

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 2562	Date: October 3, 2012
	Change Request 8047

Note: Transmittal 2555 dated September 28, 2012, is rescinded and replaced by Transmittal 2562, dated October 3, 2012, to change the Implementation date. Additionally, the italicized section of the Summary of Changes on the Transmittal has been removed. All other information remains the same.

SUBJECT: Influenza Vaccine Payment Allowances - Annual Update for 2012-2013 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 August 1 of each year. The attached recurring update applies to Pub 100-04, Chapter 17, section 20.5.9.

EFFECTIVE DATE: August 1, 2012

IMPLEMENTATION DATE: No later than December 28, 2012

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.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	

III. FUNDING:

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

No additional funding will be provided by CMS; Contractors activities are to be carried out with 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 obliged 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: 2562	Date: October 3, 2012	Change Request: 8047
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SUBJECT: Influenza Vaccine Payment Allowances - Annual Update for 2012-2013 Season

EFFECTIVE DATE: August 1, 2012

IMPLEMENTATION DATE: No later than December 28, 2012

I. GENERAL INFORMATION

A. Background: This recurring update notification provides the payment allowances for the following seasonal influenza virus vaccines: CPT codes 90654, 90655, 90656, 90657, 90660, and 90662, and HCPCS codes Q2034, Q2035, Q2036, Q2037, and Q2038, when payment is based on 95 percent of the Average Wholesale Price (AWP). These payment allowances are effective August 1, 2012.

Effective for dates of service on or after August 1, 2012, the Medicare Part B payment allowance for CPT 90655 is \$16.456, for CPT 90656 is \$12.398, for CPT 90657 is \$6.023, HCPCS Q2035 (Afluria®) is \$11.543, for HCPCS Q2036 (Flulaval®) is \$9.833, for HCPCS Q2037 (Fluvirin®) is \$14.051, and for HCPCS Q2038 (Fluzone®) is \$12.046. The Medicare Part B payment allowance for HCPCS Q2034 (Agriflu®) and for HCPCS Q2039 (Flu Vaccine Adult - Not Otherwise Classified) will be determined by the local claims processing contractor.

Payment for CPT 90654 (Flu vaccine, Intradermal, Preservative free (Fluzone ID®)), for CPT 90660 (FluMist®, a nasal influenza vaccine), or CPT 90662 (Fluzone High-Dose®) may be made if the local claims processing contractor determines its use is medically reasonable and necessary for the beneficiary. Effective for dates of service on or after August 1, 2012, when payment is based on 95 percent of the AWP, the Medicare Part B payment allowance for CPT 90654 is \$18.981, for CPT 90660 is \$23.456, and for CPT 90662 is \$30.923.

The payment allowances for pneumococcal vaccines are based on 95 percent of the AWP and are updated on a quarterly basis via the Quarterly Average Sales Price (ASP) Drug Pricing Files.

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
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		A/B MAC		D M E M A C	F I	C A R R I E R	R H I	Shared- System Maintainers				Other
		P a r t A	P a r t B					F I S S	M C S	V M S	C W F	
8047.1	Effective for dates of service on or after August 1, 2012, the Medicare Part B payment allowance for CPT 90655 is \$16.456, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X		X	X						
8047.2	Effective for dates of service on or after August 1, 2012, the Medicare Part B payment allowance for CPT 90656 is \$12.398, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X		X	X						
8047.3	Effective for dates of service on or after August 1, 2012, the Medicare Part B payment allowance for CPT 90657 is \$6.023, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X		X	X						
8047.4	Effective for dates of service on or after August 1, 2012, the Medicare Part B payment allowance for HCPCS Q2034 shall be determined by contractor discretion unless otherwise specified.	X	X		X	X						
8047.5	Effective for dates of service on or after August 1, 2012, the Medicare Part B payment allowance for HCPCS Q2035 is \$11.543, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X		X	X						
8047.6	Effective for dates of service on or after August 1, 2012, the Medicare Part B payment allowance for HCPCS Q2036 is \$9.833, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X		X	X						
8047.7	Effective for dates of service on or after August 1, 2012, the Medicare Part B payment allowance for HCPCS Q2037 is \$14.051, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X		X	X						
8047.8	Effective for dates of service on or after August 1, 2012, the Medicare Part B payment allowance for	X	X		X	X						

Number	Requirement	Responsibility										
		A/B MAC		D M E M A C	F I E R	C A R R I E R	R H I	Shared- System Maintainers				Other
		P a r t A	P a r t B					F I S S	M C S	V M S	C W F	
	HCPCS Q2038 is \$12.046, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.											
8047.9	Effective for dates of service on or after August 1, 2012, the Medicare Part B payment allowance for HCPCS Q2039 shall be determined by contractor discretion unless otherwise specified.	X	X			X	X					
8047.10	Contractors shall make payment for CPT 90654 if its use is determined to be medically reasonable and necessary for the beneficiary.	X	X			X	X					
8047.11	Effective for dates of service on or after August 1, 2012, the Medicare Part B payment allowance for CPT 90654 is \$18.981, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X			X	X					
8047.12	Contractors shall make payment for CPT 90660 if its use is determined to be medically reasonable and necessary for the beneficiary.	X	X			X	X					
8047.13	Effective for dates of service on or after August 1, 2012, the Medicare Part B payment allowance for CPT 90660 is \$23.456, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X			X	X					
8047.14	Contractors shall make payment for CPT 90662 if its use is determined to be medically reasonable and necessary for the beneficiary.	X	X			X	X					
8047.15	Effective for dates of service on or after August 1, 2012, the Medicare Part B payment allowance for CPT 90662 is \$30.923, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X			X	X					
8047.16	Contractors shall not search their files to either retract payment for claims already paid or to retroactively pay	X	X			X	X					

Number	Requirement	Responsibility										
		A/B MAC		D M E M A C	F I	C A R R I E R	R H I	Shared- System Maintainers				Other
		P a r t A	P a r t B					F I S S	M C S	V M S	C W F	
	claims. However, contractors shall adjust claims brought to their attention.											

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility									
		A/B MAC		D M E M A C	F I	C A R R I E R	R H I	Other			
		P a r t A	P a r t B								
8047.17	MLN Article : A provider education article related to this instruction will be available at http://www.cms.hhs.gov/MLNMattersArticles/ 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 sites 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 the contractor's 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.										

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A
Use "Should" to denote a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Prabath Malluwa-Wadu, 410-786-4620 or prabath.malluwa-wadu@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR) or Contractor Manager, as applicable.

VI. FUNDING

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

No additional funding will be provided by CMS; Contractors activities are to be carried out with 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 do 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.