

Current Options for Vaccine Administration under Medicare Part D

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Now that Medicare Part D potentially covers many vaccinations not otherwise covered by Medicare Part B, what are the options for administering and billing Part D vaccines? Medicare has changed the billing for the administration of a Part D–covered vaccine by including reimbursement for Part D vaccine administration under Part D (rather than Part B as was done previously).

How can a physician ensure continued access to vaccines for patients? The Centers for Medicare and Medicaid Services (CMS) has outlined several options for providing vaccinations under Medicare Part D. Some of those options and the issues involved are de-

scribed here in detail. Also considered is an option that relies on community pharmacists.

Billing the Patient

This model (Table 1) is similar to the way physician practices operated prior to January 1, 2008,

when Medicare Part D became responsible for all aspects of vaccine coverage (excepting Part B–covered vaccines).

Under this model physician practices continue to purchase the vaccines and make them available to office patients. For vaccines not covered under Medicare Part B, absent a different process adopted by the plan, the patient pays the physician and then submits a paper claim to the Medicare Part D plan for reimbursement up to the plan’s allowable amount. The amount the physician charges may be different than the plan’s allowable charge. This differential re-

This is the second in a series of three articles on vaccinations for Medicare beneficiaries. This series will provide Medicare providers with information to help them understand how access to vaccines is available for their Medicare patients in an increasingly complex environment.

Vaccination Access Today

This first article (see *MPM* January/February, p. 38 at www.medicarepatientmanagement.com/issues/03-01/mpmJF08-VaccinationsPart1.pdf) provides an examination of the recent past history of vaccination coverage—specifically the addition of certain vaccines in Medicare Part D. It will also discuss those vaccines that are still covered under the Medicare Part B benefit.

Current Options Regarding Administration of Vaccines Under Medicare Part D

This second article will address some of the options for providing vaccinations under Medicare Part D that have been suggested by the Centers for Medicare and Medicaid Services (CMS). Detailed descriptions of each option will include a discussion of related issues.

Vaccination Under Medicare: How Some Physician Practices and Pharmacies Make It Work

The last article in the series will briefly review the history of, current regulations for, and CMS-identified options for vaccination. Three physicians and pharmacists will explain how they are managing vaccinations in their office settings. Possible future directions for vaccination coverage under Medicare will also be discussed.

mains the beneficiary's responsibility to pay.

CMS hopes that Medicare Part D plans will take into consideration the elements reflected in the 2007 Medicare Part B vaccine administration fee schedule when establishing their vaccine administration reimbursement levels in 2008.

Since the entire charge for both the vaccine product and administrative fee is the upfront responsibility of the patient, low-income patients may have greater difficulty accessing vaccinations in this scenario.

In-Network Pharmacy

Pharmacies that form the networks for Part D plans may be able to provide access to vaccines covered in Part D for your patients. In about 44 states, the scope of practice for pharmacists allows them to administer some types of vaccines. Many retail pharmacies in these states offer vaccination services. Patients can also obtain a prescription from their physician and, depending on the vaccine, take it to their local network retail pharmacy for filling (Table 2). Patients pay the pharmacy for the medication and return to the physician for administration. The physician practice collects the administration fee from the patient after giving the vaccine, and the patient can submit a paper claim to the Part D plan for direct reimbursement. However, some vaccines require special storage and handling procedures that may constrain the availability of this pharmacy option. For example, some vaccines must be stored frozen, reconstituted immediately after removal from the freezer, and administered immedi-

Table 1. Billing the Patient

Options	Drug Coverage		Administration Fee	Issues
	Acquires	Bills	Bills	
Default System	MD purchases vaccine product.	MD bills patient who submits claim to Part D plan.	MD bills patient who submits claim to Part D plan.	Low-income patients may be adversely affected.

Table 2. In-Network Pharmacy

Options	Drug Coverage		Administration Fee	Issues
	Acquires	Bills	Bills	
Retail Pharmacy	Patient has vaccine administered or acquires through retail pharmacy.	Pharmacy directly bills Part D plan.	Pharmacy bills Part D plan for vaccines administered in pharmacy; MD bills patient who submits claim to Part D plan for vaccines administered in physician office.	Some vaccines require special storage and handling.
Specialty Pharmacy	MD acquires vaccine through specialty pharmacy.	Specialty pharmacy bills Part D Plan and patient.	MD bills patient who submits claim to Part D plan.	Patient or provider needs to contact Part D plan and comply with special process.

Table 3. Part D Direct Billing

Options	Drug Coverage		Administration Fee	Issues
	Acquires	Bills	Bills	
Web-assisted Portal	MD purchases vaccine.	MD submits single bill via Web portal and is paid by Part D plan.	MD submits single bill via Web portal and is paid by Part D plan.	Administrative setup is required.

ately after reconstitution. As a result, retail pharmacy dispensing for administration at a location other than the pharmacy may not be appropriate for those vaccines.

Some Part D plans provide access to vaccines through specialty

pharmacies. Specialty pharmacies generally provide vaccines for specific patients to physician offices and handle all patient billing. A patient's Part D plan should be contacted to see if it offers this service.

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PROVIDER ACTION

Impact to You

Because of changes in Medicare reimbursement, physicians can no longer bill Medicare Part B for Part D–covered vaccines administered in their offices. Instead physicians must adjust their processes or find alternatives for providing Part D–covered vaccines to their patients.

What You Need to Know

Medicare Part D now covers many vaccines, including the medication and administration fees. These changes require physicians to evaluate their process for providing vaccines and billing Medicare for reimbursement. Many physicians may consider this process to be burdensome and refer their patients to pharmacists who are able to provide vaccines under their state's scope of practice.

What You Need to Do

Practices should determine if they will provide vaccines directly to their Medicare Part D patients within their practices or instead refer their patients to pharmacists who have the ability to administer vaccines. If physicians continue to provide vaccines within their practices, they must decide how to offer vaccines and what type of billing to use.

Part D Direct Billing

The Medicare Part D Direct billing option (Table 3) is perhaps the best system with regard to vaccine access and easy payment for patients. However, it is dependent on upfront administrative setup. For practices to directly receive payment for vaccine administration from Medicare Part D plans, they must develop a provider relationship with the plans. Medicare Part D plan provider networks generally do not include physician offices. However, there is a new Web-assisted portal that has been developed to link physician practices to multiple Part D plans. This new Web portal, called eDispense Medicare Part D Vaccine Manager, enables practices to bill those Medicare Part D plans that utilize eDispense directly for eligible Part D–covered vaccines they provide to their patients.

What's Next

In the last article of this series, several physicians, pharmacists, and other healthcare experts will ex-

plain how they are managing vaccinations in their practice settings. The article will also briefly touch on some of the possible evolutions to come for vaccine administration and billing. For example, MedPAC has recommended moving coverage of all vaccines to Medicare Part B to join the vaccines already covered under that Part.

Clearly the environment for accessing vaccines is rapidly changing at a time when approximately 6000 Americans are turning 60 years old each day and more vaccines are becoming available. As a result, clinicians must understand the billing and reimbursement environment to ensure that their patients have access to appropriate vaccinations. **MPM**

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Reference

Centers for Medicare and Medicaid Services (CMS). Reimbursement for vaccines and vaccine administration under Medicare Part D. *MLN Matters* number SE0727. CMS Web site. <http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0727.pdf>. Accessed January 23, 2008.