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MEMORANDUM

TO: All Members

FROM: Dan Heim, Executive Vice President

DATE: November 20, 2018

SUBJECT: Medicare Part B Coverage for Patient/Resident Vaccinations

ROUTE TO: Administrator, Program Directors, Department Heads

Introduction

Vaccines are vitally important in preventing illness and maintaining health, particularly in older adults. Medicare Part B and Medicare Advantage (Part C) plans cover influenza, pneumococcal and hepatitis B vaccines offered in several types of settings including nursing homes, outpatient facilities, adult home and assisted living facilities, senior housing facilities, senior centers, hospices, community settings and individuals' homes.

Increasingly, provider quality ratings and funding are also tied to patient/resident vaccination rates. Medicare *Nursing Home Compare* includes quality measures for influenza and pneumococcal vaccines for both short-stay and long-stay residents in its posted information. The NYS Nursing Home Quality Initiative, which distributes \$50 million per year based on various quality measures, includes the percentages of residents receiving influenza and pneumonia vaccinations in facility scores. Medicare *Home Health Compare* includes quality measures aimed at making sure patients have received their influenza and pneumococcal vaccines. Finally, Medicaid managed care plans are rated on the percentage of their members that have received vaccines, and the Managed Long Term Care Plan value-based payment measure set includes both influenza and pneumococcal vaccination rates.

This memo provides an overview and details on Medicare coverage of influenza, pneumococcal and Hepatitis B vaccinations.

The chart below summarizes Medicare coverage rules for these vaccines, with further information provided thereafter:

| Vaccine Type | Medicare Coverage | Coverage Rules & Frequency ¹ |
|--------------------------|--|--|
| Influenza (flu) | <ul style="list-style-type: none"> • Part B (not Part D) • Medicare Advantage (Part C) Plans, if obtained through a network provider • No copays or deductibles are charged if the provider accepts Medicare assignment | <ul style="list-style-type: none"> • Medicare pays for one vaccination each flu season • Additional flu vaccines may be covered if considered medically necessary • Covered if furnished in compliance with any applicable State law by any provider, entity or individual with a Medicare supplier number • Physician’s order and physician supervision not required |
| Pneumococcal (pneumonia) | <ul style="list-style-type: none"> • Part B (not Part D) • Medicare Advantage (Part C) Plans, if obtained through a network provider • No copays or deductibles are charged if the provider accepts Medicare assignment | <ul style="list-style-type: none"> • Medicare pays for one shot, recommended for all adults aged 65+ and younger adults with chronic health conditions • A different, second vaccine may be administered 1 year after the first vaccine was administered • Covered if furnished in compliance with any applicable State law by any provider, entity or individual with a Medicare supplier number • Physician’s order and physician supervision not required |
| Hepatitis B | <ul style="list-style-type: none"> • Part B (not Part D) • Medicare Advantage (Part C) Plans, if obtained through a network provider • No copays or deductibles are charged if the provider accepts Medicare assignment | <ul style="list-style-type: none"> • Series of three shots, paid for by Medicare for high- or medium-risk individuals, including those with hemophilia, End Stage Renal Disease (ESRD), diabetes, and other chronic conditions that lower resistance to infection • Must be ordered by a physician, and may be administered by a physician, a Certified Home Health Agency (CHHA or HHA), a Skilled Nursing Facility (SNF), an ESRD facility, a hospital outpatient department or a physician extender |

“Accepts Medicare assignment” means that the provider accepts the amount Medicare pays as payment in full on both the vaccinations and their administration. Since Medicare does not charge a deductible, copayment, or coinsurance on these immunization services, the provider agrees to not impose any charge on Medicare beneficiaries. Part B benefits cover seasonal influenza virus and pneumococcal vaccines and their administration, but Part D benefits do not cover them.

¹ Medicare Benefit Policy Manual: Chapter 15, section 50.4.4.2. See: <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/bp102c15.pdf>.

Flu Vaccines

Each year in the US, 90 percent of flu-related deaths and 60 percent of flu-related hospital stays occur among people aged 65+. An annual flu shot is one of the best preventive measures to help protect against the flu. The shot is available in a regular strength dose as well as a high dose that provides extra immunity, which is often recommended for older adults.

Medicare Part B pays for one seasonal flu shot² (either dose), with no co-pay if the individual visits a provider that accepts Medicare assignment. Medicare Advantage members also cannot be charged for the flu shot if they receive it from an in-network provider. Although Medicare pays for one seasonal influenza virus vaccination per influenza season, a beneficiary could get the seasonal influenza virus vaccine twice in a calendar year for two different influenza seasons, and Medicare would pay the provider for each.

