



Vaccine Payment: *Why Offices Are Concerned*


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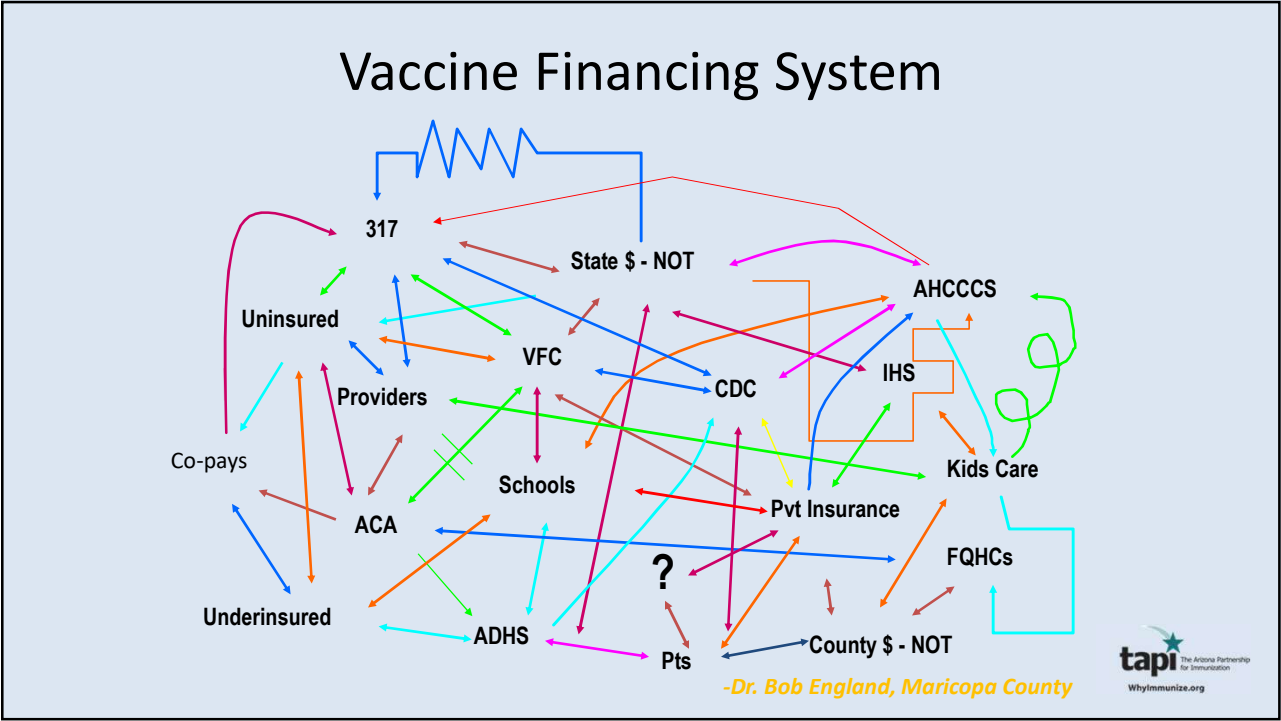




System Level Change

We foster community wellness and advocate for good public policy and best immunization practices.





Arizona Vaccine Congress III
May 14, 2012

Agenda

8:00-9:00 Registration Continental Breakfast - Meet and Greet
9:00-9:10 Opening Session Welcome: Arturo Gonzalez, MD, FAAP, AzAAP President
9:10-9:20 Doug Campos Outcalt, MD, ACIP (invited)
9:20-9:35 Vaccine Funding Changes in Public Health, Patty Goss, ADHS

Immunization/Vaccine Delivery System Overview

- 9:35-9:50 Vaccines in County Health Departments
Dr. Bob England (15 minutes)
- 9:50-10:00 Billing in Public Health/Physician Surveys
Jennifer Tinney (10 minutes)
- 10:00-10:15 The Cost of Providing Vaccines in AZ Practices
Mike Perlstein, MD (15 minutes)
- 10:15-10:30 Vaccine Legislation 2012
Representative Nancy McLain and Representative Debbie McCune Davis (15 minute break)
- 10:45-11:00 Summary of Gaps and Potential risks to AZ kids
AD Jacobson, MD, TAPI President (15 minutes)

