



## **Influenza Vaccine Payment Allowances - Annual Update for 2019-2020 Season**

MLN Matters Number: MM11428

Related Change Request (CR) Number: 11428

Related CR Release Date: August 30, 2019

Effective Date: August 1, 2019

Related CR Transmittal Number: R4382CP

Implementation Date: No later than October 1, 2019

### **PROVIDER TYPES AFFECTED**

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This MLN Matters Article is for physicians and other providers submitting claims to Medicare Administrative Contractors (MACs) for influenza vaccines provided to Medicare Beneficiaries.

### **PROVIDER ACTION NEEDED**

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CR 11428 informs MACs about payment allowances for influenza virus vaccines, which are updated on August 1 of each year. The Centers for Medicare & Medicaid Services (CMS) will post the payment allowances for influenza vaccines that are approved after the release of CR 11428 at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Part-B-Drugs/McrPartBDrugAvgSalesPrice/VaccinesPricing.html>. Make sure your billing staffs are aware of the payment allowances for the 2019-2020 season.

### **BACKGROUND**

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Medicare bases seasonal influenza vaccines payment on 95 percent of the Average Wholesale Price (AWP). The Medicare Part B payment allowances apply for the dates indicated as effective dates on the website mentioned above. CMS will provide payment allowances for codes for which products have not yet been approved when the products have been approved and pricing information becomes available to CMS.

Also, CMS bases the payment allowances for pneumococcal vaccines on 95 percent of the AWP and CMS updates these allowances on a quarterly basis via the Quarterly Average Sales Price (ASP) Drug Pricing Files.

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, 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. Annual Part B deductible and coinsurance amounts do not apply. All physicians, non-physician practitioners, and suppliers who administer the influenza virus vaccination and the pneumococcal vaccination must take assignment on the claim for the vaccine.

Note that effective for dates of service 8/1/2019 - 7/31/2020, unless otherwise specified, MACs will determine the Medicare Part B payment allowance for HCPCS Q2039.

Note that MACs will reprocess any previously processed and paid claims for the current flu season that were paid using influenza vaccine payment allowances other than the allowances published in the influenza vaccine pricing website for the 2019/2020 season, which began on August 1, 2019. This reprocessing should occur by November 1, 2019.

## ADDITIONAL INFORMATION

The official instruction, CR 11428, issued to your MAC regarding this change is available at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/2019Downloads/R4382CP.pdf>.

If you have questions, your MACs may have more information. Find their website at <http://go.cms.gov/MAC-website-list>.

## DOCUMENT HISTORY

Date of Change	Description
September 3, 2019	Initial article released.

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