Pneumococcal (Pneumonia) Vaccines

Pneumococcal disease is a bacterial infection that causes many types of illness, ranging from mild ear and sinus infections to life-threatening pneumonia and meningitis. The Centers for Disease Control (CDC) recommends that all adults aged 65+, and younger adults with long-term health problems or chronic conditions, receive the pneumococcal shot. One shot is typically all a person will need, and an individual can get the pneumococcal vaccine on the same day as the flu shot or at any other time.

Medicare Part B pays for an initial pneumococcal vaccine for beneficiaries who have never received a pneumococcal vaccination under Medicare Part B (even if the beneficiary is uncertain of his/her vaccination history), with no co-pay if the individual visits a provider that accepts Medicare assignment. A different, second pneumococcal vaccine may be administered 1 year after the first vaccine was administered (i.e., 11 full months have passed following the month in which the last pneumococcal vaccine was administered). Medicare Advantage members also cannot be charged for the shot if they receive it from an in-network provider.

Hepatitis B Vaccines

Hepatitis B is a liver disease resulting from infection with the Hepatitis B virus. It can range in severity from a mild illness lasting a few weeks to a serious, lifelong illness that affects the liver. Hepatitis B is usually spread through bodily fluids (sexual contact, injection drug use, or at birth). A person usually needs three shots to gain complete protection from Hepatitis B.

Medicare Part B covers Hepatitis B shots for people considered at risk:

- ESRD patients;
- Hemophiliacs who receive Factor VIII or IX concentrates;
- Clients of institutions for the mentally retarded;
- Persons who live in the same household as a Hepatitis B Virus carrier;
- Homosexual men;
- Illicit injectable drug abusers; and

² While Medicare pays for the flu shot once per influenza season, additional flu shots may be covered if considered medically necessary. See page 4 of http://www.cms.gov/Outreach-and-Education/MedicareLearning-Network-MLN/MLNProducts/downloads/gr_immun_bill.pdf.

- Persons diagnosed with diabetes mellitus.

Medicare beneficiaries should consult with their health care provider about whether they are considered at risk. Medicare Part B beneficiaries are not charged a co-pay if they visit a provider that accepts Medicare assignment. Medicare Advantage members also cannot be charged for the vaccines, if they receive them from an in-network provider.

General Information on Vaccines

The following websites provide comprehensive information about vaccination recommendations and possible risks:

- [Vaccines.gov](http://www.vaccines.gov), a site offered by the US Department of Health and Human Services with advice on vaccinations for all ages and individuals;
- The CDC’s vaccinations page, which offers comprehensive information for consumers and providers at: <http://www.cdc.gov/vaccines/default.htm>; and
- The NYS Department of Health’s Adult Immunization page, providing resources for consumers and providers at: <https://www.health.ny.gov/prevention/immunization/adult.htm>.

Providers That May Bill Part B for Vaccines

The following participating providers of services may bill the **Medicare intermediary/AB Medicare Administrative Contractor (MAC)** for influenza, pneumococcal and Hepatitis B vaccinations (referred to as “institutional claims”). These claims should be submitted using the 837I format or Form CMS-1450 (UB-O4)³:

- Hospitals (including Critical Access Hospitals (CAHs), Indian Health Service hospitals (IHS) and IHS CAHs);
- SNFs;
- HHAs (i.e., CHHAs);
- Hospices;
- Comprehensive Outpatient Rehabilitation Facilities (CORFs); and
- Independent and Hospital-Based Renal Dialysis Facilities (RDFs).

Please note that SNFs can bill the Medicare intermediary for influenza, pneumococcal and Hepatitis B vaccinations not only for residents on non-Part A covered stays, but also for patients while they are on Part A covered stays.⁴ For these residents on a SNF Covered Part A stay (paid under Part B), claims for the vaccine cost and administration should appear on Type of Bill 22X.

The following providers and suppliers may bill the **Carrier/AB MAC** for influenza and pneumococcal vaccinations (referred to as “professional claims”). These claims should be submitted using the Form CMS-1500:

- Physicians
- Suppliers
- Public Health Clinics
- Pharmacists/Pharmacies

³ Medicare Claims Processing Manual, Chapter 18, Section 10. See: <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c18.pdf>.

⁴ Medicare Benefit Policy Manual: Chapter 15, section 250. See: <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/bp102c15.pdf>.

