

KNOWLEDGE • RESOURCES • TRAINING

# **Medicare Part D Vaccines**







# What's Changed?

Note: No substantive content updates



Medicare drug plans (Part D) cover all commercially available vaccines when they're **reasonable and necessary to prevent illness**, except those:

- Covered by Medicare Part B, like flu and pneumonia
- Provided by a commercially available vaccine manufacturer who doesn't participate in the coverage gap discount program

If you're an immunizer and provide certain vaccines to your patients, the drug plan may pay the vaccines and their administration.

Together we can advance health equity and help eliminate health disparities for all minority and underserved groups. Find resources and more from the CMS Office of Minority Health:

- Health Equity Technical Assistance Program
- Disparities Impact Statement

# **Background**

Part B covers most vaccines patients need. For example:

- Hepatitis B vaccines for individuals at <u>high or intermediate risk</u>. For all other individuals, a drug plan covers them.
- Certain reasonable and necessary vaccines to treat an illness or injury. Drug plans may cover other currently available vaccines.

The Medicare Preventive Services educational tool has more Part B vaccine information.

If you give Part B vaccines, submit claims to your Medicare Administrative Contractor (MAC) for the vaccine and its administration.

If you're an in-network prescriber with patients enrolled in Medicare Advantage (MA) plans, check with the MA plan for information on eligibility, coverage, and payment. Each plan can have different patient out-of-pocket costs and specific rules for getting and billing for services. You must follow the plan's terms and conditions for payment.

**Drug plans generally cover vaccines Part B doesn't cover.** You may not be able to bill the drug plan directly. If you can't bill directly, work with your patients and their drug plans to get paid.

You don't need to issue drug plan advance beneficiary notices. The <u>Advance Beneficiary Notice of Non-coverage Tutorial</u> has more information.



### **Part D Vaccines**

- Drug plans include covered drugs and vaccines on their formularies, including the shingles (herpes zoster) vaccine.
- A new preventive vaccine may not appear on the formulary, but the drug plan may still cover it.
- Drug plans may have special rules, like prior authorization, step therapy, and quantity limits. Contact your patient's plan to learn about coverage.

#### **Plan Contact Information**

Search by plan name or ID, or call 1-800-MEDICARE.

# **Part D Vaccine Administration Coverage**

Drug plans cover vaccine administration costs as part of their vaccine negotiated price, including:

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

You can bill in- and out-of-network drug plan vaccines and administration fees on 1 claim form.

### **Cost Sharing**

Drug plans shouldn't charge separate vaccine and administration copayments. If a drug plan charges coinsurance, it should apply to the total price of both parts.

**Note:** People who qualify for drug plan Low-Income Subsidy (also known as LIS or Extra Help) only pay 1 vaccine copayment and its related charges.

#### Remember

You can't bill Part B for drug plan vaccines.

### **Vaccine Administration Fees**

Drug plans may charge 1 vaccine administration fee for all vaccines or multiple administration fees based on:

- Product administration complexity
- Vaccine type
- Provider type variance

Contact your patient's drug plan to get specific vaccine administration fees.



## In Office Part D Vaccine Payment

We encourage drug plans to improve vaccine access without requiring patients pay the full charge out-of-pocket and request plan repayment. We have options for patients with drug plan coverage to get vaccines.

Patients may need to pay drug plan vaccines up front (up to their allowable charge) and submit a claim to their drug plan for payment.

Discuss these charges with your patients before administering the vaccine so they can find out if the charges exceed the plan's allowable charge. If so, they must pay the difference.

Most Medicare drug plans have a coverage gap (also called the "donut hole"). This means there's a temporary limit on what the drug plan will cover for drugs. See costs in the coverage gap.

### **Patient Access to Part D Vaccines**

### **In-Network Examples**

#### **In-Network Pharmacy Administration:**

- Patient gets a prescription and takes it to their local network retail pharmacy (or prescriber sends it electronically)
- Sometimes a pharmacist administers vaccine (unless prohibited by state law)
- Pharmacy bills drug plan and patient pays pharmacy required drug plan cost share

