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

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Pharmacists play a key role in ensuring the vaccine(s) are accessible to the public. This resource provides an overview of what is known about COVID-19 vaccine reimbursement at this time and outlines steps that pharmacists can take to be positioned as COVID-19 vaccine providers.

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

The Centers for Medicare and Medicaid (CMS) released a detailed plan that outlines measures to ensure coverage and reimbursement for COVID-19 vaccine **product** and **administration**.

What should pharmacists know about vaccine reimbursement as outlined by CMS?

CMS addresses reimbursement for the vaccine product(s) approved or authorized by the Food and Drug Administration (FDA) under an Emergency Use Authorization (EUA) and reimbursement to the provider for **administration**. The federal government has purchased a supply of vaccine product that will be distributed through federal and state channels and allocated at no cost to providers during the public health emergency (PHE). 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 do not have to pay out-of-pocket costs to receive a COVID-19 vaccine(s).**

Helpful Toolkits

Pharmacists can review the Medicare toolkit for health care providers. This toolkit gives health care providers the information needed to enroll, administer, and bill COVID-19 vaccines for Medicare patients. Toolkits are also available for Medicaid and private insurers.

Vaccine Payment = Cost of the Vaccine Product + Fee for COVID-19 Vaccine Administration
(free to providers) **(reimbursed by payer)**

How is the COVID-19 vaccine product reimbursed?

Initially, the federal government is supplying the vaccine(s) and absorbing 100% of the **product** costs so **there is no product cost to providers and others who administer COVID-19 vaccine.** CMS has stated that sometime in the future, however, reimbursement will be based on 95% of the average wholesale price (or "reasonable cost").

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How is COVID-19 vaccine administration reimbursed?

Reimbursement rates for COVID-19 vaccine administration and related services depend on the patient's insurance and whether the claim is billed to the insurer as a medical claim under the **medical benefit** or as a pharmacy claim under the **pharmacy benefit**.

While CMS has published reimbursement rates for Medicare patients, states set administration reimbursement rates for Medicaid patients, and private insurance plans set these rates for their covered patients. "CMS is encouraging state policymakers and other private insurance agencies to use 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," the agency stated.[1] Every state must pay Medicaid providers a vaccine administration fee during PHE; however, fee rates may vary by state and type of Medicaid plan.

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

Medicare payment rates are dependent on whether the FDA-authorized COVID-19 vaccine(s) are administered in a single dose or multiple doses. Table 1 contains CMS-approved COVID-19 vaccine **administration rates** for the Medicare program.

Table 1: Medicare COVID-19 Vaccine Administration Rates

Single Dose	Multiple Doses
$28.39	First: $16.94
	Final: $28.39

*Costs may be geographically adjusted.

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

1) Obtain a Type 1 (Individual) NPI Number

To be reimbursed as a COVID-19 vaccine provider, pharmacists who do not have a Type 1 (individual) NPI should apply for a number. Pharmacy reimbursement claims for COVID-19 vaccines must include two NPI numbers:

- A **Type 1 (Individual) NPI number** unique to the **provider** who has ordered/prescribed the vaccine; pharmacists ordering/prescribing the vaccine will need a Type 1 NPI number when submitting a claim, but if the pharmacist has not ordered/prescribed the vaccine, use the NPI for the provider who did so.
- A **Type 2 (Provider Organization) NPI number** for the **pharmacy** responsible for providing the vaccine; the majority of pharmacy locations will already have this NPI number in place.

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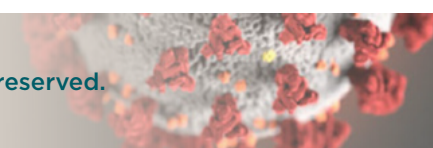
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2) Meet Payer Enrollment Requirements

Enrollment requirements will vary depending on whether the payer is Medicare, Medicaid, or a private sector health plan. Pharmacies should also prepare to enroll and seek reimbursement for services provided to uninsured individuals or individuals whose insurance does not cover the COVID-19 vaccine through the HRSA Provider Relief Fund. Detailed below are steps that pharmacies can take to enroll for COVID-19 vaccine reimbursement.

