MEDICARE PART D VACCINES

The Hyperlink Table, at the end of this document, provides the complete URL for each hyperlink.

Medicare Prescription Drug (Part D) Plans cover all commercially available vaccines, except those covered by Medicare Part B, when they are reasonable and necessary to prevent illness. Healthcare professionals, sometimes known as “immunizers,” who administer certain vaccines to their Medicare patients may get paid by a Medicare Part D plan.

This fact sheet has information for doctors, pharmacists, and other health care professionals about vaccine and vaccine administration coverage through Medicare Part D, and how to submit claims for payment.

Background

Original Medicare (Fee-For-Service) Part B covers most vaccines patients need. Part B immunizers submit claims to their Medicare Administrative Contractor (MAC) for the vaccine and its administration. In-network prescribers submit claims to Medicare Advantage (MA) plans for patients enrolled in MA plans (Part C).

Part D plans generally cover vaccines that Part B does not cover. However, under Part D, providers may or may not directly bill the Part D plan. If you cannot bill directly, work with your patients and their Part D plans to get paid.

Part B Vaccines

Medicare Part B covers the following immunizations:

- Hepatitis B vaccine (for patients at high or intermediate risk)
- Influenza virus vaccine
- Pneumococcal pneumonia vaccine
- Vaccines directly related to treatment of an injury or direct exposure to a disease or condition

Example of a Part B Vaccine Covered By Part D

Medicare Part B covers the hepatitis B vaccine for patients at intermediate or high risk. A patient who does not satisfy Part B coverage criteria could still get the vaccine, with potential payment from a Part D plan. Contact your patient’s Part D plan for more information.
Part D Vaccines

Part D plans identify covered drugs and vaccines through formularies. A new preventive vaccine may not appear in the formulary, but the plan may still cover it. Part D plans may have special rules, such as prior authorization, step therapy, and quantity limits. Contact your patient’s plan to find out about coverage.

Part D Vaccine Administration Coverage

Medicare Part D covers vaccine administration costs as part of the negotiated price for a Part D vaccine, which includes:

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

Bill Part D vaccines, including administration costs, on one claim for both in- and out-of-network situations.

Cost Sharing

Part D plans should not charge separate copayments for the vaccine and its administration. If a plan charges coinsurance, it should apply to the total price of both components.

**NOTE:** People who qualify for the Part D Low-Income Subsidy (also known as “LIS” or “Extra Help”) only pay one copayment for a vaccine and its related charges.

Elements of Vaccine Administration

Part D plans may charge a single vaccine administration fee for all vaccines or multiple administration fees based on:

- Administration complexity
- Vaccine type
- Provider type variance

Contact your patient’s Part D plan to learn about specific vaccine administration fees.

Part D Vaccine Reimbursement in a Prescriber’s Office

Patients may need to pay their prescriber up front (up to the plan’s allowable charge) for Part D vaccines and submit a claim to their Part D plan for reimbursement.
Prescribers should discuss these charges with patients before administering the vaccine so patients can determine if the charges exceed the plan’s allowable charge. If patients do not contact the plan before they get the vaccine, the prescriber’s charge may differ from the plan’s allowable charge. If so, patients must pay the difference.

The Centers for Medicare & Medicaid Services (CMS) encourages Part D plans to improve vaccine access without requiring patients to pay the full charge out-of-pocket and request repayment from their plans. Medicare has options for patients with Part D coverage to get vaccines.

**Patient Access to Part D Vaccines**

**In-Network Examples**

**In-Network Administration by Pharmacy:** The patient gets a prescription from their prescriber and takes it to their local network retail pharmacy (or the prescriber transmits it electronically). In some cases, a pharmacist administers the vaccine (unless prohibited by state law). The pharmacy bills the Part D plan, and the patient pays the pharmacy the required Part D cost share amount.

*Figure 1. In-Network Pharmacy Administers the Vaccine*

**In-Network Pharmacy Distribution to Prescriber:** The patient gets a prescription from their prescriber and takes it to the pharmacy (or the prescriber transmits it electronically). The pharmacy fills the prescription, ships or delivers it to the prescriber’s office, and bills the Part D plan for dispensing and providing the vaccine. The pharmacy bills the Part D plan, and the patient pays the pharmacy the required Part D cost share amount and pays the prescriber for administering the vaccine. The patient can submit the prescriber administration charge to their Part D plan for reimbursement.
### Out-of-Network Examples

For out-of-network situations, you do not become a network provider. You submit a claim to assist your patient.

**Web-Assisted Out-of-Network Prescriber Billing:** Prescribers enroll with a company that offers a web-assisted portal for Part D vaccines they administer in their office. This portal enables prescribers to electronically submit out-of-network claims to Part D plans on behalf of their patients. The prescriber agrees to accept Part D payment as payment in full. The patient pays the appropriate deductible, copayment, coinsurance, or cost share amount directly to the prescriber.

### Figure 3. Prescriber Administers Vaccine and Bills Part D Plan Using Web-Assisted Out-of-Network Billing

1. Prescriber prescribes and administers vaccine
2. Prescriber submits out-of-network claim to Part D plan using web-assisted portal
   - Patient pays cost share to prescriber
Prescriber Gets Authorization from Part D Plan: The prescriber or patient contacts the patient’s Part D plan to get a vaccine-specific notice, which provides the following information:

- How to get coverage authorization for a particular vaccine
- How to submit an out-of-network claim on the patient’s behalf
- Patient cost share information
- Reimbursement rates

The prescriber agrees to accept Part D payment as payment in full, and the patient pays the appropriate deductible, copayment, coinsurance, or cost share amount directly to the prescriber.

Frequently Asked Questions

Q: I need to immunize a patient with a Part D vaccine. What should I do?
A: Call the patient’s Part D plan to discuss the cost share and allowable charges for the vaccine as part of the Part D plan’s out-of-network access; or ask about other vaccine access options.

Q: Should I issue an Advance Beneficiary Notice (ABN) if I administer a vaccine and plan to bill the patient?
A: No. Part D does not require ABNs. For more information about ABNs, refer to the Advance Beneficiary Notice of Noncoverage Interactive Tutorial.

Q: Can I charge an administration fee?
A: Yes. See the model scenarios in this fact sheet to determine whether to bill the patient or the Part D plan.

Q: Does Medicare Part D cover the shingles (herpes zoster) vaccine?
A: Yes. Part D covers the herpes zoster vaccine as a preventive vaccine.
Resources

Table 1. Part D Vaccine Resources

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<tr>
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Table 2. Hyperlink Table

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