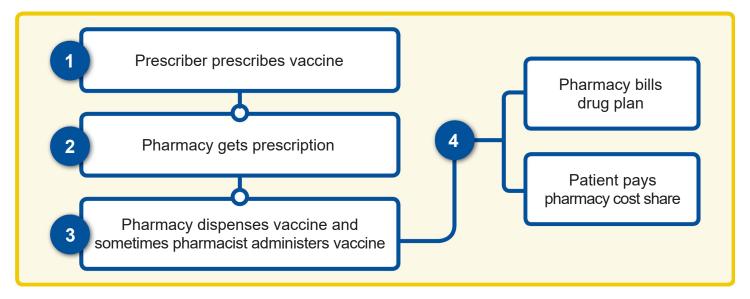


Figure 1. In-Network Pharmacy Administers Vaccine



#### **In-Network Pharmacy Distribution to Prescriber:**

- Patient gets prescription and takes it to pharmacy (or prescriber sends it electronically)
- Pharmacy fills prescription, ships or delivers it to prescriber's office, and bills drug plan for dispensing and giving vaccine
- Pharmacy bills drug plan and patient pays pharmacy drug plan cost share and prescriber for vaccine administration
- Patient submits prescriber administration fee to drug plan for payment

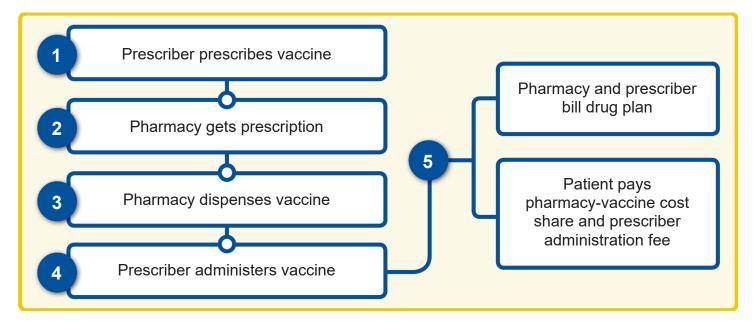


Figure 2. In-Network Pharmacy Provides Vaccine to Prescriber to Administer

## **Out-of-Network Examples**

For out-of-network situations, you don't become a network provider. Submit a claim to help your patient. Call the patient's drug plan to discuss the cost share and allowable vaccine charges as part of the drug plan's out-of-network access, or ask about other vaccine access options.

#### Web-Assisted Out-of-Network Prescriber Billing:

- Prescribers enroll with company that offers a drug plan vaccine web-assisted portal they administer in their office
- This portal allows prescribers to electronically submit patient out-of-network claims to drug plans
- Prescriber agrees to accept drug plan payment as payment in full
- Patient pays deductible, copayment, coinsurance, or cost share directly to prescriber



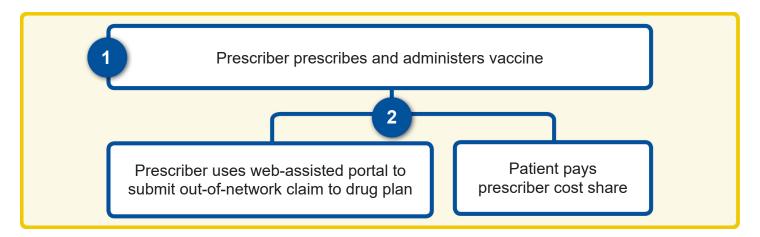


Figure 3. Prescriber Administers Vaccine & Bills Drug Plan Using Web-Assisted Out-of-Network Portal Prescriber Gets Drug Plan Authorization:

- Prescriber or patient contacts patient's drug plan to get a vaccine-specific notice, giving this information:
  - How to get vaccine coverage authorization
  - How to submit out-of-network patient claim
  - Patient cost share
  - Payment rates
- Prescriber agrees to accept drug plan payment as payment in full, and patient pays deductible, copayment, coinsurance, or cost share directly to prescriber

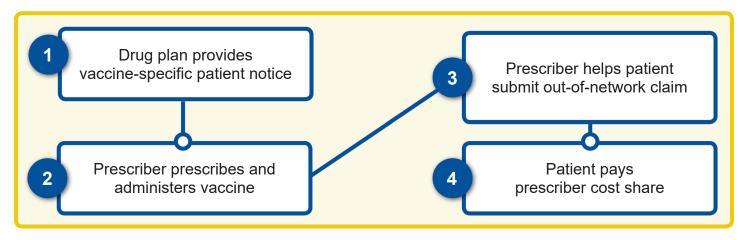


Figure 4. Out-of-Network Authorization



### Resources

- Medicare Part D Patient Information
- Prescription Drug Coverage General Information



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