

CMS Manual System

Pub 100-04 Medicare Claims Processing

Transmittal 890

Department of Health &
Human Services (DHHS)

Centers for Medicare &
Medicaid Services (CMS)

Date: MARCH 17, 2006

Change Request 4240

NOTE: Transmittal 844, dated February 10, 2006, is rescinded and replaced with Transmittal 890, dated March 17, 2006. Business Requirement 4240.9 has been changed to instruct contractors to pay for these vaccines based on OPPS not reasonable cost. All other information remains the same.

SUBJECT: Guidelines for Payment of Vaccine (Pneumococcal Pneumonia Virus, Influenza Virus, and Hepatitis B Virus) Administration

I. SUMMARY OF CHANGES: This instruction clarifies and provides guidelines for the payment of vaccine (Pneumococcal Pneumonia Virus, Influenza Virus, and Hepatitis B Virus) administration.

NEW/REVISED MATERIAL

EFFECTIVE DATE: July 1, 2006

IMPLEMENTATION DATE: July 3, 2006

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R = REVISED, N = NEW, D = DELETED

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
R	18/Table of Contents
R	18/10/10.2.1/Healthcare Common Procedure Coding System (HCPCS) and Diagnosis Codes
R	18/10.2.2.1/FI Payment for Pneumococcal Pneumonia Virus, Influenza Virus, and Hepatitis B Virus Vaccines and Their Administration

III. FUNDING:

No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2006 operating budgets.

IV. ATTACHMENTS:

Business Requirements

Manual Instruction

**Unless otherwise specified, the effective date is the date of service.*

Attachment - Business Requirements

Pub. 100-04	Transmittal: 890	Date: March 17, 2006	Change Request 4240
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NOTE: Transmittal 844, dated February 10, 2006, is rescinded and replaced with Transmittal 890, dated March 17, 2006. Business Requirement 4240.9 has been changed to instruct contractors to pay for these vaccines based on OPPS not reasonable cost. All other information remains the same.

SUBJECT: Guidelines for Payment of Vaccine (Pneumococcal Pneumonia Virus, Influenza Virus, and Hepatitis B Virus) Administration

I. GENERAL INFORMATION

A. Background: It has been brought to CMS’ attention that there is confusion among fiscal intermediaries (FIs) regarding payment for vaccine administration. This instruction clarifies and provides guidelines for the payment of vaccine administration in various institutional provider settings. In addition, CMS is updating payment for vaccines (Pneumococcal Pneumonia Virus, Influenza Virus, and Hepatitis B Virus) provided in Comprehensive Outpatient Rehabilitation Facilities (CORFs) and Renal Dialysis Facilities (RDFs).

B. Policy: See Internet-Only Manual Publication 100-04, Chapter 18, §10

II. BUSINESS REQUIREMENTS

“Shall” denotes a mandatory requirement
“Should” denotes an optional requirement

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I S S	R H I	C H I r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
4240.1	FIs shall pay for PPV and Influenza vaccines to CORFs based on 95% of the average wholesale price (AWP).	X				X				
4240.2	FIs shall pay for PPV, Influenza, and Hepatitis B Virus vaccines to independent RDFs based on 95% of the AWP.	X				X				
4240.3	FIs shall pay for PPV, Influenza, and Hepatitis B Virus vaccines to hospital-based RDFs based on reasonable cost.	X				X				

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
4240.4	FIs shall pay for PPV, Influenza Virus, and Hepatitis B Virus vaccine administration to hospitals other than Indian Health Service (IHS) hospitals and Critical Access Hospitals (CAHs) (TOBs 12X and 13X) based on OPPS for hospitals subject to OPPS and reasonable cost for hospitals not subject to OPPS.	X				X				
4240.5	FIs shall pay for PPV, Influenza Virus, and Hepatitis B Virus vaccine administration to IHS hospitals (TOBs 12X, 13X, and 83X) based on the Medicare physician fee schedule (MPFS) according to the rate in the MPFS associated with code 90782 for services provided prior to March 1, 2003, or code 90471 for services provided March 1, 2003 and later.	X								
4240.6	FIs shall pay for PPV, Influenza Virus, and Hepatitis B Virus vaccine administration to IHS CAHs (TOB 85X) based on the MPFS according to the rate in the MPFS associated with code 90782 for services provided prior to March 1, 2003, or code 90471 for services provided March 1, 2003 and later.	X								
4240.7	FIs shall pay for PPV, Influenza Virus, and Hepatitis B Virus vaccine administration to CAHs (TOB 85X) based on reasonable cost.	X				X				
4240.8	FIs shall pay for PPV, Influenza Virus, and Hepatitis B Virus vaccine administration to SNFs (TOBs 22X and 23X) based on MPFS according to the rate in the MPFS associated with code 90782 for services provided prior to March 1, 2003, or code 90471 for services provided March 1, 2003 and later.	X				X				
4240.9	<i>FIs shall pay for PPV, Influenza Virus, and Hepatitis B Virus vaccines administration to Home Health Agencies (TOB 34x) based on OPPS.</i>	X				X				

