

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

APRIL D. GREEN, PHARM D
OCHSNER CLINICAL PHARMACIST, POPULATION HEALTH
MAY 14, 2019
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

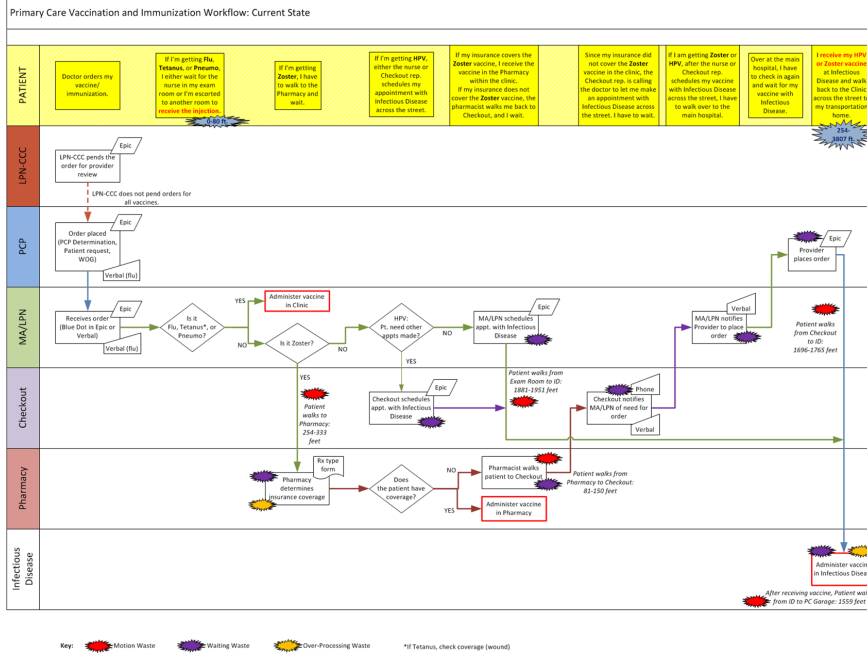
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LEAN Project Summary



- Performed comprehensive review of process flow for five adult vaccines
 - o Influenza, tetanus/Tdap, zoster, pneumococcal, HPV
 - o 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
 - o Identified patient experience during each process step
 - o Identified waste and distance traveled (Spaghetti diagram)
- Developed possible solutions with focus on increasing:
 - o Volume/Demand
 - o Administration rates
 - o Patient satisfaction

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Lean Project Findings

- National Benchmarks for HP2020
 - o *Influenza 70%
 - o **Pneumococcal 90%
 - o HPV (age-appropriate series completion) 80%
 - o Zoster 30%
- Variations
 - o Operational workflow
 - o Administration location
 - o Reimbursements
- Denials
 - o Of Vaccine utilization, <6% experience a front line claim denial
 - o System goal is <4%
 - o 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

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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

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Administration Errors or Claims Denials

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



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Administration Errors or Claims Denials

- Pneumococcal 13-valent
 - o Commercial claims denial in clinic was low (~2%)
 - o Found difference in reimbursement amounts based on MAC
 - o WPS versus Novitas
 - o WPS reimbursement was lower
 - o Referring to community pharmacy
- Pneumococcal 23-valent
 - o Found LA Medicaid Immunization Fee schedule for Adults was not adequate reimbursement
 - o CPT code 90732: Pneumococcal polysacch vaccine, 23-valent, 2 years & older, subcut or IM was **\$28.72**

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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
 - o Fee schedule updated to \$107.75 effective July 1, 2018
- Implemented system-wide BPA for impacted plans only
 - o BPA fires when Zostavax or Tdap is ordered in ambulatory clinics
 - o Fires for affected plans only
 - o Alerts provider that vaccine is not covered in the clinic
 - o Directs provider/nurse to place order for retail pharmacy
 - o BPA still allows the vaccine to be ordered in the clinic
 - o Keep: Order for in office administration remains
 - o Remove: Order for in office administration deleted
 - o Tdap is covered in the clinic if due to injury
 - o BPA implemented for Shingrix also
 - o To date, 85% compliance for Tdap; 90% compliance for Zostavax/Shingrix

