

Dear IPA/medical group Administrator,

In accordance with new laws becoming effective January 1, 2022, Blue Shield of California (“Blue Shield”) will assume financial responsibility for certain administrative costs related to COVID-19 testing and COVID-19 vaccines. The information below outlines specific changes that will impact Blue Shield’s contracted IPA/medical groups in order to comply with those changes.

[Please carefully review the information below, and if you have any questions, please contact your Blue Shield Provider Relations Representative.](#)

1. California Senate Bill SB 510: COVID-19 testing for commercial HMO plan members

- In accordance with California Senate Bill 510 (“SB 510”), beginning January 1, 2022, Blue Shield will assume financial responsibility for all COVID-19 screening and diagnostic testing for HMO commercial plan members, including for a self-administered at-home testing kit when ordered by a healthcare provider.
- The members will continue having no cost-sharing responsibility for COVID-19 testing, and the testing will be covered regardless of the member’s purpose for COVID-19 testing. Financial responsibility includes the costs for specimen collection, handling, and covered testing processes. The covered testing will include testing that has been approved or granted emergency use authorization by the Food and Drug Administration.
- Delegation to a contracted provider for the costs associated with COVID-19 testing services will not occur unless the parties involved have negotiated and agreed upon a new provision of their contract.
- This announcement supersedes Blue Shield’s policy that became effective August 1, 2021, where Blue Shield delegated financial responsibility for the administration costs of COVID-19 testing to contracted HMO IPA/medical groups for their assigned commercial HMO group members. If you believe you are owed reimbursement, please submit a claim and we will review and respond accordingly. As the legal and regulatory landscape on this issue continues to develop, Blue Shield will provide updates if, and as, guidance and requirements change.”
- Please ensure that all administrators and clinical practitioners, as well as billing laboratories, are made aware that testing costs should be billed to Blue Shield for the dates of service beginning January 1, 2022.

Blue Shield has consistently paid claims for COVID-19 testing and vaccinations in accordance with our contracts and the laws in effect throughout the COVID-19 pandemic. With the passage of SB 510, we have been working diligently to evaluate, develop, and implement processes and procedures necessary to comply with the bill’s requirements. The legal and regulatory landscape regarding COVID-19 testing and vaccinations continues to change, and we anticipate additional guidance and regulations from the state in the coming weeks that will impact how SB 510 is applied, including necessary clarification on how to pay for COVID-19 testing under SB 510. Blue Shield will keep you informed of any additional changes to those we are outlining in this communication, should they occur.

2. Centers for Medicare & Medicaid Services (CMS): COVID-19 Vaccines for Medicare Advantage plan members

In accordance with the requirement announced by CMS, costs associated with administration of the COVID-19 for our Medicare Advantage plan members will become the financial responsibility of Blue Shield for dates of service on and after January 1, 2022. Please ensure billing by clinical practitioners and laboratories for those services are transitioned to Blue Shield.

Thank you for your ongoing care for our members during these challenging times as we continue to work together to fight the COVID-19 pandemic.

Sincerely,

Aliza Arjoyan
Senior Vice President,
Provider Partnerships & Network Management