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)							
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers			
F I S S	M C S					V M S	C W F		
4240.10	Carriers shall pay for PPV, Influenza Virus, and Hepatitis B Virus vaccines administration to CORFs, if provided by a physician, based on MPFS associated with code 90782 for services provided prior to March 1, 2003, or code 90471 for services provided March 1, 2003 and later.			X					
4240.11	FIs shall pay for PPV, Influenza Virus, and Hepatitis B Virus vaccines administration to CORFs (TOB 75x) based on MPFS, using HCPCS code G0128, if provided by a nurse.	X				X			
4240.12	FIs shall pay for PPV, Influenza Virus, and Hepatitis B Virus vaccine administration to independent RDFs (TOB 72x) based on MPFS associated with code 90782 for services provided prior to March 1, 2003, or code 90471 for services provided March 1, 2003 and later.	X				X			
4240.13	FIs shall pay for PPV, Influenza Virus, and Hepatitis B Virus vaccine administration to hospital-based RDFs (TOB 72x) based on reasonable cost.	X				X			

III. PROVIDER EDUCATION

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)							
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers			
F I S S	M C S					V M S	C W F		
4240.14	A provider education article related to this instruction will be available at www.cms.hhs.gov/medlearn/matters shortly after the CR is released. You will receive notification of the article release via the established "medlearn matters" listserv. Contractors shall post this article, or a direct	X							

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)							
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers			
F I S S	M C S					V M S	C W F		
	link to this article, on their Web site and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin and incorporated into your outreach activities, as appropriate. Contractors are free to supplement Medlearn Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.								

IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

X-Ref Requirement #	Instructions

B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

V. SCHEDULE, CONTACTS, AND FUNDING

<p>Effective Date*: July 1, 2006</p> <p>Implementation Date: July 3, 2006</p> <p>Pre-Implementation Contact(s): Bill Ruiz 410-786-9283 wruiz@cms.hhs.gov</p> <p>Post-Implementation Contact(s): Appropriate RO</p>	<p>No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2006 operating budgets.</p>
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Medicare Claims Processing Manual

Chapter 18 - Preventive and Screening Services

Table of Contents

(Rev. 890, 03-17-06)

10.2.2.1 - FI Payment for Pneumococcal Pneumonia *Virus*, Influenza Virus, and Hepatitis B *Virus* Vaccines *and Their Administration*

10.2.1 - Healthcare Common *Procedure* Coding System (HCPCS) and Diagnosis Codes

(Rev. 890, Issued: 03-17-06; Effective: 07-01-06; Implementation: 07-03-06)

Vaccines and their administration are reported using separate codes. The following codes are for reporting the vaccines only.

HCPCS	Definition
90655	Influenza virus vaccine, split virus, preservative free, for children 6-35 months of age, for intramuscular use;
90656	Influenza virus vaccine, split virus, preservative free, for use in individuals 3 years and above, for intramuscular use;
90657	Influenza virus vaccine, split virus, for children 6-35 months of age, for intramuscular use;
90658	Influenza virus vaccine, split virus, for use in individuals 3 years of age and above, for intramuscular use;
90659	Influenza virus vaccine, whole virus, for intramuscular or jet injection use (Discontinued December 31, 2003);
90732	Pneumococcal polysaccharide vaccine, 23-valent, adult or immunosuppressed patient dosage, for use in individuals 2 years or older, for subcutaneous or intramuscular use;
90740	Hepatitis B vaccine, dialysis or immunosuppressed patient dosage (3 dose schedule), for intramuscular use;
90743	Hepatitis B vaccine, adolescent (2 dose schedule), for intramuscular use;
90744	Hepatitis B vaccine, pediatric/adolescent dosage (3 dose schedule), for intramuscular use;
90746	Hepatitis B vaccine, adult dosage, for intramuscular use; and
90747	Hepatitis B vaccine, dialysis or immunosuppressed patient dosage (4 dose schedule), for intramuscular use.

