

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services



Vaccine Payments under Medicare Part D



Under the Medicare Prescription Drug (Part D) program, health care professionals (sometimes known as “immunizers”) who administer certain vaccines to their Medicare patients may receive Medicare payment.

This fact sheet explains vaccine coverage under Medicare Part D, as well as how to submit claims for Medicare payment.

Please Note:
The information in this publication applies only to Medicare Part D, the prescription drug benefit.

Background

Medicare Part B covers most of the vaccines Medicare patients receive. Under Part B, immunizers administer the vaccine and submit a claim to the Medicare Administrative Contractor (MAC) for both the vaccine and its administration.

Part D plans generally cover vaccines that Part B does not cover. However, under Part D, you may or may not directly bill the Part D plan. If you cannot bill directly, you may need to work with your patients and their Part D plans to obtain payment.



Part B Vaccines

Medicare Part B covers the following vaccines:

- Hepatitis B vaccine (for patients at high or intermediate risk);
- Influenza virus vaccine;
- Pneumococcal vaccine; and
- Vaccines directly related to the **treatment** of an injury or direct **exposure** to a disease or condition.

Part D Vaccines

Medicare Part D plans must cover vaccines not covered by Part B, as long as the vaccine is reasonable and necessary to **prevent** illness.

Part D plans identify covered drugs and vaccines through formularies. A new preventive vaccine may not specifically appear in the formulary, but the plan may still cover the vaccine. Contact your patient's plan to find out about coverage.

NOTE: The Centers for Medicare & Medicaid Services (CMS) mandates that Part D plan formularies must include all commercially available vaccines (except those covered by Part B).

Part D Plan Contact Information

You can find plan contact information at <http://www.medicare.gov/find-a-plan/questions/search-by-plan-name-or-plan-ID.aspx> on the Medicare website, or call 1-800-MEDICARE.

Coverage for Vaccine Administration under the Part D Program

The Part D program covers vaccine administration costs as a component of the negotiated price for a Part D vaccine. The negotiated price for a Part D vaccine includes:

- Dispensing fee (if applicable);
- Sales tax (if applicable);
- Vaccine administration fee; and
- Vaccine ingredient cost.

Bill Part D vaccines, including administration costs, on one claim for both in- and out-of-network situations.

Cost-Sharing Considerations

In general, a Part D plan should not charge separate copayments for the vaccine and its administration. If a Part D plan charges coinsurance, it should apply to the entire price of both components.

NOTE: Individuals who qualify for Part D Low-Income Subsidy (also known as “LIS” or “Extra Help”) always pay only one copayment for a vaccine and its related charges.

Elements of Vaccine Administration

Part D plans have the option to implement **either** a single vaccine administration fee for all vaccines **or** multiple administration fees based on:

- Complexity of administration;
- Vaccine type; and
- Variance in provider type.

Contact your patient’s Part D plan to learn about specific vaccine administration fees.

Part D Reimbursement for Vaccines in a Physician’s Office

Patients may need to pay their physician up front for Part D vaccines and submit a claim to their Part D plan for reimbursement (up to the plan’s allowable charge). Ideally, communication between the patient and physician should occur prior to vaccine administration so the patient can determine whether the physician’s charges exceed the plan’s allowable charge. If a patient does not contact the plan before they get the vaccine, the physician’s charge may differ from the plan’s allowable charge. The patient must pay the difference.



Requiring the patient to pay the full charge out of pocket and get reimbursement from the plan later is not an optimal solution. CMS encourages Part D plans to improve vaccine access without requiring patients to pay the full charge out of pocket and request reimbursement from their plans. CMS outlined various models for Part D plans to ensure adequate access to vaccines under Part D. We explain these models below so you may know what to expect when seeking payment from Part D plans.

Example of Part B Vaccine Covered Under Part D

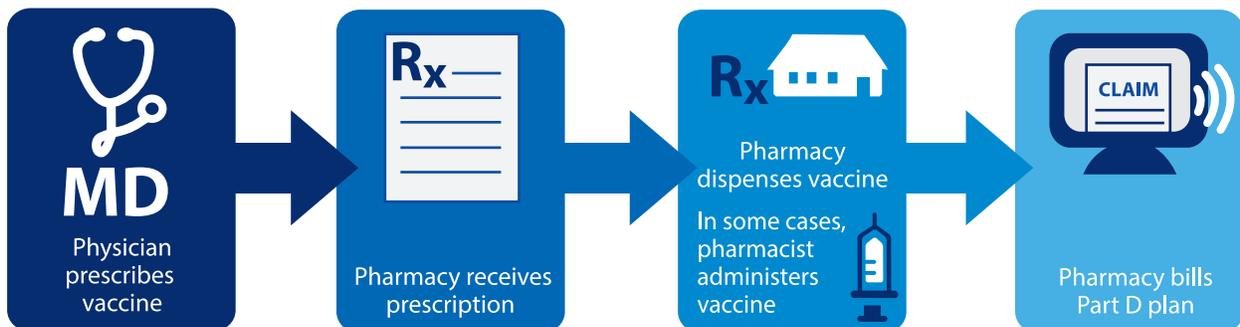
Medicare Part B covers the Hepatitis B vaccine for patients at intermediate or high risk. However, a patient who does not satisfy Part B coverage criteria could still obtain the vaccine. Potential payment would come from the Part D plan instead of the MAC. Contact your patient's plan for more information.