Medicare Enrollment

Medicare pays for COVID-19 vaccine administration as a medical benefit under Medicare Part B. Pharmacies must be enrolled in Medicare Part B under one of two CMS-recognized categories to be reimbursed for pharmacy-provided vaccines. These categories are the **Pharmacy category (preferred)** or the **Mass Immunizer category**. Medicare will assign a provider transaction access number (PTAN)—Pharmacy PTAN or Mass Immunizer PTAN—that the pharmacy will use to bill for COVID-19 vaccine administration.

As outlined in Figure 1, pharmacies that are not enrolled in Medicare or currently enrolled as a durable medical equipment, prosthetics/orthotics, and supplies (DMEPOS) provider or an independent clinical laboratory will need to ALSO enroll as either a pharmacy (preferred) or a mass immunizer to obtain a new PTAN that can be used to bill for administration of COVID-19 vaccines. A short summary of the available Medicare enrollment categories for pharmacies is listed below:

- **Independent Clinical Laboratory:** Assigned PTAN is used to bill COVID-19 tests (and influenza and RSV when administered concurrently with a COVID-19 test).
- **DMEPOS Provider:** Assigned PTAN is used to bill durable medical equipment (DME) only.
- **Mass Immunizer:** Assigned PTAN is used to roster bill for Medicare Part B vaccines (COVID-19, influenza, and pneumococcal).
- **Pharmacy (Preferred):** Assigned PTAN is used to bill for administration of COVID-19 vaccines on an individual claim basis (as well as influenza and pneumococcal vaccines), and for pharmacies that provide accredited Diabetes Self-Management Training (DSMT) services. This method may be preferred in the long term because of the potential to consolidate billing for various pharmacy-provided patient care services under one PTAN.

Figure 1: Medicare Part B Enrollment Overview
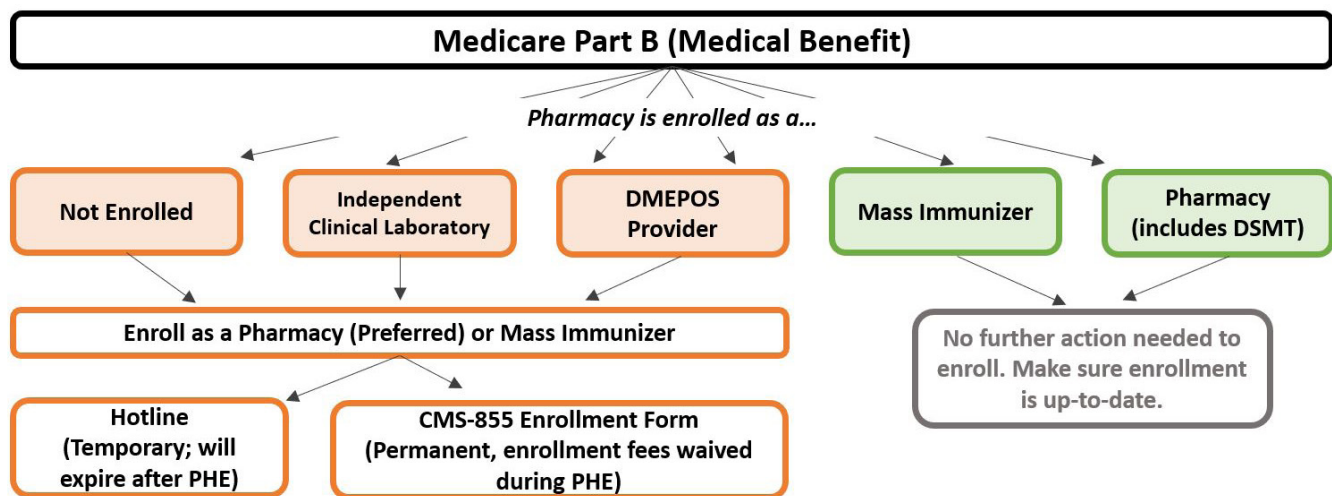
How can a pharmacy enroll as a Pharmacy or Mass Immunizer under Medicare?