Setting the Stage for Proposed Solutions

- 11:00-11:15 Vaccine Association Proposal for Universal or Group Purchase State
David Childers, AHIP (15 minutes)
- 11:15-11:30 Immunization Coverage Goals for AHCCCS Health Plans (Assessment)
Marc Lesh, MD (15 minutes)
- 11:30-11:45 HEDIS Immunization Measures
Karlene Wenz, AHIP (15 minutes)
- 11:45-12:00 Payment Initiatives with Vaccine Manufacturers
Phyllis Arthur, BIO (15 minutes)
- 12:00-12:30 Dialog on Proposals for Immunization Best Practice in Arizona
Panel Moderated by Will Humble, ADHS (30 minutes)
AHIP AzAAP
BIO ArMA
Health Officers AHCCCS

Brief Questions and Answers During Each Segment

12:30-2:00 Lunch with Round Table Discussion
o Proposed Immunization Funding Solutions
o Avoiding Potential Gaps in Immunization Coverage

2:00-2:30 Recap and Action Items
2:30-3:00 Closing Remarks

Vaccine Congress I, II, III, IV, V

State & County Public Health
Primary Care Offices
Health Plans
Manufacturers

Set of recommendations to improve rates:

- Bill for patients accessing County clinics
- Increase reimbursement rates above vaccine purchase cost
- Train providers on vaccine business practices

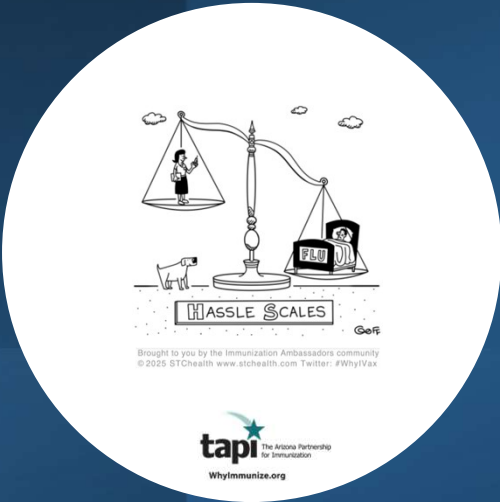
Problem: Cost of Carrying Vaccines

- 44% percent of private practice overhead in vaccine stock.
 - Can be in the hundreds of thousands. Often on credit.
 - Can take months for reimbursement.
- Second only to payroll expenses for an office.



How Vaccines Get Paid

*Business Case for Vaccine
and Administration
Payments*



The Business Case for Vaccine Administration Payments

Vaccine Administration includes:

- 1) Clinical staff time:** RN/LPN/MA blend, including time for vaccine registry input, refrigerator/freezer temperature log monitoring/documentation, and refrigerator/freezer alarm monitoring/documentation.
- 2) Medical supplies:** 1 pair non-sterile gloves, 7 feet of exam table paper, 1 OSHA-compliant syringe/needle, 1 CDC information sheet, 2 alcohol swabs, 1 Band-Aid.
- 3) Medical equipment:** exam table, dedicated full-size vaccine refrigerator with alarm/lock [commercial grade], and refrigerator/freezer vaccine temperature monitor/alarm.



What it takes to give a shot



Contract with all health plans	Check the patient record book	Inventory vaccine stock in refrigerator
Credential site and all providers	Check ASIIS for shot history	Reconcile ASIIS inventory
Contract with vaccine suppliers	Screen patients for what's needed and contraindications	Report dose by lot number and NDC to ASIIS for VFC
Order and pay for private vaccine supply	Counsel patient	Send temp logs to VFC
Sign up for VFC	Give VIS for every vaccine	Review report cards
Sign up for ASIIS		Send record to billing
Order VFC vaccine through state registry		Build claim in electronic system all 33 boxes
Accept shipment for vaccine chain		Send claim to clearinghouse and on to payers
Refrigerate vaccine	Band-Aid the site	Receive EOB with payment or denial
Check refrigerator twice daily for temps	Comfort the child	Rebill 15% of claims for denial
Insure vaccine	Update the parent record book	Adjust actual payment in billing system
Schedule vaccine appointment	Record correct diagnosis code to record	Report payment to patient Record in billing system
Check insurance and VFC eligibility	Record cpt to record	Bill patient directly for outstanding balance
Gather accurate and complete insurance data	Record NDC and lot number to record	
Verify insurance coverage for private	Update EHR	
	Report to ASIIS (registry)	

\$3.67-\$26.55 Admin Fee
Payments don't always cover vaccine purchase prices

The Business Case for Vaccine Payments

Vaccine Acquisition and Management Costs includes:

- 1) Purchase price with excise tax.
- 2) Staff cost of vaccine inventory management.
- 3) Cost of insurance on vaccine inventory.
- 4) Average time between purchase of a vaccine and payment for administering it.
- 5) Percentage of doses that are wasted or for which payment is uncollectible.
- 6) Cost of billing and collection activity attributable to vaccines.

