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# **Medicare Part D Vaccines**



# What's Changed?

- Clarified that Medicare Part B covers vaccines and vaccine administration (page 2)
- Clarified that Part D patient cost-sharing may include a vaccine administration fee (pages 3 & 4)

Substantive content changes are in dark red.





If you're a health care provider who administers certain vaccines to patients with Medicare drug plans (Part D), it's important to understand that their drug plans generally pay for the vaccines and administration.

This fact sheet explains vaccine coverage under drug plans and vaccine claims submission options.

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

### **Part B Vaccines**

Medicare Part B covers vaccines and vaccine administration for:

- Flu
- Pneumonia
- Hepatitis B (for individuals at high and intermediate risk)
- COVID-19
- Certain reasonable and necessary vaccines to treat an injury or exposure to a disease

### **Part D Vaccines**

Drug plans cover all commercially available vaccines when they're reasonable and necessary to prevent illness, except those covered by Part B.

Even if a drug plan's formulary doesn't list all Part D vaccines, it must provide access when a physician prescribes a Part D vaccine to prevent a patient's illness.

## **Part D Vaccine Administration**

Drug plans cover <u>vaccine administration costs</u> as part of each vaccine's negotiated price, including:

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

### **Examples**

The shingles and tetanus-diphtheria-whooping cough vaccines are Part D vaccines.

#### Treat vs. Prevent

For example, if a patient gets a tetanus vaccination because of an accidental puncture wound, it's a Part B-covered vaccine.
However, if the patient gets a tetanus booster shot, unrelated to injury or illness, it's a Part D-covered vaccine.



You can bill in- and out-of-network Part D vaccines and administration fees on 1 claim form if you provide both components.

Drug plans may pay **either** a single 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 learn about specific vaccine administration fees.

# **Patient Cost-Sharing**

Starting in 2023, patients with Medicare drug plans will pay nothing out-of-pocket for <u>adult vaccines</u> recommended by the Advisory Committee on Immunization Practices (ACIP). Part 5, Section 11401 of the <u>Inflation Reduction Act of 2022</u> requires these vaccines to be free to patients and makes Part D vaccine cost-sharing consistent with coverage under Part B where the patient has no coinsurance or deductible. The patient may have to pay a vaccine administration fee at the time of service, but they can get reimbursed in full for this fee from their Part D plan.





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

### **In-Network Pharmacy Options**

You may not be able to bill the drug plan directly. If not, work with your patients and their <u>drug plans</u> for payment.

Figures 1 and 2 show how in-network pharmacies can dispense, administer, and bill for Part D vaccines.

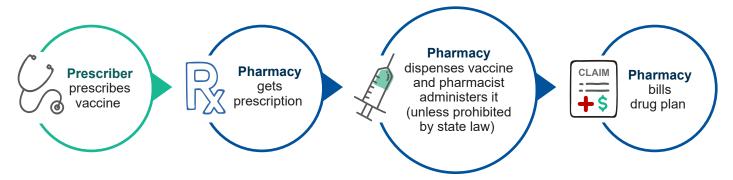
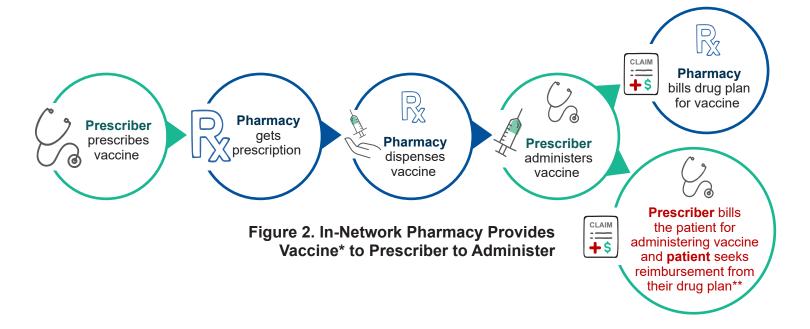


Figure 1. In-Network Pharmacy Administers Vaccine\*



<sup>\*</sup>Most prescribed vaccines are ACIP-recommended. If a prescriber suggests their patient get a vaccine that isn't ACIP-recommended, the drug plan may charge the patient coinsurance or a copayment.

<sup>\*\*</sup>Vaccine administration in prescribers' offices is considered out-of-network because sponsors' networks are defined as pharmacy networks only.



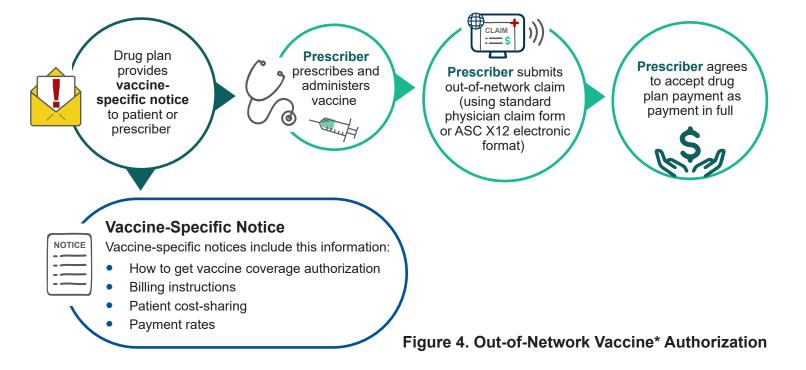
### **Out-of-Network Prescriber Options**

In out-of-network situations, the prescriber assists patients in submitting their vaccine claims. The prescriber doesn't become a network provider.

Figures 3 and 4 show how out-of-network prescribers can administer and bill Part D vaccines.



Figure 3. Out-of-Network Prescriber Administers Vaccine\* & Bills Using Web-Assisted Portal



<sup>\*</sup>Most prescribed vaccines are ACIP-recommended. If a prescriber suggests their patient get a vaccine that isn't ACIP-recommended, the drug plan may charge the patient coinsurance or a copayment.



### Resources

- Medicare Part D Patient Information
- Prescription Drug Coverage General Information
- Sections 60.2–60.3.4 of Medicare Prescription Drug Benefit Manual, Chapter 5

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