

BILLING FOR Medicare Part D Vaccines

CMS introduced vaccine administration code G0377 for 2007, but what you will report next year is still unknown.

You are probably familiar with the coding and billing process for the limited number of preventive vaccines that Medicare has traditionally covered under Part B (i.e., influenza, pneumococcal and hepatitis B). With the advent of the new herpes zoster (shingles) vaccine and its coverage under Medicare Part D, this familiar routine has been interrupted. Here's what you need to know to get paid for Part D vaccines and their administration.

Payment for the vaccine

Payment for vaccines covered under Part D comes solely from participating prescription drug plans. Medicare

does not pay for the vaccines themselves through Medicare Part B carriers. Consequently, unless your practice is considered a specialty pharmacy for Part D purposes, you should charge your Medicare patients for vaccines that are covered under Part D.

To facilitate a patient's reimbursement for the vaccine by his or her Part D plan, you should also complete a CMS-1500 form for the vaccine and give it to the patient to file as an unassigned, out-of-network claim. A Web-based billing program may be available later this year that will enable you to bill and get paid for Part D vaccines directly from prescription drug plans. For now, though, charging and collecting from the beneficiary is the only option for most family physicians. ►



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Payment for the administration

The Centers for Medicare & Medicaid Services has created a new G code, G0377, specifically for the administration of Part D vaccines, including but not limited to the new herpes zoster vaccine. The code went into effect Jan. 1, 2007, and will remain active for one year.

As with the G codes for administration of vaccines covered under Part B, you should submit claims for G0377 to your local Medicare carrier using your standard Medicare billing processes. Payment for G0377 will be the same as CPT code 90471, "Immunization administration (includes percutaneous, intradermal, subcutaneous, or intramuscular injections); one vaccine (single or combination vaccine/toxoid)," for which the national average is \$19.33. Your payment will be on an assigned basis only (i.e., you must accept Medicare's allowed amount as payment in full), and the normal beneficiary deductible and coinsurance requirements apply.

If you provide a significant, separately identifiable evaluation and management (E/M) service on the same date as the vaccine administration, you should report the appropriate E/M code in addition to G0377. Be sure to

add modifier -25 to the E/M code to indicate that the service performed was significant and separately identifiable from the work of administering the Part D vaccine, and document your work for both services.

If you administer two vaccines covered under Part D (e.g., herpes zoster and a tetanus booster), you should report G0377 twice. You should append modifier -59, "distinct procedural service," to the second instance to hopefully avoid a denial as a duplicate service. If you administer a vaccine covered under Part B in addition to a Part D vaccine, report the appropriate administration code (e.g., G0008 for an influenza vaccine) and the appropriate CPT code for the Part B vaccine, in addition to G0377 (see "Part B or Part D?" below).

Changes ahead

The Tax Relief and Health Care Act of 2006 mandated coverage for administration of Part D vaccines under Medicare Part B in 2007. However, this same law mandated that payment for the administration of Part D vaccines will be covered under Part D in 2008 and beyond. It is unclear at this point how physicians will bill and receive payment from Part D prescription drug plans for the administration of Part D vaccines after 2007, so stay tuned. In the meantime, with patient demand for Part D vaccines on the rise, it's important that you understand the current coding advice so you will be paid for your services. **FPM**

Send comments to fpmedit@aafp.org.

About the Author

Kent Moore is the AAFP's manager for health care financing and delivery systems and is a contributing editor to *Family Practice Management*. Author disclosure: nothing to disclose.

Your patients are responsible for paying for their Part D vaccines and filing for reimbursement from their Part D plan.

You should bill your Medicare carrier for Part D vaccine administration with code G0377.

The billing process for Part D vaccines will change in 2008, so look for new instructions at the end of the year.

PART B OR PART D?

Medicare covers three vaccines on a preventive basis under Part B: influenza, pneumococcal and hepatitis B (for those at high or intermediate risk). Medicare does cover other vaccines under Part B on a therapeutic basis (e.g., tetanus toxoid if a beneficiary steps on a rusty nail), but all other available vaccines not covered under Part B are covered under Part D.