- Self Employed Nurses
- Senior Centers*
- Shopping Malls*
- Non-Skilled Nursing Homes
- Assisted Living Facilities
- Mass Immunization Providers
- Non-certified Home Health Agencies*

* These are possible locations where a “mass immunization provider” may provide vaccination services.

More information on Medicare Part B billing for these immunizations is provided later in this memo.

Mass Immunization Providers

To increase vaccination availability to Medicare beneficiaries, the Centers for Medicare & Medicaid Services (CMS) created the mass immunizer program and simplified the influenza and pneumococcal vaccination claims process by creating roster billing for mass immunizers.

CMS defines a “mass immunizer” as a Medicare-enrolled provider offering influenza vaccinations, pneumococcal vaccinations, or both to a group of individuals (e.g., the public, senior center participants, retirement community or retirement housing residents). A mass immunizer can be either:

- A traditional Medicare provider or supplier, such as a hospital outpatient department; or
- A non-traditional provider that is usually ineligible to enroll in the Medicare Program, such as a supermarket, senior citizen home, public health clinic or an individual practitioner.

Traditional Medicare providers that can qualify as mass immunizers include those that submit institutional claims (e.g., SNFs and CHHAs) and those that submit professional claims (e.g., physicians and pharmacists).

Mass immunizers may use roster billing. Roster billing streamlines the process for submitting health care claims for a group of beneficiaries for influenza or pneumococcal vaccinations. Medicare **does not** allow roster billing for hepatitis B virus vaccinations, and institutional billers must vaccinate at least five beneficiaries on the same date to use roster billing.

Mass immunizers must meet the following requirements for roster billing:

- Be properly licensed in the States where they operate;
- Be enrolled in the Medicare Program (streamlined process available, participation renewed annually by June 1st);
- Accept assignment on both the vaccinations and their administration;
- Use roster bills (separate roster bills must be submitted for influenza and pneumococcal vaccines and administrations);
- Bill a MAC; and
- Use this process to bill for influenza and pneumococcal vaccinations and administration only.

Enrolled providers may roster bill for seasonal influenza virus and pneumococcal vaccinations even if they are not a mass immunizer. Both enrolled providers and suppliers (e.g., SNFs,

CHHAs, etc.) and non-traditional providers that wish to provide mass immunization services must obtain a Medicare provider specialty number to become mass immunizers. The CMS Enrollment Applications page⁵ provides the application types needed to enroll as a mass immunization provider. To enroll in the Medicare Program solely as a Mass Immunization Roster Biller (provider specialty type 73), individuals should complete Form CMS-855I and groups should complete Form CMS-855B.

National Government Services (NGS), the Medicare intermediary/AB MAC for New York State, has a [webpage](#) of resources on enrollment. New providers must first receive a National Provider Identifier (NPI) prior to enrollment in Medicare. To obtain an NPI if you do not already have one, register through the [Identity & Access Management System](#), then go to the [National Plan & Provider Enumeration System](#).

The *Medicare Learning Network* has published a very informative guide on mass immunizers and roster billing, posted at: https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/Mass_Immunize_Roster_Bill_factsheet_ICN907275.pdf. It includes guidance on roster billing submission, claim types, claim forms, roster bills and centralized billing.

Nurses and Pharmacists as Immunizers in New York

In most cases, New York State law requires a registered professional nurse (RN) to execute medical regimens (i.e., administer medications, medical treatments or tests) that are ordered for a specific patient by a physician or other qualified health care practitioner who has examined the patient. In addition, an RN cannot execute medical protocols that allow the RN to make medical diagnoses or perform medical services that are outside the scope of practice of the RN.

However, New York law allows RNs to execute non-patient specific standing orders and protocols, ordered by a physician or nurse practitioner, for administering influenza, pneumococcal and Hepatitis B immunizations. The ordering physician or nurse practitioner is not required to examine or have a treatment relationship with the recipient of the immunization(s). Non-patient specific orders authorize named RNs or RNs who are not individually named but employed or under contract with a legally authorized entity, to administer specified immunization agents for a specified period to an entire group of persons.