Options to Ensure Adequate Access to Vaccines under Part D

In-Network Options

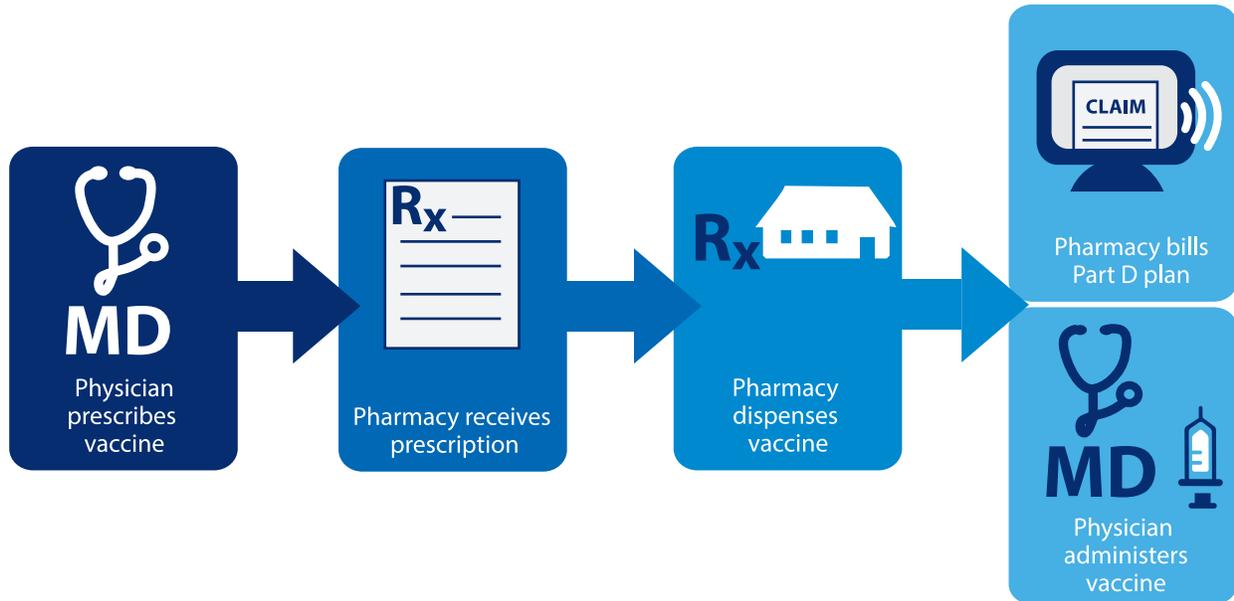
In-Network Access to Retail Pharmacies: The local network retail pharmacy provides vaccines directly to the patient. Patients get a prescription from their physician and bring it to their local network retail pharmacy (or the physician transmits it electronically). In some cases, a pharmacist administers the vaccine.

Image 1. In-Network Access to Retail Pharmacies



In-Network Pharmacy Distribution: The local or specialty network pharmacy provides vaccines directly to physician offices. Patients get a prescription from their physician and bring it to the pharmacy (or the physician transmits it electronically). The pharmacy then fills the prescription, ships or delivers it to the physician’s office, and bills the Part D plan.

