

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**Department of Health Care Finance**



Office of the Senior Deputy Director/Medicaid Director

**Transmittal # 20-09**

TO: All DC Medicaid Providers

FROM: Melisa Byrd *mb*  
Senior Deputy Director and State Medicaid Director

DATE: March 20, 2020

SUBJECT: **Laboratory Billing Codes and Reimbursement Rates for COVID-19 Testing**

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**Purpose**

The Department of Health Care Finance (DHCF) is committed to taking critical steps to ensure District residents have access to medically necessary, clinically appropriate diagnostic laboratory tests to mitigate and contain the threat of the COVID-19. This transmittal, assures and notifies providers and laboratories, that DHCF will cover the COVID-19 diagnostic testing through the applicable billing codes and reimbursement rates.

**Background**

COVID-19 is a new strain of coronavirus that has not been previously identified in humans. The COVID-19 is the cause of an outbreak of respiratory illness first detected in Wuhan, Hubei province, China. Since December 2019, there have been increasing cases of detection globally and across states, counties and municipalities in the US.

In response to this growing threat, the Centers for Medicare & Medicaid Services (CMS) developed two Healthcare Common Procedure Coding System (HCPCS) codes that can be used by laboratories to bill and track cases of COVID-19 diagnostic tests. HCPCS code (U0001) is used specifically for CDC testing laboratories to test patients for SARS-CoV-2. The second, HCPCS billing code, U0002, is used to bill for non-CDC laboratory tests for SARS-CoV-2/2019-nCoV (COVID-19). Along with the HCPCS, CMS has also issued two reimbursement rates to be used by the Medicare Administrative Contractors (MAC) in various jurisdictions across the US. Further, the American Medical Association (AMA) released a new Current Procedural Terminology (CPT) code 87635 for the COVID-19 diagnostic testing. CPT 87635 is described as an Infectious agent detection by nucleic acid (DNA or RNA); severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) (Coronavirus disease [COVID-19]), amplified probe technique. There is currently no pricing or reimbursement rate information available for this CPT.

**Billing Codes & Reimbursement**

DHCF will immediately adopt the two billing codes and reimbursement rates utilized by Novitas Solutions (the MAC covering the DMV region), U0001 and U0002. This approach helps to streamline/simplify billing practices and mitigate any reimbursement rate disparity concerns. Consequently, healthcare laboratories performing medically necessary, clinically appropriate COVID-19 diagnostic tests on or after February 4, 2020, may ONLY bill and be reimbursed using

the HCPCS codes and rates below starting on March 20, 2020. Healthcare laboratories should not bill or submit claims with the CPT 87635, as such claims will be denied.

HCPCS	Description	Effective Date	Max Units	PA Required	Rates
U0001	Cdc 2019 novel coronavirus (2019-ncov) real-time rt-pcr diagnostic panel	2/4/2020	1	No	\$35.92
U0002	2019-nCoV Coronavirus, SARS-CoV-2/2019-nCoV (COVID-19) using any technique, multiple types or subtypes (includes all targets)	2/4/2020	1	No	\$51.33

### Contact

If you have questions, please contact Bidemi Isiaq, Associate Director, Rates & Reimbursements, at [Bidemi.isiaq@dc.gov](mailto:Bidemi.isiaq@dc.gov) or 202-442-9202.

### Attachment

Medicare Administrative Contractor (MAC) COVID-19 Test Pricing March 12, 2020

**Cc:** DC Hospital Association  
 DC Primary Care Association  
 DC Health Care Association  
 DC Home Health Association  
 DC Behavioral Health Association  
 DC Coalition of Disability Service Providers