Under these practice guidelines, a Licensed Professional Nurse (LPN) can assist in administering immunizations (i.e., give the injection, assist in recordkeeping, etc.) provided the RN assesses the recipient, and is responsible for the on-site direction of the LPN in administering the immunizations. It is expected that, in this setting, a ratio is maintained of no more than three LPNs to one RN.⁶

New York State Education Laws §§ 6527, 6801 and 6909 allow licensed pharmacists who obtain an additional certification to administer influenza vaccines to individuals of all ages, as well as pneumococcal vaccinations to adults under either patient specific or non-patient specific orders. A non-patient specific order authorizes one or more certified pharmacists to administer specified

⁵ <https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/MedicareProviderSupEnroll/EnrollmentApplications.html>

⁶ See: *Non-Patient Specific Standing Order and Protocol Guidelines*, June 2009 (<http://www.op.nysed.gov/prof/nurse/immunguide.htm>) and *Non-Patient Specific Orders and Protocols*, April 2017 (<http://www.op.nysed.gov/prof/nurse/nonpatient-specific-orders-and-protocols.htm>), NYSED Office of the Professions.

immunization agents to a defined group of individuals, for a prescribed time period. A non-patient specific order must be signed by a New York State licensed physician or nurse practitioner practicing in the same or adjoining county the pharmacist will be administering vaccine. More information on pharmacists as immunizers is posted on the DOH website at: https://www.health.ny.gov/prevention/immunization/providers/pharmacists_as_immunizers.htm.

Medicare Billing and Payment for Immunizations

A *Medicare Learning Network* article summarizing Part B immunization billing for seasonal influenza virus, pneumococcal, and hepatitis B is posted at: https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/qr_immun_bill.pdf. It provides immunization procedure codes and descriptors, types of Medicare bills to use by provider type, revenue codes and frequently asked questions for all three immunizations. NGS has an online Preventative Services Guide which provides information on all three types of vaccinations, posted [here](#).

Medicare Part B and Medicare Advantage plans cover influenza virus, pneumococcal, and hepatitis B vaccines and vaccine administration fees. Generally, the total payment for these vaccines is based on the cost of the vaccine plus compensation for vaccine administration. When billing Medicare Part B for the cost of these vaccines, there are nationally established payment allowances for Medicare reimbursement; however, there can be local variations in the reimbursement for the vaccine administration fee.

Under Part B, immunizers administer these vaccines and submit a claim to the A/B MAC for both the vaccine and its administration. For patients enrolled in Medicare Advantage plans, in-network prescribers submit claims to the patient's MA plan. For A/B MACs, Medicare Part B pays 100 percent of the Medicare allowable amount for pneumococcal and influenza vaccines and their administration, and 80 percent of the Medicare allowable amount for hepatitis B virus vaccines and their administration. Medicare participating providers must accept assignment; beneficiary deductible, copayment, and coinsurance amounts are waived on these immunization services.

Payment of Institutional Immunization Claims⁷

| Provider Type | Type of Bill | Payment for Vaccine Cost | Payment for Administration |
|--|--------------------------------------|--|--|
| Skilled Nursing Facilities | 022x (inpatient), 023x (outpatient) | 95% of the Average Wholesale Price (AWP) | Medicare physician fee schedule (MPFS) |
| Home Health Agencies | 034x | 95% of the AWP | Outpatient prospective payment system |
| Hospices | 081x (non-hospital), 082x (hospital) | 95% of the AWP | MPFS |
| Comprehensive Outpatient Rehabilitation Facilities | 075x | 95% of the AWP | MPFS |
| Independent Renal Dialysis Facilities | 072x | 95% of the AWP | MPFS |
| Hospital-based Renal Dialysis Facilities | 072x | Reasonable cost | Reasonable cost |

⁷ Special rules apply to roster billing by institutional providers.

The Revenue Codes to be used on the institutional claim types above are 0636 – vaccine and 0771 – vaccine administration. Claims for the hepatitis B vaccine must include the name and NPI of the ordering physician, as Medicare requires that the hepatitis B vaccine be administered under a physician’s order with supervision. This is not necessary for the influenza and pneumococcal vaccines for which Medicare Part B does not require a physician's order or supervision.

The institutional providers listed above should bill for the vaccines and their administration on the same bill; separate bills are not required for each. However, special rules apply to Home Health Agencies (HHAs) in various situations:

- If the sole purpose for an HHA visit is to administer one or more of these vaccines, Medicare will not pay for a skilled nursing visit by an HHA nurse under the HHA benefit. However, the vaccine and its administration are covered under the vaccine benefit. The administration should include charges only for the supplies being used and the cost of the injection. Medicare does not allow HHAs to charge for travel time or other expenses (e.g., gasoline). In this situation, the HHA bills under bill type 034x and reports revenue code 0636 along with the appropriate HCPCS code for the vaccine and revenue code 0771 along with the appropriate HCPCS code for the administration. A separate bill *is not allowed* for the visit.
- If such a vaccine is administered during an otherwise covered home health visit (e.g., to perform wound care), the visit would be covered as normal but the HHA must not include the vaccine or its administration in their visit charge. In this case, the HHA is entitled to payment for the vaccine and its administration under the vaccine benefit. In this situation, the HHA bills under bill type 034x and reports revenue code 0636 along with the appropriate HCPCS code for the vaccine and revenue code 0771 along with the appropriate HCPCS code for the administration. A separate bill *is required* for the visit.
- When a beneficiary does not meet the eligibility criteria for home health coverage, a home health nurse may be paid for the vaccine and its administration. No skilled nursing visit charge is billable. Administration of the services should include charges only for the supplies being used and the cost of the injection. Medicare does not pay for travel time or other expenses (e.g., gasoline). In this situation, the HHA bills under bill type 034x and reports revenue code 0636 along with the appropriate HCPCS code for the vaccine and revenue code 0771 along with the appropriate HCPCS code for the administration.

Payment for Vaccine Cost

The Medicare Part B payment allowance limits for influenza and pneumococcal vaccines are 95 percent of the AWP, as reflected in the published compendia, except where the vaccine is furnished in a hospital outpatient department (including a renal dialysis facility), Rural Health Clinic (RHC), or Federally Qualified Health Center (FQHC). Where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC, payment for the vaccine is based on reasonable cost.

For the influenza vaccine, the AWP is reset before each flu season, and the limits are posted at: <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Part-B-Drugs/McrPartBDrugAvgSalesPrice/VaccinesPricing.html>. The current limits are in effect between Aug. 1, 2018 and July 31, 2019.

The Part B payment amounts for the current calendar year for pneumococcal and hepatitis B vaccines are included in the 2018 Average Sales Price Drug Pricing Files, posted at: <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Part-B-Drugs/McrPartBDrugAvgSalesPrice/2018ASPFiles.html>. The *Medicare Learning Network* article referenced at the beginning of this section identifies the specific immunization procedure codes and descriptors for these vaccines.

Payment for Vaccine Administration

The administration of influenza virus, pneumococcal, and hepatitis B vaccines, (HCPCS codes G0009, G0008, and G0010), though not reimbursed directly through the Medicare Physician Fee Schedule, is reimbursed at the same rate as CPT code 90782 for the year that corresponds to the date of service of the claim. The fee schedule lookup for all three vaccines, provided by NGS, is accessible here: https://www.ngsmedicare.com/ngs/portal/ngsmedicare/newngs/home-lob/Tools/CodePricingSearch!/ut/p/z1/04_Sj9CPykssy0xPLMnMz0vMAfjjo8ziTRw9XQ0NnQ283Q28nQwcvQNCLYJcgg0NzA31g1Pz9AuyHRUB39L1QA!!/. Click on “Administration of Flu/PPV/Hepatitis.”

No Legal Obligation to Pay/Medicare Claim Denials

Nongovernmental entities that provide immunizations free of charge to all patients, regardless of their ability to pay, must provide the immunizations free of charge to Medicare beneficiaries and may not bill Medicare. Thus, for example, Medicare may not pay for influenza virus vaccinations administered to Medicare beneficiaries if a physician provides free vaccinations to all non-Medicare patients or where an employer offers free vaccinations to its employees.

Physicians also may not charge Medicare beneficiaries more for a vaccine than they would charge non-Medicare patients. When an employer offers free vaccinations to its employees, it must also offer the free vaccination to an employee who is also a Medicare beneficiary. It does not have to offer free vaccinations to its non-Medicare employees. Nongovernmental entities that do not charge patients who are unable to pay or reduce their charges for patients of limited means yet expect to be paid if the patient has health insurance coverage for the services provided, may bill Medicare and expect payment.

According to CMS and NGS, the top denial reasons for Medicare Part B vaccination claims are: (1) beneficiary is enrolled in a Medicare Advantage plan; (2) a duplicate claim was submitted; (3) the diagnosis code is not reported on the claim; (4) an incorrect HCPCS code is reported on the claim; (5) missing or invalid SSN/HICN/NPI appears on the claim; (6) modifier 25 (a code used by physicians to indicate whether another service was provided on the same date) is inappropriately used; (7) appropriate documentation is missing; and (8) benefit maximum for this time period or occurrence has been reached.

Questions

If you have questions on the contents of this memorandum, please do not hesitate to [contact NGS](mailto:dheim@leadingageny.org) or me at dheim@leadingageny.org or (518) 867-8383, ext. 128.