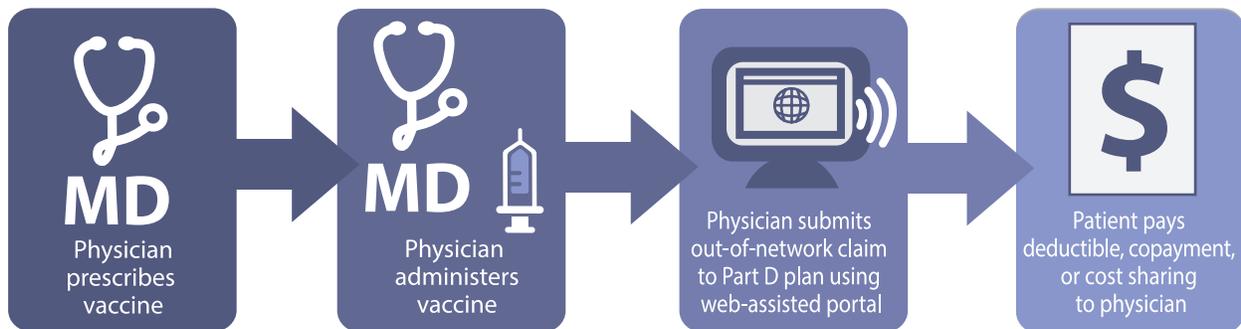
Image 2. In-Network Pharmacy Distribution



Out-of-Network Options

Web-Assisted Out-of-Network Billing: Physicians electronically submit out-of-network claims to Part D plans using a web-assisted portal for vaccines they administer in their office. The physician submits the claim on behalf of the patient and agrees to accept Part D payment as payment in full. The patient pays only the appropriate deductible, copayment, coinsurance, or cost sharing directly to the physician.

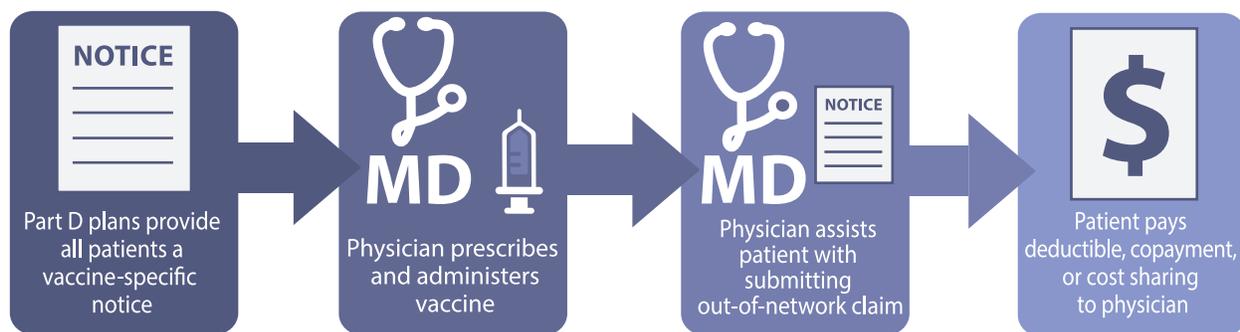
Image 3. Web-Assisted Out-of-Network Billing



Model Vaccine Notice for Physicians (Paper Claim Enhancement): The physician contacts the patient's Part D plan with information provided to all enrollees on a vaccine-specific notice. The notice provides the information the physician needs to contact the patient's Part D plan to receive:

- Authorization for coverage for a particular vaccine;
- Reimbursement rates;
- Patient cost-sharing information; and
- Instructions on how to submit an out-of-network claim on the patient's behalf.

Image 4. Out-of-Network Model Vaccine Notice for Physicians (Paper Claim Enhancement)



NOTE: For out-of-network approaches, you do not become a network provider. You are simply assisting your patient with submitting the claim.

Frequently Asked Questions

I need to immunize a patient with a Part D vaccine. What do I need to do?

Call the patient's Part D plan to discuss the cost sharing and allowable charges for the vaccine as part of the Part D plan's out-of-network access, or ask if there are any other vaccine access options.

Do I need to provide an Advance Beneficiary Notice (ABN)?

No. Part D does not require ABNs. For more information about ABNs, please refer to the Advance Beneficiary Notice of Noncoverage booklet at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/ABN_Booklet_ICN006266.pdf on the CMS website.

Can I charge an administration fee?

Yes. Bill Part D vaccines and associated administration costs as a single claim to the patient or to the Part D plan.

Does Medicare Part D cover the shingles (herpes zoster) vaccine?

Yes. The herpes zoster vaccine is a preventive vaccine.



Resources

Table 1 provides resources for additional information.

Table 1. Part D Vaccine Resources

Resources	Websites
Medicare Part D Resources	<p>Patient information on Part D coverage http://www.medicare.gov/part-d</p> <p>Part D general information on prescription drug coverage http://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovGenIn or scan the Quick Response (QR) code on the right with your mobile device</p> <p>Chapter 6 of the “Medicare Prescription Drug Benefit Manual” (Publication 100-18) http://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/Downloads/Chapter6.pdf</p>
Medicare Learning Network® (MLN) Guided Pathways to Medicare Resources	<p>http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNEdWebGuide/Guided_Pathways.html</p>





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