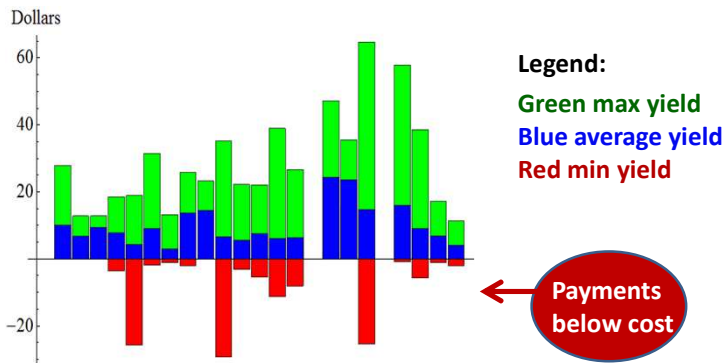
Payment should include: Retail Cost of Vaccine + 25% for #'s 2-6



Insurance Payments vs. Vaccine Cost

Net Yield:

Insurance
payment minus
vaccine purchase
price in dollars



Each Bar = payment for one vaccine

Adapted from Gary Freed et al. Pediatrics 2008; 122:1325-1331

Problems Getting Paid

*(Just as complex as how we do
public funding for vaccines.)*



ACA & IRA Vaccine Coverage.

- Has helped tremendously to expand access but does not fix payments for the providers.
- 1st dollar coverage for patient does not mean adequate payment for provider.
- Plans have 1 year from the ACIP vote to implement coverage in the following year's policies. Offices are not sure when it will be covered or amount.
- New vaccines, new recommendations, Federal programs and private coverage all have different complexities.

THE INFLATION REDUCTION ACT PROVIDES COVERAGE FOR:

Certain recommended preventative adult vaccines are **FREE** for people with Medicare Rx drug coverage



[LowerDrugCosts.gov](https://www.LowerDrugCosts.gov)



Payments for a New Vaccine Added to Schedule:

Can be a 6-12 Month Delay Loading & Paying New Codes. Don't always know if the payments will cover the cost of the vaccine until claims are processed.

- Health Plan systems are hard to change.
- Takes months to get codes in system so claims are rejected.
- Once codes are loaded, claims have to be resubmitted, and payments can be further delayed.
- Offices carry the cost of the vaccines purchased for 6-18 months.
- Particularly difficult with newer expensive vaccines.



- Large Older Adult practice discovered the payment margin was too low to cover cost after 6 months. Stopped offering RSV vaccine to high-risk patients and rethinking all vaccines.
- Office capped RSV immunization 2 months after approval when reached \$500,000 in purchases. Ran through reserves before end of season.
- Health Department waited 8 months(Oct-May) for outstanding \$1.5 million for RSV vaccine & monoclonal.



Payments for Non-Traditional Providers

Trends that are impacting large groups of providers that are crucial to vaccine delivery.



- Narrow networks exclude many.
- Stricter requirements to credential mass immunizers with hospital privileges.
- Paying Nurse Practitioners 80% of physician fee schedule including the hard cost of the vaccine purchase.
- Hard expansion for dentists, LTC, specialty.
- Increased denials for Coordination of Benefits.
 - Verify as insured.
 - Requires patient submit form to insurer.
 - Only find out after appt and mass immunizers have limited relationship with patient to follow up.

Plan Specific Glitches that Impact Offices



Health Plans have big systems that sometimes have bugs. There is always a payment problem for at least one vaccine in just about every plan.

Examples:

- Health Plan A - problems with out of state claim submissions leading to claims just not being processed. (2 years)
- Health Plan B - denying separate injections for MMR and Varicella stating that the combo MMRV should be used. Paying the claim amount for just MMRV which does not cover the cost of the separate vaccines. (16 months)
- Health Plan C – new provider swapping error so taking back \$50,000 in previous claims. (11 months)
- Health Plan D - RSV admin code not loaded for over a year (impacted 2nd season)

Federal Programs and Immunization Payments

Though the Federal programs like Medicare, Medicaid, TRICARE & IHS are quicker to cover recommendations, the system update delays & glitches still impact provider payments.



Examples:

- State Medicaid not covering private purchase mpox until after 10/01/2024 despite it going commercial June 2024. Only certain health departments have the Federal doses. (No appeals possible.)
- Mixed Message - State Medicaid saying that Federal statutes do not support paying admin codes for combo vaccines.
- Medicaid IHS denying vaccines for preauthorization.
- Tricare denied additional COVID vaccine doses if they did not have claim for 1st. (Still in appeals.)
- Hep B added to Medicare Part B Jan 2025 for mass immunizers, but plans have until July to add the codes. Claims being rejected.
- State Medicaid agency only updates fee schedule every 18 months.
- Medicare Part A, Part B, Part D and who can be paid creates missed opportunities. Low payments for D in offices.

