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# FEHB Program Carrier Letter

## All FEHB Carriers

U.S. Office of Personnel Management  
Healthcare and Insurance

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Letter No. 2020-19

Date: December 21, 2020

Fee-for-service [16]

Experience-rated HMO [16]

Community-rated HMO [17]

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### **SUBJECT: COVID-19 Vaccines and Diagnostic Tests**

OPM is committed to ensuring that FEHB Program members have rapid access to Food and Drug Administration (FDA) authorized or approved COVID-19 vaccines at no cost as the vaccines become available; the FDA has authorized two COVID-19 vaccines to date and others may become available in the future. This Carrier Letter confirms that FEHB Carriers are required to cover COVID-19 vaccines and other preventive services consistent with the [interim final rule](#) promulgated by the Departments of Health and Human Services (HHS), Labor, and the Treasury (collectively, “the Departments”) published on November 6, 2020.<sup>1</sup> This Carrier Letter also encourages FEHB Carriers to work with providers and pharmacies in order to accelerate COVID-19 diagnostic testing, and requires reimbursement to pharmacies for administering COVID-19 vaccines and diagnostic tests.

FEHB Carriers play an important role in educating members about the need for vaccinations. As COVID-19 vaccines become available, FEHB Carriers are strongly encouraged to communicate with members on the importance of COVID-19 vaccinations and where they can get vaccinated.

#### **COVID-19 Vaccines**

As explained in [Carrier Letter 2020-08](#)<sup>2</sup>, Carriers must cover COVID-19 vaccines and any other preventive services intended to prevent or mitigate COVID-19, without cost-sharing, as soon as possible after FDA authorization or approval, but no later than 15 business days after a recommendation with an “A” or “B” rating by the United States Preventive Services Task Force (USPSTF), or a recommendation by the Advisory Committee on Immunization Practices (ACIP). The FDA may provide its authorization through either an Emergency Use Authorization (EUA) or under a Biologics License Application (BLA).

To align with the Departments’ rule, OPM is now directing FEHB Carriers to provide out-of-network coverage of FDA-authorized or approved COVID-19 vaccines and their administration, without any cost sharing.

FEHB Carriers must reimburse out-of-network providers, including pharmacies, in amounts that are reasonable, as determined in comparison to prevailing market rates. OPM will consider the

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<sup>1</sup> Available at <https://www.federalregister.gov/d/2020-24332>. See also “Toolkit on COVID-19 Vaccine: Health Insurance Issuers and Medicare Advantage Plans,” available at <https://www.cms.gov/files/document/COVID-19-toolkit-issuers-MA-plans.pdf>.

<sup>2</sup> Available at <https://www.opm.gov/healthcare-insurance/healthcare/carriers/2020/2020-08.pdf>.

amount of payment to be reasonable, for example, if the FEHB Carrier pays the provider, including a pharmacy, the amount that would be paid under Medicare, or the amount that they would pay their in-network providers. This is consistent with the Departments' approach to reasonableness of payments for out-of-network coverage.<sup>3</sup>

The Departments' rule has two other pertinent provisions. First, the Departments clarify that there must not be any cost-sharing for the administration of COVID-19 vaccines, regardless of how it is billed, and regardless of whether a COVID-19 vaccine requires the administration of multiple doses. The Departments' clarification aligns with OPM's existing policy in [Carrier Letter 2019-01](#)<sup>4</sup>, which notes that FEHB Carriers must cover the full scope of preventive services. Second, the Departments indicate that a COVID-19 vaccine must be covered even if not listed for routine use on the Immunization Schedules of the Centers for Disease Control and Prevention. This aligns with OPM guidance noted in [Carrier Letter 2020-08](#).

### **COVID-19 Diagnostic Tests**

FEHB Carriers are encouraged to work with providers and pharmacies in order to reduce the time it takes to provide results for COVID-19 diagnostic testing, while maintaining the accuracy rates of their test results. The Departments are encouraging market-driven approaches to address the continued challenges surrounding the turnaround time for COVID-19 diagnostic testing.

### **Pharmacy Access to COVID-19 Vaccines and Diagnostic Tests**

Under the Public Readiness and Emergency Preparedness Act (PREP Act), HHS has issued guidance authorizing qualified pharmacists, pharmacy technicians and State-authorized pharmacy interns to administer COVID-19 vaccines and tests.<sup>5</sup> Both COVID-19 vaccines and tests must be ordered by a qualified pharmacist or other qualified medical provider with prescriptive authority. We expect FEHB Carriers to provide reimbursement for pharmacy administered COVID-19 vaccinations and tests ordered by a qualified pharmacist.

If you have any questions about the information provided in this letter, please contact your Health Insurance Specialist.

Sincerely,

Laurie Bodenheimer  
Acting Director  
Healthcare and Insurance

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<sup>3</sup> See <https://www.federalregister.gov/d/2020-24332/p-355>.

<sup>4</sup> <https://www.opm.gov/healthcare-insurance/healthcare/carriers/2019/2019-01.pdf#page=6>

<sup>5</sup> See <https://www.phe.gov/Preparedness/legal/prepact/Documents/pharmacist-guidance-COVID19-vaccines-immunity.pdf> and <https://www.hhs.gov/sites/default/files/prep-act-guidance.pdf>.