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# Doctors Are Being Denied Insurance Reimbursement for COVID-19 PPE

By [Amanda Krupa, MSc](#) | Updated on February 04, 2021

Fact checked by [James Lacy](#)



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## Key Takeaways

- The U.S. Centers for Medicare & Medicaid Services (CMS) and many private insurance companies are not recognizing the CPT code 99072, which would cover the extra costs providers have taken on to follow COVID-19 safety precautions.
- As small businesses, independent practices across medical specialties that are not affiliated with or owned by a hospital have been hit the hardest by the inflated PPE and medical supply costs.
- Many healthcare organizations are advocating for change in PPE reimbursement, including voicing their support for the Small Business PPE Tax Credit Act.

Twenty-seven of [Cindy Mrotek's, LBS I, BCaBA](#), clients at ace Therapies, an Applied Behavior Analysis (ABA) clinic serving children and young adults with developmental disabilities she founded in the Chicagoland area, have Blue Cross Blue Shield insurance. However, despite billing the well-known insurance provider for the additional supplies, materials, and clinical staff time needed during the pandemic, all but three patients' policies have denied coverage.

"We don't charge families out-of-pocket if their insurance doesn't reimburse us," Mrotek says. "But, I know many practices do." In fact, Mrotek said she was charged an extra \$10 to cover personal protective equipment (PPE) expenses before her daughter's recent visit to the pediatrician.

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The economic impact of COVID-19 does not discriminate; the legalities of insurance coding and the general issue of patient out-of-pocket costs associated with PPE are among the new realities of this era. A major debate is who should bear the burden of these extra costs necessary to practice COVID-19 safety precautions.

"We considered charging a separate fee to recoup our costs to patients," [Julian Tang, MD, MBA](#) of Pediatric Health Associates, tells Verywell. "But we opted against it." Half of the children the practice sees are covered by private insurance companies and half are covered by Medicaid. "It is against Medicaid rules to charge any extra expenses for a patient covered under state insurance," Tang says. "If we only charged our private-payor patients an extra fee, how fair would that have been?"

## What This Means For You

Depending on where you receive healthcare services, you may be asked to pay an out-of-pocket fee to cover the business' extra PPE-related expenses not covered by insurance. Many groups are advocating for changes to PPE reimbursement for small businesses, so these policies may change under the new Biden-Harris administration.

## Billing Insurance Companies

Back in September, the American Medical Association announced their

approval of a new practice expense code—99072—intended to cover the extra provider costs related to stopping the spread of COVID-19 while still providing safe in-person visits.<sup>[1]</sup> Yet, in October, the U.S. Centers for Medicare & Medicaid Services (CMS) put the brakes on it by assigning it a "B" procedure status.<sup>[2]</sup> By doing this, CMS implied they aren't recognizing the code and won't pay providers additional funds on top of what they are already getting for the services rendered during the visit.

As Mrotek's earlier example illustrates, the adoption of the CPT code 99072 from commercial insurance companies like Blue Cross Blue Shield continues to vary, even at the policy level. Tang said they have also tried billing various insurance companies with this new code, but were not reimbursed.

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## Doctors Are Coming Together to Share Costs

The supply and demand battle and vendor price-gouging is hitting the little guys the hardest with the cost of PPE supplies rising more than 1,000%, according to an [April 2020 report](#) published by the Society for Healthcare Organization Procurement Professionals.

"I've personally spent over \$20,000 on PPE and medical supplies thus far to keep my office safe during the pandemic," [Marcelo Hochman, MD](#), a facial plastic and reconstructive surgeon based in South Carolina, tells Verywell. "Regardless of specialty, independent practices not-affiliated with or owned by a hospital were left to fend for themselves when it came to protecting themselves and their patients."

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Hochman founded the doctor-led, group-buying collective [ActionPPE](#), which he says has delivered more than 3 million units of FDA-certified PPE and medical supplies to independent and private practices in 40 states. "The use of group buying for PPE allows us to work together and keep prices 20 to 50% lower than the buying from big distributors," he says. "Because we use the products ourselves, we are extraordinarily conscious of product quality and in tune to specific product shortages."

Hochman added that the project wouldn't have gotten off the ground without certain collaborations with medical associations. "The Charleston County Medical Society has been the greatest help and recognized the need, allowing the ActionPPE project to launch into a free-standing company," he says. "The Wisconsin Medical Society and the Arizona Medical Association also jumped onboard early helping us snowball into the national effort we are today."

### What PPE Shortages are Expected in 2021?

At the beginning of the pandemic, the highest in-demand and most difficult to track down PPE were masks. However, Hochman says now that mask production is at an all-time high and vaccines have started to roll out, the PPE demand has shifted.

"We are now seeing that gloves (non-sterile), syringes, needles, and lightweight disposable gowns are getting harder to source," he says.

## Organizations Advocating for PPE Reimbursement

Many specialty medical organizations such as the American Physical Therapy Association (APTA), the American Academy of Pediatrics, and the American Academy of Family Physicians (AAFP) have undertaken extensive advocacy efforts to ensure their members are paid appropriately for PPE expenses, including calling on CMS and private insurance carriers to take action immediately.

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A November statement released by the APTA reads: "Should a payer not adopt coverage for 99072, don't bill the cost associated with this code to the patient. And remember that providers must comply with state law, which could restrict the application of surcharges for additional supply

expenses associated with the public health emergency.”<sup>[3]</sup>

The AAFP also voiced its support for the Small Business PPE Tax Credit Act ([H.R. 7216](#)) introduced by Michigan State Representative Brenda Lawrence.<sup>[4]</sup>

This act would give small businesses and 501(c)(3) non-profit organizations a tax credit up to \$25,000 for the cost of qualified personal protective equipment such as:

- Gloves
- Medical masks
- N95 respirators
- Eye protection
- Gowns and aprons
- Cleaning products
- The retrofitting or installation of equipment

Hochman, Tang, and Mrotek all agree tax credits would be more helpful than restrictive loans and would make more sense for those like themselves who are in private practice. As President Joe Biden takes charge, there is the potential for tax changes.

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“Currently, all PPE will be written off as normal operating expenses,” Mrotek says, after meeting with her business accountant on February 2. “The IRS is not issuing PPE credits for PPE, although my accountant thinks they should.”

*The information in this article is current as of the date listed, which means newer information may be available when you read this. For the most recent updates on COVID-19, visit our [coronavirus news page](#).*

#### 4 Sources

By [Amanda Krupa, MSc](#)

Amanda Krupa, MSc is a certified medical writer with a master of science in health communication. She has over a decade of experience in editorial leadership positions within national health advocacy organizations, including over eight years as the lead Editor of [HealthyChildren.org](#), the American Academy of Pediatrics (AAP) official parenting website.

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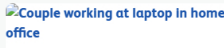
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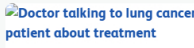
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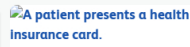
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