Pharmacies can enroll in Medicare (Figure 1) via an expedited 24-hour hotline process or through the submission of an 855B application. Regional Medicare Administrative Contractors (MACs) handle the enrollment process and claims processing for Medicare Part B claims. The application fee to enroll in Medicare Part B is waived during the PHE. If a provider decides to enroll via the hotline process, that enrollment is considered temporary and only in effect during the PHE. 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.

To enroll via the 24-hour hotline (temporary):

1. Call your MAC-specific enrollment hotline.

2. Provide the valid Legal Business Name (LBN), National Provider Identifier (NPI), Tax Identification Number (TIN), practice location, and state license, if applicable. Pharmacies can enroll in Medicare Part B either in the Pharmacy category (preferred) or the Mass Immunization (Roster Billing Only) category to bill for COVID-19 vaccine administration.

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 (permanent):

Review and complete the CMS-855B application form. Pharmacies can enroll as a Pharmacy (preferred) or as a Mass Immunization (Roster Biller Only) on the CMS-855B application form. Enrolling via the 855B application may take longer, but it results in permanent enrollment in Medicare. In comparison, the 24-hour hotline results in enrollment only during the period of the PHE; if originally signed up through the hotline process, the pharmacy will have the option to work with the MAC to enroll permanently at a later time, and there may be an enrollment fee then.

Who can enroll as a centralized biller in Medicare, and how does this enrollment work?

If a pharmacy organization is enrolled in the Mass Immunization (Roster Biller Only) category and operates in at least three MAC jurisdictions, there is an option to enroll as a centralized biller. Centralized billing allows the mass immunizer to send all roster bill claims to a single MAC, Novitas, for payment, regardless of where the vaccine(s) are administered. The pharmacy organization must get prior approval from Novitas to centralize bill and submit all centralized biller claims as professional claims on a roster bill. Medicare makes geographic payment adjustments based on the locality where the vaccine is administered.

To become a centralized biller, call Novitas at 1-855-247-8428 with this information:

- Estimate of how many patients are expected to receive the COVID-19 vaccine
- Anticipated timeframe to administer vaccine(s)
- List of states for COVID-19 vaccination clinics
- Type of services generally delivered other than preventive vaccinations, if any
- Names and addresses of all entities operating under provider application
- Contact information for the centralized billing program's designated contact

State Medicaid and Private Sector Plan Enrollment

State Medicaid and private sector plans vary in whether COVID-19 vaccines are paid through the medical benefit or the pharmacy benefit, and these plans are required to reimburse in-network and out-of-network vaccine providers for COVID-19 vaccine administration. This is a unique requirement specific to COVID-19 vaccines and preventive services.

If the pharmacy is not enrolled as a network provider with a state Medicaid or private sector plan, claims for COVID-19 vaccine administration can be submitted as an out-of-network claim. Enrollment as a network provider is plan specific. It is recommended that pharmacies contact plans to start the enrollment process now as it can take several months or more to complete the credentialing and contracting requirements. This will position the pharmacy in the long term not only for COVID-19 vaccine administration payment but also for other patient care services.

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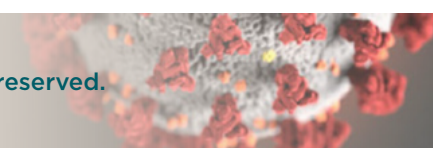
Provider Relief Fund Enrollment

Pharmacies will also want to enroll as a provider through the Provider Relief Fund to request reimbursement for the administration of the COVID-19 vaccines to uninsured individuals or those individuals whose insurance does not cover COVID-19 vaccine. To participate, pharmacies will need an account with Optum Pay. Access the sign-in or create an Optum ID.

