



Summary - Health Coverage Provisions Families First Coronavirus Prevention Act (FFCPA)

In recent weeks, the President and Congress have taken important steps to help states, individuals, and physicians weather the COVID-19 pandemic. As the virus spreads, insuring timely testing and treatment for people exposed to the virus will be of paramount importance. To that end, partial relief is on the way.

On March 18, the President signed the Families First Coronavirus Prevention Act (HR6201), which among other things, will require most insurers, including employer-sponsored health plans, grandfathered plansⁱ, Medicare, Medicaid, and the Children's Health Insurance Program (CHIP) to cover testing *during the emergency period*. FFCPA does not apply to short term plans, however, individual carriers for such plans may opt to waive testing-related costs.

On Friday, March 27, the President signed the Coronavirus Aid, Relief, and Economic Security Act (CARES), building on FFCPA. However, the CARES Act does not contain additional substantive coverage provisions.

As important as both bills are to Texas, neither requires coverage for COVID-19 *treatment*. Yet, nearly 1 in 5 Texans – more than 5 million people – lack health insurance. As more Texans lose their jobs, even more will lose coverage or the ability to pay for services. Consistent with TMA policy, Texas must act quickly to ensure all Texans have access to meaningful, comprehensive coverage.

Families First Coronavirus Prevention Act (FFCPA)

Private Health Insurance

- Requires private health plans, including both fully-insured and self-insured private health plans, to cover COVID-19 testing and related office visits without cost-sharing or prior approval (throughout emergency declaration). (The newly enacted CARES Act amends FFCPA to clarify that testing done in clinical labs on an emergency basis, including public health labs and state-developed labs, also will be exempt from cost-sharing).

Medicare, Medicare Advantage, Tri-Care, and Veteran's Affairs

- Requires traditional Medicare and Medicare Advantage Plans to cover testing and diagnosis of COVID-19 without cost-sharing or prior approval (throughout emergency declaration).

Medicaid and CHIP

- Increases federal Medicaid matching fund – known officially as the Federal Medical Assistance Percentage, or FMAP, by 6.2% retroactive to Jan. 1, 2020 and available until the end of quarter when the emergency declaration ends. For Texas, the state's federal matching rate will climb to 66.89%, generating more than \$2 billion in additional federal funds.ⁱⁱ
- *CMS guidance states that CHIP match rates also will increase by 4.34%*ⁱⁱⁱ
- To benefit from the higher Medicaid FMAP, the law requires states to comply with important patient protections, including directing states to:
 - 1) Maintain the Medicaid eligibility levels in place as of Jan. 1, 2020;
 - 2) Sustain coverage for people who enroll in Medicaid on or after March 18 (the date the President signed FFCPA) through the end of the emergency declaration unless the patient

requests voluntary termination, moves out of state, or dies. This means Texas must maintain coverage for children on Medicaid whose enrollment otherwise would be terminated if the parents miss a monthly income check, as well as coverage for postpartum women who otherwise would lose coverage 60 days postpartum^{iv}. (However, the act would not preclude Texas from conducting periodic income checks for children enrolled in Medicaid);

3) Provide coverage for COVID19 testing, services, and treatment, including vaccines, without cost-sharing for Medicaid enrollees.

- Requires states to cover COVID-19 testing without cost-sharing for CHIP and CHIP-Perinatal enrollees;
- Establishes new optional Medicaid eligibility category to pay for COVID-19 *testing* (not treatment), paid at 100% federal funding;
- Provides \$1 billion in federal funding to the National Disaster Medical System to pay the cost of testing for the uninsured who do not qualify for Medicaid, including undocumented immigrants and people with short-term health plans.

ⁱThe Affordable Care Act exempted certain health plans in place prior to 2010 from certain provisions of the law, including the provision to cover preventive health services without cost sharing. According to the Kaiser Family Foundation, in 2019 grandfather plans applied to 13% of covered workers.

ⁱⁱ [Center on Budget and Policy Priorities March 13, 2020 estimate](#)

ⁱⁱⁱ [Families First Coronavirus Response Act – Increased FMAP FAQs, Centers for Medicare and Medicaid Services](#)

^{iv} FMAP FAQs