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Developments from the Lean Project

- Increase volume of vaccines administered
 - o Expand inventory to include vaccines not currently stocked in clinic
 - o Improve patient satisfaction – no longer have to refer elsewhere
 - o Increase patient demand for vaccinations – by having it available
 - o Improve vaccinating efficiency
 - o Implementation of immunization standing orders
 - o Improve clinic workflow
 - o Decrease patient drop-off due to constraints
 - o Standardize vaccine formulary
 - o Referral of vaccination in non-vaccinating clinic
- Further reduce billing errors
 - o Utilize Pharmacy to perform coverage verification
 - o Create new point of vaccine administration (shot station pilot)

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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)?

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Pilot Immunization Station

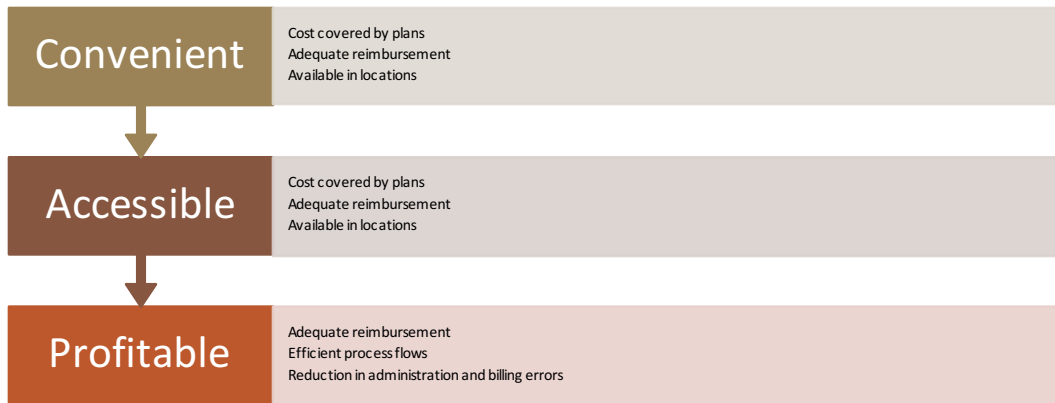


- Pilot began in September 2018 with focus on influenza
- Immunization station is staffed by a pharmacy technician and nurse
 - Pharmacy technician: Processes immunization claim to determine drug vs. medical coverage.
 - If drug coverage, alerts Pharmacist for immunization needed.
 - Nurse: If medical 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%

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How to increase adult immunization?



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Vaccine Profitability: Medical vs. Pharmacy?

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

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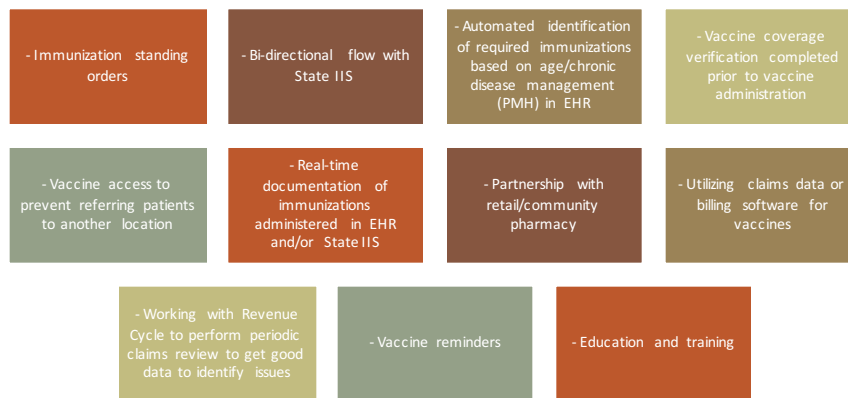
Vaccine Administration Limitations

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



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What Has Worked



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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

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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)

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Thank you!

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