Operationalizing Payment for Adult Immunization: Improving Payment and Avoiding Non-payment

APRIL D. GREEN, PHARMD
OCHSNER CLINICAL PHARMACIST, POPULATION HEALTH
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NAIIS – ATLANTA, GA

Objectives

- Review LEAN project used to evaluate adult vaccine workflow
- Summarize lessons learned regarding adult vaccines
- Highlight findings with payment issues
- Share list of recommendations to avoid non-payment
LEAN Project Summary

- Performed comprehensive review of process flow for five adult vaccines
  - Influenza, tetanus/Tdap, zoster, pneumococcal, HPV
  - Found variation in process flow of each
- Gathered Voice of Customer (VOC) with each role involved in vaccine workflows
- Mapped out the workflow for ordering and administering each vaccine
  - Identified patient experience during each process step
  - Identified waste and distance traveled (Spaghetti diagram)
- Developed possible solutions with focus on increasing:
  - Volume/Demand
  - Administration rates
  - Patient satisfaction

[Diagram of vaccination workflow]
Lean Project Findings

- National Benchmarks for HP2020
  - *Influenza 70%
  - **Pneumococcal 90%
  - HPV (age-appropriate series completion) 80%
  - Zoster 30%

- Variations
  - Operational workflow
  - Administration location
  - Reimbursements

- Denials
  - Of Vaccine utilization, <6% experience a front line claim denial
    - System goal is <4%
  - Denial does not equal loss/write-off

- Changes needed to prevent claims denial
- Multiple projects working on vaccine initiatives

*Noninstitutionalized adults aged 18 years and older vaccinated annually against influenza
**Noninstitutionalized adults aged 65 years and older who had ever been vaccinated against pneumococcal

Administration Errors or Claims Denials

- Denial review and resolution required
- Most common denial code found:
  - Administered in wrong location
- Tdap / Zoster biggest exposure
  - Medicare plans requiring administration to bill on Pharmacy Benefits
  - Cannot administer in clinic setting
- Claims addressed in two ways:
  - Government payors
  - Other/Commercial payors
Administration Errors or Claims Denials

- Zostavax
  - Vaccine is not medically covered for some Medicare plans
    - Medicare Part B
    - Humana Managed Medicare
  - Administration in clinics resulted in rejected claims
    - Administered in wrong location

- Tdap
  - Adacel claims denial in clinic
  - Vaccine is not medically covered for some Medicare plans
    - If given as routine (booster) immunization
      - Injury/wound only accepted in clinic
    - Medicare Part B
    - Humana Managed Medicare
  - Administration in clinics resulted in rejected claims
    - Administered in wrong location

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Administration Errors or Claims Denials

- Pneumococcal 13-valent
  - Commercial claims denial in clinic was low (~2%)
  - Found difference in reimbursement amounts based on MAC
    - WPS versus Novitas
    - WPS reimbursement was lower
    - Referring to community pharmacy

- Pneumococcal 23-valent
  - Found LA Medicaid Immunization Fee schedule for Adults was not adequate reimbursement
    - CPT code 90732: Pneumococcal polysacchar vaccine, 23-valent, 2 years & older, subcut or IM was $28.72
Resolution to Avoid Non-payment

- Further review needed on drug cost versus reimbursement amount
- Alerted state on low reimbursement for Pneumococcal 23-valent vaccine for adults
  - Fee schedule updated to $107.75 effective July 1, 2018
- Implemented system-wide BPA for impacted plans only
  - BPA fires when Zostavax or Tdap is ordered in ambulatory clinics
    - Fires for affected plans only
    - Alerts provider that vaccine is not covered in the clinic
    - Directs provider/nurse to place order for retail pharmacy
  - BPA still allows the vaccine to be ordered in the clinic
    - Keep: Order for in-office administration remains
    - Remove: Order for in-office administration deleted
    - Tdap is covered in the clinic if due to injury
  - BPA implemented for Shingrix also
- To date, 85% compliance for Tdap; 90% compliance for Zostavax/Shingrix

Developments from the Lean Project

- Increase volume of vaccines administered
  - Expand inventory to include vaccines not currently stocked in clinic
  - Improve patient satisfaction – no longer have to refer elsewhere
  - Increase patient demand for vaccinations – by having it available
  - Improve vaccinating efficiency
  - Implementation of immunization standing orders
  - Improve clinic workflow
  - Decrease patient drop-off due to constraints
  - Standardize vaccine formulary
  - Referral of vaccination in non-vaccinating clinic

- Further reduce billing errors
  - Utilize Pharmacy to perform coverage verification
  - Create new point of vaccine administration (shot station pilot)
Lean Project Recommendations

- Additional considerations
  - Storage: refrigerator vs. freezer needed?
  - Expand access to specialty clinics?
  - Benefits verification team?
  - Utilize billing Software for Medicare (i.e., TransactRx)?

Pilot Immunization Station

- Pilot began in September 2018 with focus on influenza
- Immunization station is staffed by a pharmacy technician and nurse
  - Pharmacy technician: Processes immunization claim to determine drug vs. medical coverage.
  - If drug coverage, alerts Pharmacist for immunization needed.
  - Nurse: If medical coverage (drug coverage denied), places order for clinic and administers vaccine.
- Expanded to include all other vaccines in November 2018
- ~25% of vaccines are medically covered
  - 3 out of 4 vaccines covered by pharmacy drug benefit
- Retail Pharmacy increased immunizations administered by 131%
How to increase adult immunization?

- **Convenient**: Cost covered by plans, Adequate reimbursement, Available in locations
- **Accessible**: Cost covered by plans, Adequate reimbursement, Available in locations
- **Profitable**: Adequate reimbursement, Efficient process flows, Reduction in administration and billing errors

Vaccine Profitability: Medical vs. Pharmacy?

- Similar margin on both medical and pharmacy sides
  - Estimated $5-$6 difference per vaccine in favor of pharmacy
- Immunization reimbursement varies by plan
- Immunization administration fee varies by plan
  - Not always paid by every plan
  - Fee payment ranges from $0 to up to $20
Vaccine Administration Limitations

- Variations on who can bill vaccines
  - All retail/community pharmacies cannot bill for vaccinations
  - Pharmacists not recognized as providers
  - Refer to providers
  - Billing uncertainties for patients at pharmacies who can bill major medical
    - Due to unknowns with donut holes or met deductibles
    - Leads to additional patient out-of-pocket cost
    - Retail/community pharmacy has to act as bill collector

What Has Worked

- Immunization standing orders
- Bi-directional flow with State IIS
- Automated identification of required immunizations based on age/chronic disease management (PMH) in EHR
- Vaccine coverage verification completed prior to vaccine administration
- Vaccine access to prevent referring patients to another location
- Real-time documentation of immunizations administered in EHR and/or State IIS
- Partnership with retail/community pharmacy
- Utilizing claims data or billing software for vaccines
- Working with Revenue Cycle to perform periodic claims review to get good data to identify issues
- Vaccine reminders
- Education and training
Why Is Vaccinating Important

- Vaccination saves lives
- Vaccination saves US money
- Vaccination can prevent disease outbreaks
- Vaccination provides individual and community protection
- Vaccination can lead to disease eradication

What We Need

- To make vaccinating easier:
  - State Immunization Information System for adults
  - Universal coverage for all ACIP recommended vaccines
  - Adequate reimbursement and administration fee
  - Pharmacist recognition with provider status

- Why is the above important?
  - Patient care
  - Improves vaccination access
  - Makes vaccinating convenient
  - Makes vaccinating palatable (but still not very profitable)
Thank you!

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