3) Contract with a Medical Intermediary Organization

A medical intermediary is a company that serves as a connection between a pharmacy and a health plan for transmission of claims that are paid as medical benefit claims (for pharmacists practicing in physician offices and clinics, the companies are referred to as medical clearinghouses). The medical intermediary will receive a claim from a pharmacy and then populate it with additional required data elements for a medical claim. Because COVID-19 vaccine is being paid under the medical benefit in Medicare and some Medicaid and private sector plans, a medical intermediary is needed for COVID-19 vaccine claims submission. Pharmacies that are billing Medicare Part B vaccines, such as influenza and pneumococcal vaccine, should already have a contract(s) with a medical intermediary. Common medical intermediary organizations used by pharmacies include Omnisys, Change Health Care, EBS, and FDS. Pharmacies can contact these organizations for more information to determine which organization best meets their needs.
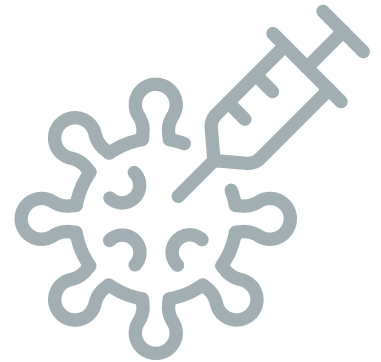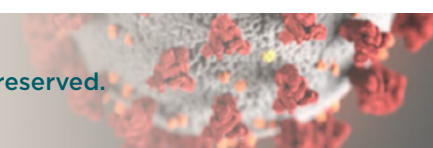
Reimbursement Pathways for COVID-19 Vaccine Administration

Federal requirements mandate that there are no patient out-of-pocket costs, for both in-network and out-of-network coverage of COVID-19 vaccine. Also, according to the terms of federal and state vaccine provider agreements, no provider can turn a patient away specifically due to concerns over vaccine administration reimbursement.

