Department”) is requiring that hospitals refrain from imposing cost sharing for the screening and testing for COVID-19 for certain patients that qualify for the Hospital Assistance Program (Charity Care). Specifically, for patients who are determined income eligible for Charity Care, but who have been identified as eligible for reduced charge charity care pursuant to NJAC 10:52-11.8, the hospital is directed to waive the portion of the payment that would be charged by the hospital to the patient.

The hospital is instructed instead to submit a claim for these services to the State through the customary Medicaid billing system as a charity care claim. The waiver of the payment will
apply to the screening visit and any laboratory tests conducted to identify the COVID-19 virus for that patient.

Each hospital will be notified by the Department regarding time frame, further details of the billing process and to address any questions.