The following codes are for reporting administration of the vaccines only. The administration of the vaccines is billed using:

HCPCS	Definition
G0008	Administration of influenza virus vaccine;

- G0009 Administration of pneumococcal vaccine; and
- *G0010 Administration of *H*epatitis B vaccine. (*For other than OPPS hospitals*)
- *90471 *Immunization administration. (For OPPS hospitals billing for the Hepatitis B vaccine administration)*
- *90472 *Each additional vaccine. (For OPPS hospitals billing for the Hepatitis B vaccine administration)*

** NOTE: For claims with dates of service prior to January 1, 2006, OPPS and non-OPPS hospitals report G0010 for Hepatitis B vaccine administration. For claims with dates of service January 1, 2006 and later, OPPS hospitals report 90471 or 90472 for Hepatitis B vaccine administration as appropriate in place of G0010.*

One of the following diagnosis codes must be reported as appropriate. If the sole purpose for the visit is to receive a vaccine or if a vaccine is the only service billed on a claim the applicable following diagnosis code may be used.

Diagnosis Code	Description
V03.82	PPV
V04.8*	Influenza
V04.81**	Influenza
V05.3	Hepatitis B.

*Effective for influenza virus claims with dates of service prior to October 1, 2003.

**Effective for influenza virus claims with dates of service October 1, 2003 and later.

If a diagnosis code for PPV, *H*epatitis B, or influenza virus vaccination is not reported on a claim and the carrier can determine that the claim is a PPV, *H*epatitis B, or influenza claim, the carrier may enter the proper diagnosis code and continue processing the claim. These claims should not be returned, rejected, or denied for lack of a diagnosis code by the carrier. Effective for dates of service on or after October 1, 2003, carriers may no longer enter the diagnosis on the claim. Carriers must follow current resolution processes for claims with missing diagnosis codes.

If the diagnosis code and the narrative description are correct, but the HCPCS code is incorrect, the carrier or intermediary may correct the HCPCS code and pay the claim. For example, if the reported diagnosis code is V04.8 (V04.81 if claim is October 1, 2003, and later) and the narrative description (if annotated on the claim) says "flu shot" but the HCPCS code is incorrect, contractors may change the HCPCS code and pay for the flu vaccine.

Claims for *Hepatitis B* vaccinations must report the I.D. Number of referring physician. In addition, if a doctor of medicine or osteopathy does not order the influenza virus vaccine, the intermediary claims require UPIN code SLF000 to be reported.

10.2.2.1 - FI Payment for Pneumococcal Pneumonia Virus, Influenza Virus, and Hepatitis B Virus Vaccines *and Their Administration*

(Rev. 890, Issued: 03-17-06; Effective: 07-01-06; Implementation: 07-03-06)

Payment for Vaccines

Payment for all of these vaccines is on a reasonable cost basis for hospitals, home health agencies (HHAs), skilled nursing facilities (SNFs), critical access hospitals (CAHs), and *hospital-based* renal dialysis facilities (RDFs). *Payment for* comprehensive outpatient rehabilitation facilities (CORFs), *Indian Health Service hospitals (IHS), IHS CAHs and independent* RDFs *is* based on 95 percent of the average wholesale price (AWP). Section 10.2.4 of this chapter contains information on payment of these vaccines when provided by RDFs or hospices. *See §10.2.2.2 for payment to independent and provider-based Rural Health Centers and Federally Qualified Health Clinics.*

Payment for these vaccines is as follows:

<i>Facility</i>	<i>Type of Bill</i>	<i>Payment</i>
<i>Hospitals, other than Indian Health Service (IHS) Hospitals and Critical Access Hospitals (CAHs)</i>	<i>12x, 13x</i>	<i>Reasonable cost</i>
<i>IHS Hospitals</i>	<i>12x, 13x, 83x</i>	<i>95% of AWP</i>
<i>IHS CAHs</i>	<i>85x</i>	<i>95% of AWP</i>
<i>CAHs</i>	<i>85x</i>	<i>Reasonable cost</i>
<i>Method I and Method II</i>		
<i>Skilled Nursing Facilities</i>	<i>22x, 23x</i>	<i>Reasonable cost</i>
<i>Home Health Agencies</i>	<i>34x</i>	<i>Reasonable cost</i>
<i>Comprehensive Outpatient Rehabilitation Facilities</i>	<i>75x</i>	<i>95% of the AWP</i>
<i>Independent Renal Dialysis Facilities</i>	<i>72x</i>	<i>95% of the AWP</i>
<i>Hospital-based Renal Dialysis Facilities</i>	<i>72x</i>	<i>Reasonable cost</i>