Reimbursement for COVID-19 vaccine is dependent on the patient's insurance coverage and whether the claim is paid through the medical benefit or pharmacy benefit. An overview of potential payment pathways by insurer type is shown in Figure 2. Additional information about medical benefit and pharmacy benefit claims for COVID-19 vaccine is detailed in the following sections.
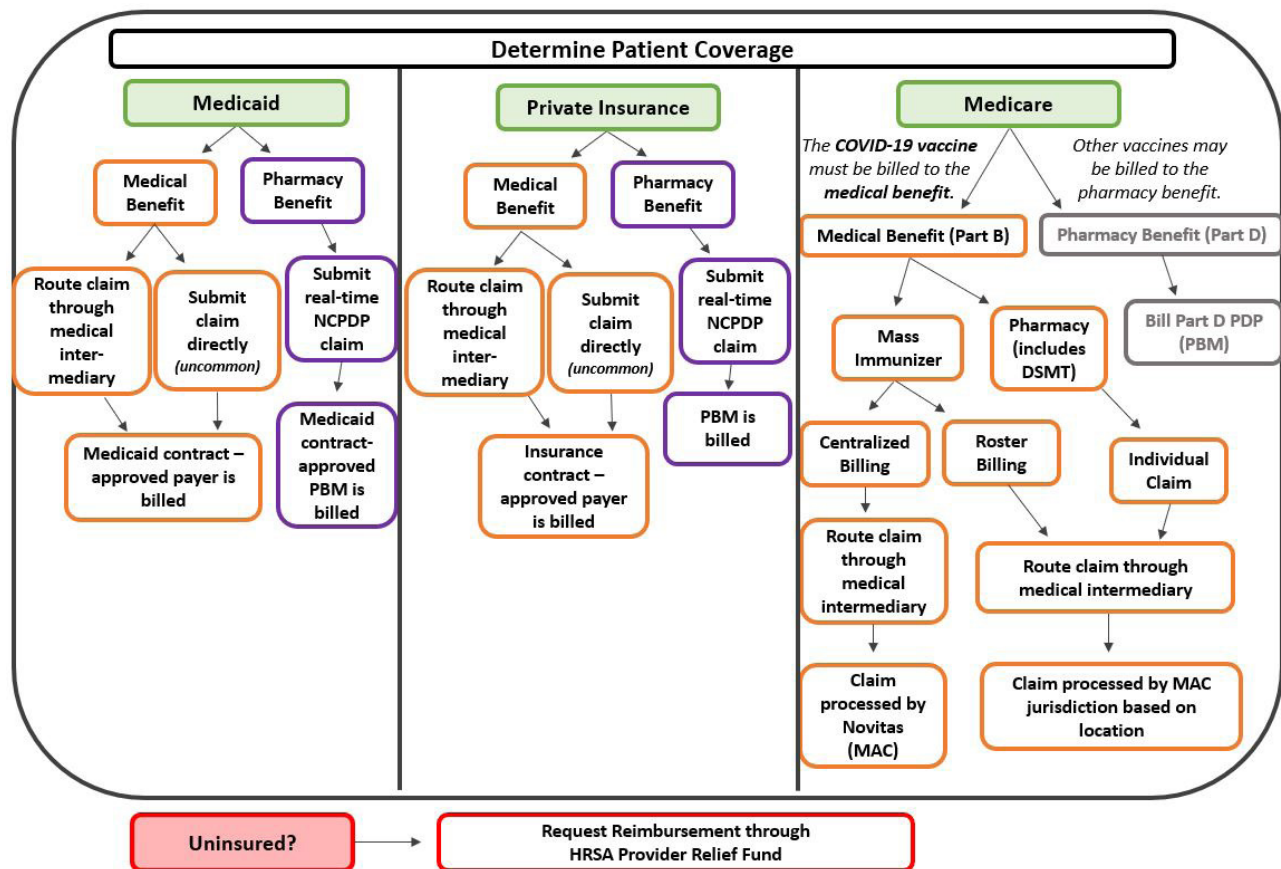
Providers administering the vaccine to people without health insurance or those whose insurance does not cover COVID-19 vaccine can request reimbursement for the administration of the COVID-19 vaccine through the Provider Relief Fund, as stated above.

Figure 2: Potential Payment Pathways for COVID-19 Vaccine Administration

Claims Submission for COVID-19 Vaccine Administration

Pharmacy software systems are built on National Council for Prescription Drug Program (NCPDP) standards. All COVID-19 vaccine claims originating from a pharmacy will use standardized data elements outlined in a recently issued NCPDP emergency guidance. Table 2 lists required data elements for claim submission. The NCPDP claim format can be used to submit reimbursement to a pharmacy benefit manager (PBM) as a pharmacy benefit claim or to a medical intermediary organization, where it will be converted from a pharmacy to a medical benefit claim.

It is important to note that the NCPDP guidance outlines claim information needed for both a one-dose and a two-dose COVID-19 vaccine. For a two-dose vaccine (Pfizer-BioNTech and Moderna), the submission clarification codes (SCC) are critical for distinguishing between the first and the second administration of the vaccine, especially since some payers, including Medicare, have a differential payment for the first and second dose.

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Table 2: NCPDP Claim Format

Type of Vaccine	Data Elements
One-Dose COVID-19 Vaccine	• Quantity Dispensed: Use actual liquid volume (e.g., 0.3mL) • NDC for the vaccine product • Days Supply: 1 • Professional Service Code: "MA" • Incentive Amount Submitted: Submitted to identify the pharmacy is seeking reimbursement for administration of the product • Ingredient Cost: $0.00 (some payers may require $0.01 to be entered) • Gross Amount Due: Submitted to include "incentive amount submitted: for the vaccine administration fee and zero cost of the vaccine" • Basis of Cost: 15 (no cost)

Two-Dose COVID-19 Vaccine	• Include same data elements as one-dose vaccine (above) <u>AND</u>
	• Submission Clarification Code:
	   > First Dose: SCC code of "2"
	   > Second Dose: SCC code of "6"

How do I know if the COVID-19 vaccine is covered under the patient's pharmacy benefit or the medical benefit?

