Reimbursement for Administration of COVID-19 Vaccine(s)—What We Know

The Centers for Medicare and Medicaid (CMS) released a detailed plan that begins to outline measures to ensure coverage and payment for the administration of the eventual COVID-19 vaccine(s). Pharmacists will have a key role to play in ensuring the vaccine(s) are accessible to the public. This resource provides an overview of what we know about COVID-19 vaccine reimbursement at this time and covers steps pharmacists can take now to be positioned as a COVID-19 vaccine provider.

Summary of CMS’s Plan for COVID-19 Vaccine Reimbursement

What should pharmacists know about vaccine reimbursement as outlined in the CMS interim final rule?

The rule addresses both reimbursement for the vaccine product(s) approved or authorized by the FDA under an Emergency Use Authorization (EUA) and reimbursement to the provider for administration. A supply of vaccine product has been purchased by the federal government and will be provided at no cost to providers. CMS makes it clear that the federal government intends for public and private health insurers to cover the cost of vaccine administration with no cost sharing for patients, meaning that patients shouldn’t have to pay out-of-pocket costs to receive a COVID-19 vaccine(s).

How will the COVID-19 vaccine product be reimbursed?

Initially, the federal government will supply the vaccine(s) and absorb 100% of the product costs. In the future, however, reimbursement will be based on 95% of the average wholesale price (or “reasonable cost”).

What are the proposed reimbursement rates for COVID-19 vaccine administration?

Payment rates will depend on whether the FDA-authorized COVID-19 vaccine(s) are administered in a single dose or multiple doses. The proposed rates are:

<table>
<thead>
<tr>
<th>Single Dose</th>
<th>Multiple Doses</th>
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<tbody>
<tr>
<td>$28.39</td>
<td>First: $16.94</td>
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<tr>
<td></td>
<td>Final: $28.39</td>
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*Costs will be geographically adjusted*
Reimbursement for Administration of COVID-19 Vaccine(s)—What We Know (continued)

When will CMS officially announce the interim coding and a vaccine administration reimbursement rate for each COVID-19 vaccine in the Medicare fee-for-service (FFS) program?

After FDA authorization of each COVID-19 vaccine, CMS will announce the interim coding and a payment rate for its administration and take into consideration any product-specific costs or considerations involved in furnishing the service. Reimbursement goes into effect within 15 business days after the United States Preventive Services Task Force (USPSTF) or the Advisory Committee on Immunization Practices (ACIP) of the Centers for Disease Control and Prevention (CDC) makes an applicable recommendation relating to a qualifying preventive service.

What about reimbursement for administration under Medicare Advantage (MA)?

If the cost of the COVID-19 vaccine(s) exceeds $13 (the Medicare Advantage plan cost threshold for a single service), “Medicare beneficiaries enrolled in MA plans will receive coverage of the COVID-19 vaccine and its administration through the Medicare FFS program.”

What about reimbursement for administration under Medicaid?

States must compensate Medicaid providers with a vaccine administration fee (reimbursement rate not specified) or reimbursement for a provider visit during which a vaccine dose is administered, regardless of acquisition costs during the public health emergency (PHE). The rule states, “CMS is encouraging state policymakers and other private insurance agencies to utilize the information on the Medicare reimbursement strategy to develop their vaccine administration payment plan in the Medicaid program, CHIP, the Basic Health Program (BHP), and private plans.”

How Pharmacists Can Be Positioned for Reimbursement as a COVID-19 Vaccine Provider

What steps do pharmacists need to take to be reimbursed as a COVID-19 vaccine provider?

Pharmacies will need to be enrolled with a payer to be reimbursed for administration. As we await more information about state and private reimbursement plans, pharmacies can prepare for Medicare reimbursement by enrolling as a Medicare mass immunizer, if not already enrolled as such, or a Medicare provider. Note: if only a DME provider, you must enroll as a mass immunizer.

What if your pharmacy is not currently enrolled as a Medicare provider?

Pharmacies can enroll as a Medicare mass immunizer via an expedited 24-hour process or via the submission of an 855B application. If a provider decides to enroll via the provider enrollment hotline process, that enrollment is considered temporary and only in effect during the public health emergency. Following the end of the PHE, CMS and the MACs will work with providers that enrolled via the hotline to convert them to a permanent enrollment through the submission of a CMS-855B application. CMS will continue to share approved Medicare provider information with states to assist with Medicaid provider enrollment efforts.
Reimbursement for Administration of COVID-19 Vaccine(s)—What We Know (continued)

To enroll via the 24-hour expedited process over the phone:

1. Call your MAC-specific enrollment hotline.
2. Provide your valid Legal Business Name (LBN), National Provider Identifier (NPI), Tax Identification Number (TIN), practice location, and state license, if applicable.
3. A letter of approval will be sent within 24 hours if all the required information is provided.
4. For more information, visit CMS’s Enrollment FAQ page.

To enroll via the 855B application:

1. Review and complete the CMS-855B application form. The application fee for an entity enrolling in Medicare as a mass immunization roster biller via the CMS-855B application form is currently waived for the public health emergency.

For more information, view the CMS infographic for providers who want to enroll in Medicare to bill for administering the COVID-19 vaccine.

What if your pharmacy is already enrolled in Medicare under an authorized provider type?

If you’re enrolled in Medicare as institutional or noninstitutional provider types (pharmacy enrolled as Part B) or Mass Immunizer (roster bill only), etc., you don’t need to take any action to administer and bill the COVID-19 vaccine, through either individual claims or roster billing. APhA worked to confirm with CMS that if a pharmacy is enrolled to provide Diabetes Self-Management Training (DSMT), the pharmacy can bill for the COVID-19 vaccine directly without having to roster bill.

What if your pharmacy is enrolled in Medicare, but your provider type does not allow you to bill for administering vaccines?

If you’re enrolled in Medicare as an “Independent Clinical Laboratory” or as a Durable Medical Equipment Supplier and you want to bill for administering COVID-19 vaccines, you must also separately enroll in Medicare as a mass immunizer. (See above.)

Additional FAQ Related to COVID-19 Vaccine Reimbursement

What about uninsured patients?

Providers administering the vaccine to people without health insurance—or whose insurance does not provide coverage of the vaccine—can request reimbursement for the administration of the COVID-19 vaccine through the Provider Relief Fund.