Payment for Vaccine Administration

Payment for the administration of Influenza Virus and PPV vaccines is as follows:

<i>Facility</i>	<i>Type of Bill</i>	<i>Payment</i>
<i>Hospitals, other than IHS Hospitals and CAHs.</i>	<i>12x, 13x</i>	<i>Outpatient Prospective Payment System (OPPS) for hospitals subject to OPPS Reasonable cost for hospitals not subject to OPPS</i>
<i>IHS Hospitals</i>	<i>12x, 13x, 83x</i>	<i>MPFS as indicated in guidelines below.</i>
<i>IHS CAHs</i>	<i>85x</i>	<i>MPFS as indicated in guidelines below.</i>
<i>CAHs Method I and II</i>	<i>85x</i>	<i>Reasonable cost</i>
<i>Skilled Nursing Facilities</i>	<i>22x, 23x</i>	<i>MPFS as indicated in the guidelines below</i>
<i>Home Health Agencies</i>	<i>34x</i>	<i>OPPS</i>
<i>Comprehensive Outpatient Rehabilitation Facilities</i>	<i>75x</i>	<i>*See note and chart below</i>
<i>Independent RDFs</i>	<i>72x</i>	<i>MPFS as indicated in the guidelines below</i>
<i>Hospital-based RDFs</i>	<i>72x</i>	<i>Reasonable cost</i>

****NOTE:*** *If the vaccine is provided by a physician, the service is billed to the carrier using CPT codes indicated in the chart below. Payment is under the MPFS. If the vaccine is provided by a registered nurse, the service is billed to the FIs using HCPCS code G0128. Payment is made under the MPFS.*

Guidelines for pricing PPV and Influenza vaccine administration under the MPFS.

Make reimbursement based on the rate in the MPFS associated with the CPT code 90782 or 90471 as follows:

<i>HCPCS code</i>	<i>Effective prior to March 1, 2003</i>	<i>Effective on and after March 1, 2003</i>
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G0008	90782	90471
G0009	90782	90471

See §10.2.2.2 for payment to independent and provider based Rural Health Centers and Federally Qualified Health Clinics.

Payment for the administration of Hepatitis B vaccine is as follows:

<i>Facility</i>	<i>Type of Bill</i>	<i>Payment</i>
<i>Hospitals other than IHS hospitals and CAHs.</i>	<i>12x, 13x</i>	<i>Outpatient Prospective Payment System (OPPS) for hospitals subject to OPPS Reasonable cost for hospitals not subject to OPPS</i>
<i>IHS Hospitals</i>	<i>12x, 13x, 83x</i>	<i>MPFS as indicated in the guidelines below</i>
<i>CAHs Method I and II</i>	<i>85x</i>	<i>Reasonable cost</i>
<i>IHS CAHs</i>	<i>85x</i>	<i>MPFS as indicated in guidelines below.</i>
<i>Skilled Nursing Facilities</i>	<i>22x, 23x</i>	<i>MPFS as indicated in the chart below</i>
<i>Home Health Agencies</i>	<i>34x</i>	<i>OPPS</i>
<i>Comprehensive Outpatient Rehabilitation Facilities</i>	<i>75x</i>	<i>*See note and chart below</i>
<i>Independent RDFs</i>	<i>72x</i>	<i>MPFS as indicated in the chart below</i>
<i>Hospital-based RDFs</i>	<i>72x</i>	<i>Reasonable cost</i>

****NOTE:*** *If the vaccine is provided by a physician, the service is billed to the carrier using CPT codes indicated in the chart below. Payment is under the MPFS. If the vaccine is provided by a registered nurse, the service is billed to the FIs using HCPCS code G0128. Payment is made under the MPFS.*

Guidelines for pricing Hepatitis B vaccine administration under the MPFS.

Make reimbursement based on the rate in the MPFS associated with the CPT code 90782 or 90471 as follows:

<i>HCPCS code</i>	<i>Effective prior to March 1, 2003</i>	<i>Effective on and after March 1, 2003</i>
<i>G0010</i>	<i>90782</i>	<i>90471</i>

See §10.2.2.2 for payment to independent and provider based Rural Health Centers and Federally Qualified Health Clinics.