For Medicare patients, the COVID-19 vaccine is covered exclusively under the patient's medical benefit (Medicare Part B). When billing Medicaid or a private plan, it can vary whether COVID-19 vaccine administration is covered under the pharmacy or medical benefit. Until this is clearer, it is a good idea to proactively collect both pharmacy and medical benefit coverage information from patients or run a test claim. Collecting the patient's social security number is another step the pharmacy can take in case the patient is uninsured at the time of service or the patient's insurance doesn't cover COVID-19 vaccine, and the claim needs to be submitted to the HRSA Provider Relief Fund.
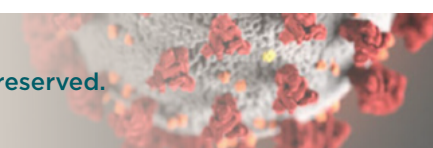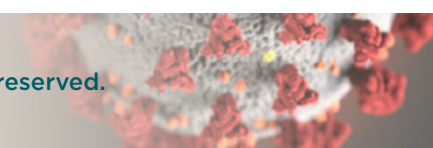
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Medical Benefit Claims Reimbursement

When COVID-19 vaccine administration is covered under the medical benefit, the claim will be transmitted to the pharmacy's medical intermediary for processing. Before COVID-19 billing, medical intermediary and pharmacy representatives should discuss the data needed to submit COVID-19 vaccine medical claims to various payers, including data needed for out-of-network billing. Common data elements needed to submit a medical claim include:

- ICD-10 code(s)
- Point-of-service code
- NPI for ordering provider
- NPI for rendering provider
- CPT code(s)
- Usual and customary (U&C) charge

When a medical claim is submitted by the pharmacy to the medical intermediary, an appropriate CPT code is assigned to the claim. Pharmacists should be familiar with these codes. The American Medical Association (AMA) announced vaccine-specific current procedural terminology (CPT) codes for the COVID-19 vaccine **product(s)** and **administration** (Table 3). The CPT codes are unique to each vaccine product and corresponding dose administered in the required vaccine schedule. These codes become effective when the COVID-19 vaccine is issued EUA or approval from FDA. For more information, refer to AMA's COVID-19 CPT coding and guidance.

Table 3: COVID-19 Vaccine-Specific Current Procedural Terminology (CPT) Codes

| Vaccine Product Codes		
Cat I CPT Code	**Vaccine Manufacturer**	**Description**
91300	Pfizer-BioNTech	Severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) (Coronavirus disease [COVID-19]) vaccine, mRNA-LNP, spike protein, preservative free, 30 mcg/0.3mL dosage, diluent reconstituted, for intramuscular use
91301	ModernaTX USA	Severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) (Coronavirus disease [COVID-19]) vaccine, mRNA-LNP, spike protein, preservative free, 100 mcg/0.5mL dosage, for intramuscular use
91302	AstraZeneca/ Oxford	Severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) (coronavirus disease [COVID-19]) vaccine, DNA, spike protein, chimpanzee adenovirus Oxford 1 (ChAdOx1) vector, preservative free, 5x1010 viral particles/0.5mL dosage, for intramuscular use
91303	Janssen	Severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) (coronavirus disease [COVID-19]) vaccine, DNA, spike protein, adenovirus type 26 (Ad26) vector, preservative free, 5x1010 viral particles/0.5mL dosage, for intramuscular use

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Vaccine Administration Codes