Federal Programs
Health Plan Complex Systems
Non-Traditional Providers
Traditional Providers
Pharmacists
New Prices
New Vaccines
New Recommendations

Payment problems in every state, for every vaccinator, with every plan, for every plan, being managed daily, by multiple staff...is shifting the cost burden to providers and public health and breaking the vaccine delivery system.



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So, What Do
We Do?



Share Your Expertise with the Billing & Coding Task Group

- What are payment concerns you’re hearing about?
- What successes have you had that might help others?
- What policies should we be aware of that impact payment systems?

Overarching Solutions

TAPI partners Vaccine Congress
2023



Wishful Thinking(?):

- Investigate how system algorithms work for high risk and footnote recommendations.
- Create a "Vaccine Access Bill of Rights."
- Launch a Federal Vaccine Payment Reform Task Force or workgroup under ACIP.

Key Principles:

- Open access.
- Fair payment.
- Fast updates.
- Simplified billing rules.



Simplifying Vaccine Reimbursement

The Problem: The vaccine reimbursement system is complex, inconsistent, and financially unsustainable for providers, public health departments, and mass immunizers. This reduces access for patients and undermines public health goals.

Why It Matters: Without change, vaccine access will shrink and public health will suffer. With changes, we can protect patients, stabilize providers, and strengthen community health systems.


Key Solutions at a Glance:

- **Expand Mass Immunizer Status:** Allow mass immunizers, pharmacies, and public health to vaccinate for all ACIP-recommended vaccines.
- **Guarantee Open Network Access:** Require insurance payment for vaccines regardless of network status.
- **Consolidate Medicare A, B, D Billing:** Streamline vaccine billing under a unified benefit.
- **Reimburse Vaccine Purchase Fairly:** Pay 125% of retail cost to cover storage, insurance, and risk.
- **Recognize Public Health Providers:** Create a "public health provider" category with mandatory insurance reimbursement.
- **Simplify Credentialing:** Waive full credentialing for vaccine-only providers.
- **Standardize Admin Fees:** Set national minimums for vaccine administration fees.
- **Cover All ACIP-Recommendations:** Mandate payment even outside typical age or risk groups. (Including footnotes)
- **Pay for Vaccine Counseling:** Reimburse separate counseling codes to support informed decision-making.
- **Fix Payment Timing:** Require insurers to update coding within 30 days of ACIP changes and simplify coordination of benefits.

Let's fix vaccine reimbursement — protect the future of immunization access.

tapi The Arizona Partnership for Immunization
WhyImmunize.org

TAPI Finance Committee Ideas Vaccine Congresses 2023



Assessment of Facilitators and Challenges to Providing Childhood Vaccines

Jennifer Tinney | The Arizona Partnership for Immunization | JenniferT@tapi.org

Overview

The COVID-19 pandemic severely impacted childhood immunization rates, highlighting critical gaps in vaccine delivery systems. The Arizona Partnership for Immunization (TAPI) responded with a comprehensive approach to address these challenges through in-depth research and collaboration, asking the questions:

- Why are families having trouble finding a vaccine provider when they need one?
- Why are providers reporting that they cannot pay for the staffing and infrastructure needed to vaccinate?

Approach

- Provider Survey: Barriers & Challenges to Childhood Immunizations.
- Examination of Vaccine for Children (VFC) program guides from healthcare providers' perspectives.
- Vaccine Congresses: Identified systemic facilitators, challenges & recommendations through stakeholder engagement.

Emphasis: need for efficient vaccine delivery in underserved areas.

Less Workload or Higher Payments

Fewer Providers

2023 survey 80% of VFC providers were satisfied with VFC program but shows drop in satisfaction from VFC COVIDS due to workload. Many participating offices consider the program slightly to extremely challenging.

VFC Challenges

Challenges practices reported include:

- Fewer small/rural offices offering VFC vaccine, adding to access to care deficits. Factors that contribute to not carrying VFC vaccine:

Challenge	Percentage
Staffing	75%
Insurance	70%
Medicaid	65%
Medicare	60%
Private Insurance	55%
Other	50%

Kids at Risk

Analysis of vaccine administration claims, provider survey, and stakeholder input, indicate that payments have not kept up with cost of purchase, management, staff, and admin of vaccines. Impacting availability of both private and VFC vaccine.

