

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Centers for Medicare & Medicaid Services



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MLN Matters® Number: MM7575 **Revised**

Related Change Request (CR) #: 7575

Related CR Release Date: November 9, 2011

Effective Date: September 1, 2011

Related CR Transmittal #: R2345CP

Implementation Date: No later than January 27, 2012

## Influenza Vaccine Payment Allowances - Annual Update for 2011-2012 Season

**Note:** This MLN Matters® Article was revised on June 4, 2012, to add a reference to M7794 available at <http://www.cms.gov/MLN MattersArticles/downloads/MM7794.pdf> for the latest influenza vaccine coding and payment methodology. All other information remains the same.

### Provider Types Affected

This MLN Matters® Article is intended for physicians and providers submitting claims to Medicare contractors (carriers, Fiscal Intermediaries (FIs), and/or Part A/B Medicare Administrative Contractors (A/B MACs)) for influenza vaccines provided to Medicare beneficiaries.

### Provider Action Needed

The Centers for Medicare & Medicaid Services (CMS) issued Change Request (CR) 7575 in order to update payment allowances, effective September 1, 2011, for influenza vaccines when payment is based on 95 percent of the Average Wholesale Price (AWP). Be sure your billing staffs are aware of this update.

#### Disclaimer

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## Background

CR7575 provides the payment allowances for the following seasonal influenza virus vaccines: Current Procedural Terminology (CPT) codes 90654, 90655, 90656, 90657, 90660, and 90662 and Healthcare Common Procedure Coding System (HCPCS) codes Q2035, Q2036, Q2037, Q2038, and Q2039 when payment is based on 95 percent of the 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, 2011, (except payment is based on reasonable cost where the vaccine is furnished in a hospital outpatient department, a Rural Health Clinic, or a Federally qualified health center), the Medicare Part B payment allowance for:

- CPT 90655 is \$15.705;
- CPT 90656 is \$12.375;
- CPT 90657 is \$6.653;
- HCPCS Q2035 (Afluria®) is \$11.543;
- HCPCS Q2036 (Flulaval®) is \$8.784
- HCPCS Q2037 (Fluvirin®) is \$13.652; and
- HCPCS Q2038 (Fluzone®) is \$13.306.

**Note:** The Medicare Part B payment allowance for HCPCS Q2039 (Flu Vaccine Adult - Not Otherwise Classified) will be determined by your local Medicare 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 your local Medicare contractor determines its use is medically reasonable and necessary for the beneficiary. Effective for dates of service on or after September 1, 2011, when payment is based on 95 percent of the AWP, the Medicare Part B payment allowance for CPT 90654 is \$18.383, for CPT 90660 is \$22.316, and for CPT 90662 is \$30.923.

CPT 90654 is a valid code effective January 1, 2011. However, the product was not FDA approved until May 9, 2011. Therefore, the code is non-payable for Medicare purposes from January 1, 2011 until May 8, 2011. For any claims containing dates of service May 9, 2011 through August 31, 2011, Medicare contractors shall price the vaccine. Effective for dates of service on and after September 1, 2011, CMS has established a price for CPT 90654.

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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.

**Note:** Medicare contractors will not automatically adjust claims processed prior to implementation of CR7575. However, they will adjust such claims that you bring to their attention.

## Additional Information

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The official instruction, CR7575 issued to your carrier, FI, or A/B MAC regarding this change may be viewed at <http://www.cms.gov/Transmittals/downloads/R2345CP.pdf> on the CMS website.

If you have any questions, please contact your carrier, FI or A/B MAC at their toll-free number, which may be found at <http://www.cms.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

You may want to review SE1136 (<http://www.cms.gov/MLNMattersArticles/downloads/SE1136.pdf>) for educational products related to the seasonal flu vaccines and vaccine administration to Medicare beneficiaries for the 2011-2012 flu season.

**News Flash - Vaccination is the Best Protection Against the Flu.** The Centers for Disease Control and Prevention is encouraging everyone 6 months of age and older to get vaccinated against the seasonal flu. The risks for complications, hospitalizations, and deaths from the flu are higher among individuals aged 65 years and older. Medicare pays for the seasonal flu vaccine and its administration for seniors and others with Medicare with no co-pay or deductible. And remember, vaccination is particularly important for healthcare workers, who may spread the flu to high-risk patients; don't forget to immunize yourself and your staff. *Protect your patients. Protect your family. Protect yourself. Get the Flu Vaccination – Not the Flu.*

Remember – The flu vaccine plus its administration are covered Part B benefits. CMS has posted the 2011-2012 seasonal flu vaccine payment limits at [http://www.CMS.gov/McrPartBDrugAvgSalesPrice/10\\_VaccinesPricing.asp](http://www.CMS.gov/McrPartBDrugAvgSalesPrice/10_VaccinesPricing.asp). Note that the flu vaccine is NOT a Part D-covered drug. For more information on coverage and billing of the flu vaccine and its administration, as well as related educational provider resources, visit [http://www.CMS.gov/MLNProducts/35\\_PreventiveServices.asp](http://www.CMS.gov/MLNProducts/35_PreventiveServices.asp) and <http://www.cms.gov/immunizations>.

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