Cat I CPT Code	Vaccine Manufacturer	Description
0001A	Pfizer-BioNTech	Immunization administration by intramuscular injection of severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) (Coronavirus disease [COVID-19]) vaccine, mRNA-LNP, spike protein, preservative free, 30 mcg/0.3mL dosage, diluent reconstituted; first dose
0002A	Pfizer-BioNTech	Second dose
0011A	ModernaTX USA	Immunization administration by intramuscular injection of severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) (Coronavirus disease [COVID-19]) vaccine, mRNA-LNP, spike protein, preservative free, 100 mcg/0.5mL dosage; first dose
0012A	ModernaTX USA	Second dose
0021A	AstraZeneca/ Oxford	Immunization administration by intramuscular injection of severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) (coronavirus disease [COVID-19]) vaccine, DNA, spike protein, chimpanzee adenovirus Oxford 1 (ChAdOx1) vector, preservative free, 5x1010 viral particles/0.5mL dosage; first dose
0022A	AstraZeneca/ Oxford	Second dose
0031A	Janssen	Immunization administration by intramuscular injection of severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) (coronavirus disease [COVID-19]) vaccine, DNA, spike protein, adenovirus type 26 (Ad26) vector, preservative free, 5x1010 viral particles/0.5mL dosage, single dose

CMS is working collaboratively with AMA and has adopted this coding structure for medical claims submitted under Medicare Part B. CMS has published information regarding coding for COVID-19 vaccines with a list of these codes that includes Medicare payment allowances and effective dates. Note that there will be slight regional MAC variation in these payment rates for COVID-19 vaccine administration. Check with your local MAC for exact payment rates.

For Medicare Advantage plans, 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," CMS stated.[2] COVID vaccine for MA beneficiaries will be billed to the regional MAC in this case.
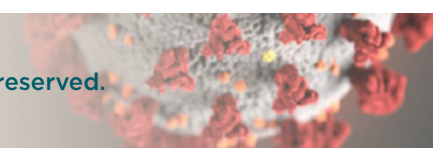
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Pharmacy Benefit Claims Reimbursement Pathways

When COVID-19 vaccine administration is covered under the pharmacy benefit, the claim is submitted to a PBM for reimbursement. If COVID-19 vaccine administration is covered under the medical benefit, the claim rejection will notify the pharmacy.

Key Takeaways

- Patients should not have any out-of-pocket costs for receiving a COVID-19 vaccine per federal mandate.

- To be reimbursed as a COVID-19 vaccine provider, pharmacists who do not have a Type 1 (individual) NPI should apply for a number. Pharmacy reimbursement claims for COVID-19 vaccines must include two NPI numbers, a Type 1 (individual) NPI number unique to the provider who has ordered/prescribed the vaccine and a Type 2 (Provider Organization) NPI number for the pharmacy responsible for providing the vaccine.

- Pharmacies may have multiple PTANs depending on their Medicare enrollments, so it is important to use the appropriate PTAN when submitting claims. The pharmacy should use the PTAN assigned during enrollment as a Pharmacy or Mass Immunizer when submitting a COVID-19 vaccine claim.

- Collect the patient's medical card, pharmacy benefit card, and social security number to enable claims billing for medical or pharmacy claims or to seek reimbursement from the HRSA Provider Relief Fund.

- If the pharmacy is not enrolled as a network provider with a state Medicaid or private sector plan, claims for COVID-19 vaccine administration can be submitted as an out-of-network claim.

- Pharmacies must contract with a medical intermediary to process claims for Medicare and those Medicaid and private payers that reimburse for COVID-19 vaccination services under the medical benefit. It is important for pharmacies to work with medical intermediaries on the data elements required to bill medical benefit claims to various payers.

- With the rapid evolution of COVID-19 vaccine billing, there is currently some variability in the coding required by various PBMs for billing pharmacy benefit claims.

APhA will continue to collect information and update this guidance as new information related to successful processing of COVID-19 vaccine claims becomes available, through both the medical benefit and the pharmacy benefit.

References:

1. www.cms.gov/newsroom/press-releases/trump-administration-acts-ensure-coverage-life-saving-covid-19-vaccines-therapeutics
2. www.cms.gov/files/document/covid-vax-ifc-4.pdf