



What Does Payer Data Reveal About Trends for Respiratory Virus Vaccines?

Avalere | Part of Avalere Health
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Today's Agenda

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Billing Requirements

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Reimbursement

- **Case Study 5:** Increased Medicaid FFS Reimbursement is Associated with Higher Vaccine Coverage Rates

FFS: Fee for Service



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Implementation of the IRA Solidified Coverage Without Cost-Sharing for Most Adults

Market and Enrollment	Covered Products	Coverage Timing for New Products	Market and Enrollment	Covered Products	Coverage Timing for New Products
Commercial ~210M	All ACIP-recommended products listed on the immunization schedules, including those with SCDM recommendations	<ul style="list-style-type: none"> By the first day of the plan year that begins one year after the ACIP recommendation is published in the Morbidity and Mortality Weekly Report (MMWR) or on the Immunization Schedule, whichever happens sooner COVID-19 vaccines must be covered immediately upon Food and Drug Administration (FDA) approval/authorization 	Medicaid, Beneficiaries Ages 19+ ~50M	All ACIP-recommended vaccines, including those with SCDM recommendations and travel/occupational vaccines	<ul style="list-style-type: none"> No guidance for non-COVID-19 vaccines; however, it is assumed newly recommended vaccines will be included in a state's next fee schedule update COVID-19 vaccines must be covered immediately upon FDA approval/authorization
Medicare Part B ~60M	Vaccines for influenza, pneumococcal, COVID-19, and hepatitis B for some individuals	After FDA approval, coverage cannot be effectuated until reimbursement is established in the Centers for Medicare and Medicaid Services' (CMS) quarterly pricing file	Medicaid (highly, med/ uninsured, and A/W/ children) Vaccines for Children ~40M	All ACIP-recommended products, contingent on a VFC resolution	<ul style="list-style-type: none"> Coverage depends on when CDC updates the Pediatric/VFC Vaccine Price List to include a new product, which can take weeks or months after an ACIP VFC Resolution vote.
Medicare Part D ~50M	All commercially available vaccines not covered by Medicare Part B	Once an ACIP recommendation is adopted by the Centers for Disease Control and Prevention (CDC) Director (i.e., published on the CDC website with a notice confirming Director adoption)	Active-Duty Military and Veterans TRICARE ~9M	TRICARE: All ACIP-recommended vaccines; travel vaccine coverage is restricted based on deployment needs	<ul style="list-style-type: none"> TRICARE: No guidance provided VA: Once the product is included on the immunization schedule COVID-19 vaccines must be covered immediately upon FDA approval/authorization
			Department of Veterans Affairs (VA) ~3M	VA: All ACIP-recommended vaccines	

Source: Avalere. Guide to Vaccine Coverage Policies. Available [here](#)

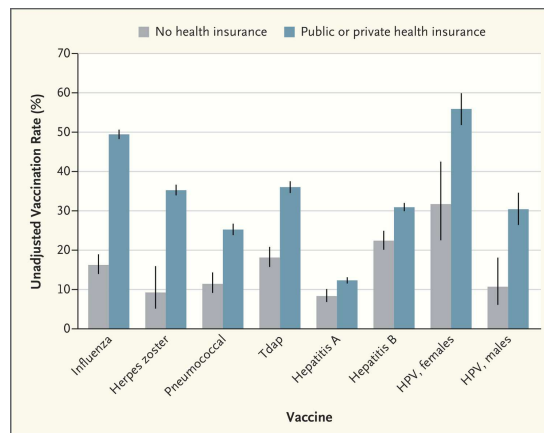


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Case Study: Insurance Status is Associated With Higher Vaccine Uptake

- Approximately, 11% of adults are uninsured.
- Unlike the Vaccines for Children Program, which ensures all children regardless of their insurance status can access all ACIP recommended vaccines, a federal safety net program does not exist for adults.
- Limited quantities of adult vaccines are available through the Section 317 program. The Bridge Access Program provides free COVID-19 vaccines to uninsured adults through 2024.
- Uninsured adults have lower vaccination rates for all adult vaccines including respiratory vaccines.



