

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-04 Medicare Claims Processing</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 2071</b>	<b>Date: October 22, 2010</b>
	<b>Change Request 7120</b>

**SUBJECT: Influenza Vaccine Payment Allowances - Annual Update for 2010-2011 Season**

**I. SUMMARY OF CHANGES:** This recurring update notification provides the payment allowances for the following seasonal influenza virus vaccines as updated on an annual basis effective September 1 of each year.

**EFFECTIVE DATE: September 1, 2010**

**IMPLEMENTATION DATE: November 24, 2010**

*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-*Only One Per Row.*

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
N/A	

**III. FUNDING:**

**For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs) and/or Carriers:**

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

**For Medicare Administrative Contractors (MACs):**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

**IV. ATTACHMENTS:**

**Recurring Update Notification**

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

# Attachment – Recurring Update Notification

Pub. 100-04	Transmittal: 2071	Date: October 22, 2010	Change Request: 7120
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**SUBJECT: Influenza Vaccine Payment Allowances - Annual Update for 2010-2011 Season**

**Effective Date:** September 1, 2010

**Implementation Date:** November 24, 2010

## **I. GENERAL INFORMATION**

### **A. Background:**

This recurring update notification refers only to the seasonal influenza vaccines.

Please continue to refer to Change Request (CR) 6617 for information regarding the novel H1N1 influenza vaccine. According to CR 6617, only the Level II Healthcare Common Procedure Coding System code G9142 is used to identify the H1N1 vaccine on Medicare claims. Therefore, Common Procedure Terminology (CPT) codes 90663, 90664, 90666, 90667, and 90668 are not to be recognized on Medicare claims for the H1N1 vaccine.

This recurring update notification provides the payment allowances for the following seasonal influenza virus vaccines: CPT codes 90655, 90656, 90657, 90658, 90660, and 90662 when payment is based on 95 percent of the Average Wholesale Price (AWP). The payment allowances for influenza vaccines are updated on an annual basis effective September 1 of each year.

Effective for dates of service on or after September 1, 2010, the Medicare Part B payment allowance in these situations for CPT 90655 is \$12.398, for CPT 90656 is \$12.375, and for CPT 90657 is \$6.297. Effective for dates of service between September 1, 2010, and December 31, 2010, the Medicare Part b payment allowance in these situations for CPT 90658 is \$11.368. Subsequent instructions regarding CPT 90658 for dates of service after December 31, 2010 will be issued in a separate CR.

Payment for CPT 90660 (FluMist, a nasal influenza vaccine) or CPT 90662 (Fluzone High-Dose) may be made if the local claims processing contractor determines the use is medically reasonable and necessary for the beneficiary. When payment is based on 95 percent of the AWP, the Medicare Part B payment allowance for CPT 90660 is \$22.316, and for CPT 90662 is \$29.213 effective September 1, 2010.

The payment allowances for pneumococcal vaccines are based on 95 percent of the AWP and are updated on a quarterly basis. The current payment allowances for pneumococcal vaccines can be found on the quarterly drug pricing files last updated in by CR 6805

### **B. Policy:**

The Medicare Part B payment allowance limits for influenza and pneumococcal vaccines are 95 percent of the AWP as reflected in the published compendia except where the vaccine is furnished in a hospital outpatient department, Rural Health Clinic (RHC), or Federally Qualified Health Center (FQHC). Where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC, payment for the vaccine is based on reasonable cost.

Annual Part B deductible and coinsurance amounts do not apply. All physicians, non-physician practitioners and suppliers who administer the influenza virus vaccination and the pneumococcal vaccination must take assignment on the claim for the vaccine.

## II. BUSINESS REQUIREMENTS TABLE

Use "Shall" to denote a mandatory requirement

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B  M A C	D M E  M A C	F I  R I E R	C A R I E R	R H I	Shared-System Maintainers				OTHE R
						F I S S	M C S	V M S	C W F		
7120.1	Contractors shall not process claims with CPT codes 90663, 90664, 90666, 90667, and 90668 for the novel H1N1 vaccine.	X		X	X						
7120.2	Effective for dates of service on or after September 1, 2010, the Medicare Part B payment allowance for CPT 90655 is \$12.398, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X		X	X						
7120.3	Effective for dates of service on or after September 1, 2010, the Medicare Part B payment allowance for CPT 90656 is \$12.375, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X		X	X						
7120.4	Effective for dates of service on or after September 1, 2010, the Medicare Part B payment allowance for CPT 90657 is \$6.297, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X		X	X						
7120.5	Effective for dates of service between September 1, 2010, and December 31, 2010, the Medicare Part B payment allowance for CPT 90658 is \$11.368, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X		X	X						
7120.6	Contractors shall make payment CPT 90660 if its use is determined to be medically reasonable and necessary for the beneficiary.	X		X	X						
7120.7	Effective for dates of service on or after September 1, 2010, the Medicare Part B payment allowance for CPT 90660 is \$22.316, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X		X	X						
7120.8	Contractors shall make payment for CPT 90662 if its use is determined to be medically reasonable and necessary for the beneficiary.	X		X	X						
7120.9	Effective for dates of service on or after September 1, 2010, the Medicare Part B payment allowance for CPT 90662 is \$29.213, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X		X	X						

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B	D M E	F I	C A R R I E R	R H I	Shared-System Maintainers				OTHE R
		M A C	M A C			I S S	M S S	V M S	C W F		
7120.10	Contractors shall not search their files to either retract payment for claims already paid or to retroactively pay claims. However, contractors shall adjust claims brought to their attention.	X		X	X						

### III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B	D M E	F I	C A R R I E R	R H I	Shared-System Maintainers				OTHE R
		M A C	M A C			I S S	M S S	V M S	C W F		
7120.11	A provider education article related to this instruction will be available at <a href="http://www.cms.hhs.gov/MLNMattersArticles/">http://www.cms.hhs.gov/MLNMattersArticles/</a> shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct 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. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.	X		X	X						

### IV. SUPPORTING INFORMATION

**Section A: For any recommendations and supporting information associated with listed requirements, use the box below:**

*Use "Should" to denote a recommendation.*

X-Ref Requirement Number	Recommendations or other supporting information:

**Section B: For all other recommendations and supporting information, use this space:** N/A

## V. CONTACTS

**Pre-Implementation Contact(s):** Cheryl Gilbreath, (410) 786-5919, [Cheryl.Gilbreath@cms.hhs.gov](mailto:Cheryl.Gilbreath@cms.hhs.gov)

**Post-Implementation Contact(s):** Appropriate Regional Office

## VI. FUNDING

**Section A: For *Fiscal Intermediaries (FIs), Carriers, and Regional Home Health Carriers (RHHIs)*:**

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

**Section B: For *Medicare Administrative Contractors (MACs)*:**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.