Low Reimbursement

Workforce costs have significantly increased, but payments have stagnated:

- Medicaid fee cap not meeting inflation. No combo counseling fee to cover extra time.
- Low margins on vaccine payments. Do not cover overhead, management & insurance.
- Lower payment for NPIs despite feed costs.

Vaccine Sustainability

Fewer than 9% of providers surveyed feel the cost of providing vaccine is sustainable.

Payments for VFC vaccine administration and private stock vaccine are sufficient to sustain this business line.

90% Disagree

Recommendations

VFC Policy

- Simplify requirements and minimize processes. Review and revise policies, particularly for financial penalties (unless misuse).
- Bolster resource support (data huggers).
- Deepen provider support (e.g., assist in identifying and resolving issues).
- Improve communication. Continue providing staff education.
- Flexibility in inventory management (transport/sharing).
- Adoption of COVID-19 best practices.
- Shift the emphasis to vaccination goals toward maximizing immunization rates and away from compliance.
- Enhance Registry inventory module.
- Improve tracking of disparities in VFC eligible populations.


Reimbursement

- Explore increased Medicaid fee cap rates (include bump rate, combo code, counseling).
- Review private vaccine reimbursement.
- Advocate for 125% of retail cost.

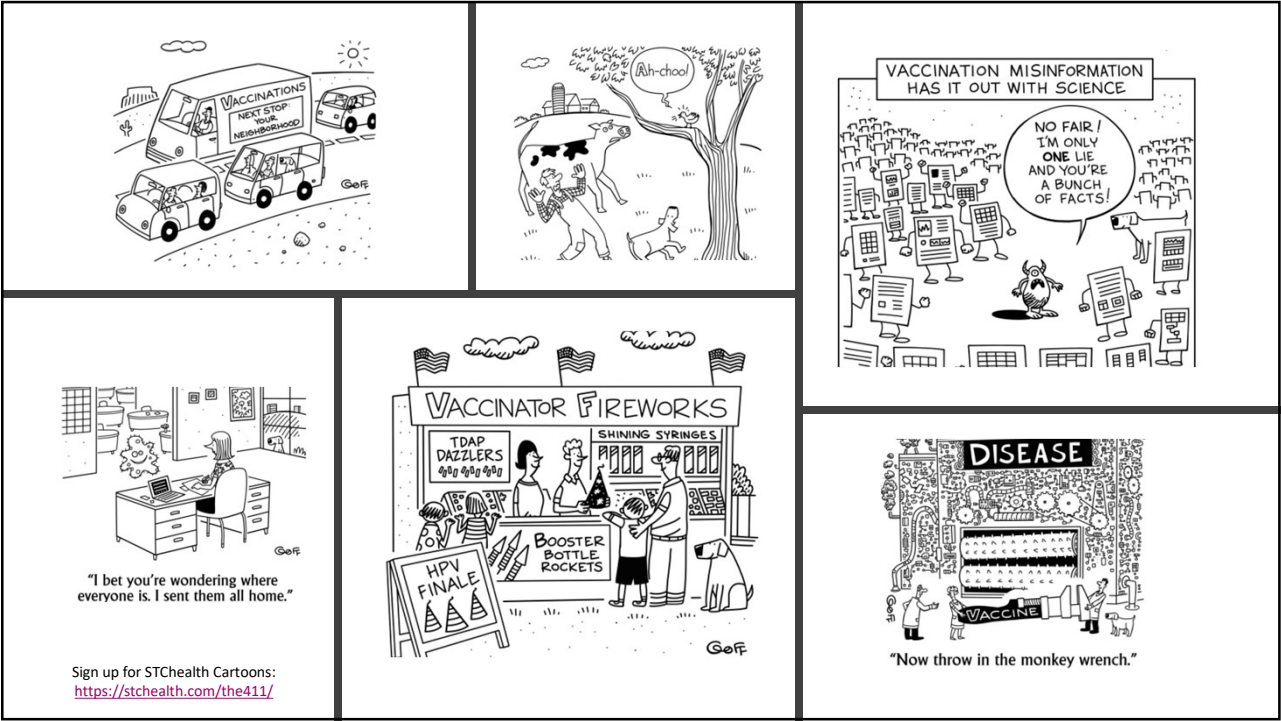
Outcomes

Development of:

- State VFC policy workgroup. Purpose to reform policies & recruit offices.
- Immunization Community of Practice for clinical staff support.
- Vaccine Financing Council to review rates with providers, health plans & Medicaid.



Information on managing vaccines and reimbursement recommendations – also applies to adult vaccines



Salma

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