ACIP: Advisory Committee on Immunization Practices

Source: Wallender, Erika et al, Uninsured and Not Immune — Closing the Vaccine-Coverage Gap for Adults. Available [here](#)



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Coverage

Case Study: Elimination of Cost Sharing in Medicare Part D Was Associated with an Increase in Vaccine Uptake

Comparison of Uptake of Part D Vaccines Pre- and Post- IRA

Vaccine	2021: Pre-IRA	2023: Post-IRA
Shingles	~2,700,000	~3,900,000
Tdap	~700,000	~1,500,000
Td	~100,000	~150,000
Other	~100,000	~250,000

IRA: Inflation Reduction Act; Tdap: Tetanus Diphtheria Ancillary Pertussis vaccine; Td: Tetanus Diphtheria vaccine
 Source: ASPE: Medicare Part D Enrollee Vaccine Use After Elimination of Cost Sharing for Recommended Vaccines in 2023. Available [here](#)

"In 2023, 3.9 million enrollees received a shingles vaccine, which is an increase of about **42%** from 2021, and nearly 1.5 million enrollees received a Tdap vaccine, which is an increase of **114%** from 2021."
 -Office of Assistant Secretary for Health

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Billing

Access Barriers May Occur for Providers Attempting to Bill Non-Network Benefits

	Medical Benefit	Pharmacy Benefit
Network Provider	Physicians, Advance Practice Clinicians	Pharmacies
Common Claims Format	CMS-1500	NCPDP version D.0
Adjudication Speed	Delayed	Real Time

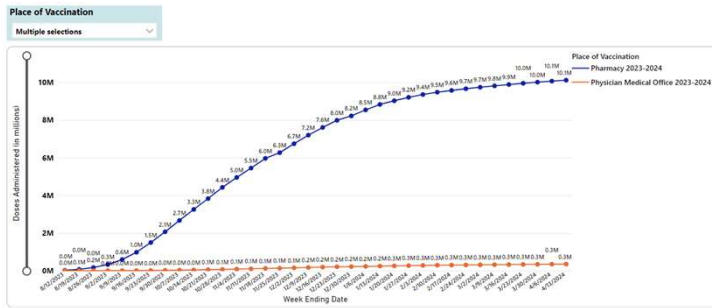
It is often difficult for a non-network provider to bill for vaccines. To do so, both physicians who bill pharmacy benefits and pharmacies that bill medical benefits need specialized systems to convert claims into a readable format for the respective benefit.

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Challenges in Physician Billing to Part D Likely Contributes to Fewer Physician Office Stocking RSV Vaccines

Figure 4. Weekly Cumulative Estimated Number of RSV Vaccinations Administered in Pharmacies and Physician Medical Offices, Adults 60 years and older, United States, Data Source(s): IQVIA LRx and Dx. Data are current through April 13, 2024



- In Medicare, RSV vaccines are covered under Part D, which is a pharmacy benefit
- While pharmacies can easily bill and receive immediate reimbursement, physicians must either:
 1. Use a clearinghouse (e.g., TransActRx) to convert the claim to NCPDP format
 2. Use a web-assisted portal to submit the claim
 3. Have the beneficiary seek reimbursement for the vaccine

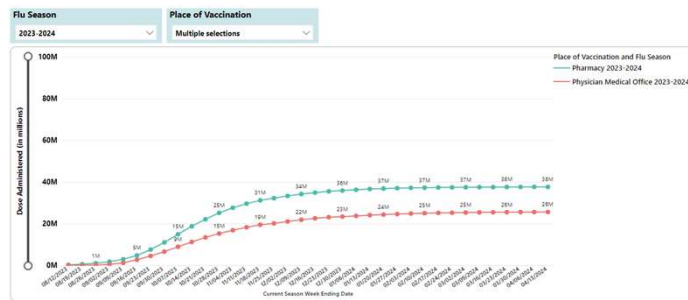
NCPDP: National Council for Prescription Drug Programs
Source: Weekly Cumulative Estimated Number of RSV Vaccinations Administered in Retail Pharmacies and Physicians' Medical Offices, Adults 60 years and older, United States, Data Source(s): IQVIA Pharmacy and Physician Medical Office Claims. Data are current through April 13, 2024.; CMS. MLN Medicare Part D Vaccines. Available [here](#)



Ability of Pharmacies to Bill Medicare Part B for Influenza Vaccines Likely Contributes to High Pharmacy Stocking

- In Medicare, influenza vaccines are covered under Part B.
- While Part B is a medical benefit, and pharmacies are not considered providers, CMS has developed a streamlined process for pharmacies to bill for influenza vaccines.
- Pharmacies can use roster billing, which is a streamlined billing pathway.
- Pharmacies also receive the same reimbursement as physicians for administering influenza vaccines.

