

# FACT SHEET

#### KNOWLEDGE • RESOURCES • TRAINING

## **MEDICARE PART D VACCINES**





## **UPDATES**

Note: No substantive content updates.



## INTRODUCTION

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**. If you're an immunizer and give certain vaccines to your patients, the vaccines and their administration may be payable under a Part D plan.

**NOTE:** The term "patient" refers to a Medicare beneficiary.

## BACKGROUND

Medicare Part B covers most vaccines patients need. If you give Part B vaccines, you submit claims to your MAC for the vaccine and its administration. If you're an in-network prescriber and have patients enrolled in Medicare Advantage (MA) plans, you submit claims to the MA plan.

**Part D plans generally cover vaccines that Part B doesn't cover**, but, under Part D, you may or may not directly bill the Part D plan. If you can't bill directly, work with your patients and their Part D plans to get paid. For more information on Part B shots, refer to <u>Preventive Services</u>.

## PART D VACCINES

Part D plans include covered drugs and vaccines on their formularies. A new preventive vaccine may not appear on the formulary, but the plan may still cover it. Part D plans may have special rules, like prior authorization, step therapy, and quantity limits. Contact your patient's plan to find out about coverage.

#### **Plan Contact Information**

Search by plan name and/or ID or call 1-800-MEDICARE.

## PART D VACCINE ADMINISTRATION COVERAGE

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

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

You can bill Part D vaccines, including administration costs, on 1 claim for both in- and out-ofnetwork situations.

## **Cost Sharing**

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

Remember

You can't bill Medicare Part B for Part D vaccines.



**NOTE:** People who qualify for the Part D Low-Income Subsidy (also known as "LIS" or "Extra Help") only pay 1 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 get specific vaccine administration fees.

## IN OFFICE PART D VACCINE REIMBURSEMENT

Patients may need to pay up front (up to the plan's allowable charge) for Part D vaccines and submit a claim to their Part D plan for reimbursement.

Discuss these charges with your patients before administering the vaccine so the patients can find out if the charges exceed the plan's allowable charge. If patients don't contact the plan before they get the vaccine, your charge may differ from the plan's allowable charge. If so, patients must pay the difference.

CMS encourages Part D plans to improve vaccine access without requiring patients to pay the full charge out-of-pocket and request plan repayment. Medicare has options for patients with Part D coverage to get vaccines.

## PATIENT ACCESS TO PART D VACCINES

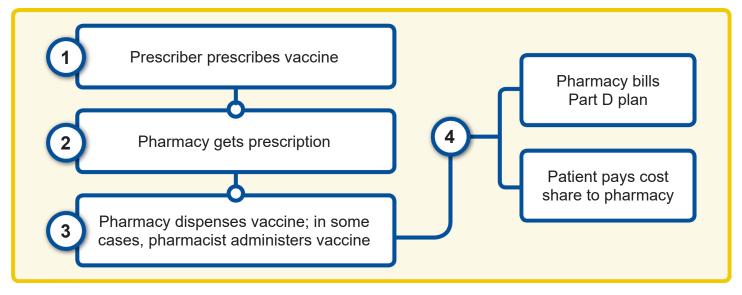
## **In-Network Examples**

#### In-Network Pharmacy Administration:

- The patient gets a prescription and takes it to their local network retail pharmacy (or the prescriber sends 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.



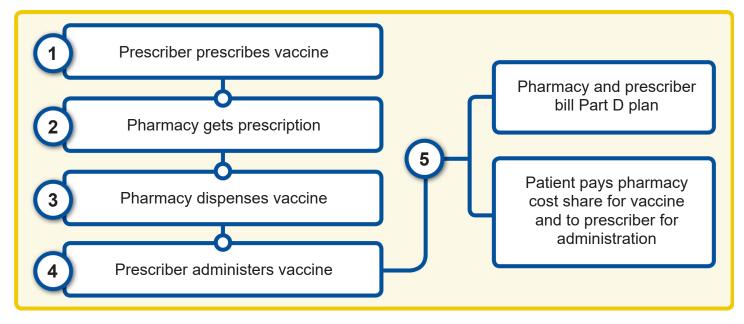
#### Figure 1. In-Network Pharmacy Administers the Vaccine



#### **In-Network Pharmacy Distribution to Prescriber:**

- The patient gets a prescription and takes it to the pharmacy (or the prescriber sends 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 giving the vaccine.
- The pharmacy bills the Part D plan, and the patient pays the pharmacy the 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.

#### Figure 2. In-Network Pharmacy Gives Vaccine to Prescriber to Administer





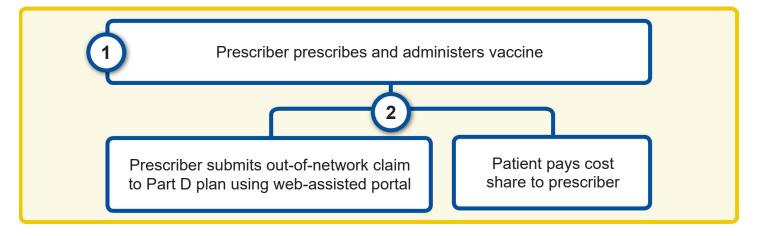
## **Out-of-Network Examples**

For out-of-network situations, you don't become a network provider. You submit a claim to help 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 allows 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 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

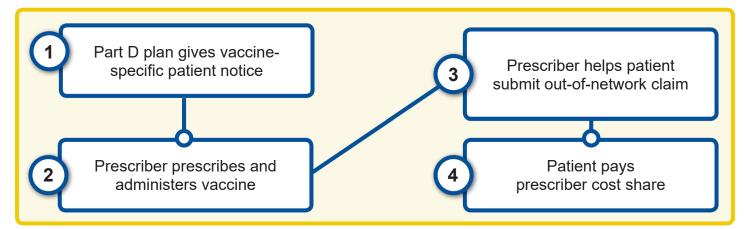


#### Prescriber Gets Authorization from Part D Plan:

- The prescriber or patient contacts the patient's Part D plan to get a vaccine-specific notice, giving the following information:
  - How to get vaccine coverage authorization
  - How to submit the patient's out-of-network claim
  - Patient cost share information
  - Reimbursement rates
- The prescriber agrees to accept Part D payment as payment in full, and the patient pays the deductible, copayment, coinsurance, or cost share amount directly to the prescriber.



#### Figure 4. Out-of-Network Authorization



## FAQs

#### I need to immunize a patient with a Part D vaccine. What should I do?

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.

# Should I issue an Advance Beneficiary Notice (ABN) if I administer a vaccine and plan to bill the patient?

No. You don't need to issue an ABN for Part D. For more information about ABNs, refer to the Advance Beneficiary Notice of Non-coverage Interactive Tutorial.

#### Can I charge an administration fee?

Yes. See the model scenarios in this fact sheet to decide whether to bill the patient or the Part D plan.

#### Does Medicare Part D cover the shingles (herpes zoster) vaccine?

Yes. Part D covers the herpes zoster vaccine as a preventive service.

## **KEY TAKEAWAYS**

- Medicare Part D plans cover all commercially available vaccines, except those Medicare Part B covers, when they are reasonable and necessary to prevent illness.
- Medicare Part B covers most vaccines patients need.
- Part D plans generally cover vaccines Part B doesn't cover, but under Part D, providers may or may not directly bill the Part D plan.
- Patients may need to pay their prescriber up front for Part D vaccines and submit a Part D plan claim for repayment.



## RESOURCES

- Medicare Part D Patient Information
- Part D Drugs and Formulary Requirements
- Prescription Drug Coverage General Information
- Search by Plan Name and/or ID

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