As of September 1, 2020, CMS will require documented proof of a positive COVID-19 test for inpatient reimbursement (COVID Incentive).

The Coronavirus Aid, Relief and Economic Security (CARES) Act Section 3710 requires that Medicare increase by 20% the weighting factor of the hospital’s DRG reimbursement for individuals discharged with COVID-19 (COVID Incentive) during the public health emergency (PHE), (the current PHE declaration expires on Oct. 23, 2020 but is likely to be renewed again by the Secretary of DHHS).

**Required Documentation:**

Due to program integrity concerns, CMS has announced that effective for patients admitted on or after Sept. 1, 2020 that the medical record must reflect a positive COVID-19 lab test. The test may be during or performed within 14 days of the hospital admission.

- If the testing is performed outside of the hospital, then the patient’s record should be updated with the testing results.
- If the testing is outside of the 14-day period, the Medicare MAC may consider adding the COVID Incentive on a case by case basis.

The MACs may conduct medical review of hospital record claims to verify that a positive test was documented and if no such record evidence exists then recoup the COVID Incentive.

For questions or comments, please contact Ed Gaines egaines@zotecpartners.com, Pam Nealy pnealy@zotecpartners.com or Stacie Norris sanorris@zotecpartners.com.