Figure 7. Weekly Cumulative Estimated Number of Influenza Vaccinations Administered in Retail Pharmacies and Physicians' Medical Offices by Flu Season*, Adults 18 years and older, United States, Data Source(s): IQVIA LRx and Dx. Data are current through April 13, 2024



Source: Weekly Cumulative Estimated Number of Influenza Vaccinations Administered in Retail Pharmacies and Physicians' Medical Offices by Flu Season*, Adults 18 years and older, United States, Data Source(s): IQVIA LRx and Dx. Data are current through April 13, 2024.; CMS. MLN Medicare Part D Vaccines. Available [here](#)



Vaccine Reimbursement Methodologies Differ By Market, With Medicare Reimbursing the Highest Rate

Market	Vaccine Product		Vaccine Administration	
	Medical Benefit	Pharmacy Benefit	Medical Benefit	Pharmacy Benefit
Commercial	Negotiated between plans and providers			
Medicaid (Adult 19+)	FFS	Established by state fee schedule	Established by state fee schedule or based on AAC	Established by state fee schedule
	MMC	Negotiated between plans and providers		
Medicare Part B	95% of AWP	N/A	\$30 + MEI + GAF	N/A
Medicare Part D	N/A	Negotiated between plans and providers	N/A	Negotiated between plans and providers

AAC: Actual Acquisition Cost; AMP: Average Manufacturer Price; ASP: Average Sales Price; AWP: Average Wholesale Price; CHIP: Children's Health Insurance Program; FCP: Federal Ceiling Price; FFS: Fee-for-Service; FSS: Federal Supply Schedule; GAF: Geographic Adjustment Factor; IRA: Inflation Reduction Act; MEI: Medicare Economic Index; MMC: Medicaid Managed Care; NADAC: Nation Average Drug Acquisition Cost; VA: Veterans Administration; VFC: Vaccines for Children; WAC: Wholesale Acquisition Cost



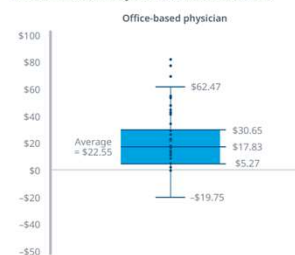
Case Study: Increased Medicaid FFS Reimbursement is Associated with Higher Vaccine Coverage Rates

Exhibit 2: Estimated pharmacy total reimbursement amount for influenza vaccine supply and administration by State, Medicaid FFS, 2023



Source: State Medicaid coverage and reimbursement policies for adult influenza vaccines, CDC.
Notes: Based on M2 Health Care Consulting analysis of publicly available Medicaid coverage and reimbursement policies for adult influenza vaccines in all 50 states, plus the District of Columbia and Centers for Disease Control and Prevention (CDC) Adult Influenza Vaccine Price Lists published for 2022-2023.

Exhibit 3: Estimated office based physician total reimbursement amount for influenza vaccine supply and administration by State, Medicaid FFS, 2023



Source: State Medicaid coverage and reimbursement policies for adult influenza vaccines, CDC.
Notes: Based on M2 Health Care Consulting analysis of publicly available Medicaid coverage and reimbursement policies for adult influenza vaccines in all 50 states, plus the District of Columbia and Centers for Disease Control and Prevention (CDC) Adult Influenza Vaccine Price Lists published for 2022-2023.

- There are no national Medicaid payment standards for vaccine products or administration.
- Many Medicaid programs reimburse less than private and Medicare plans.
- A recent study by IQVIA and the Global Healthy Living Foundation found that a **“a \$1 increase in reimbursement payment is associated with a 0.43 percentage point increase in the state vaccination rate for the adult Medicaid FFS population.”**

FFS: Fee for Service

Source: IQVIA Institute for Human Data Science. Trends in Adult Vaccination in the U.S.: Impact of reimbursement to health care providers on influenza vaccination for Medicaid FFS population. February 2024. Available from www.iqvainstitute.org



Universal Access, Streamlined Billing, and Improved Reimbursement May Improve Respiratory Vaccine Uptake



- Access to vaccines at no cost is associated with higher uptake



- Simplifying billing procedures to ensure all provider types can bill for vaccines, regardless of benefit or vaccine type, can encourage greater stocking of vaccines



- Improved reimbursement for both vaccine products and administration is associated with higher vaccine coverage rates



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