

Ohio | Department of Medicaid

John R. Kasich, Governor
John B. McCarthy, Director

TO: Medicaid Coordinators and Contracted Managed Care Plans

FROM: Deborah Saxe, Bureau Chief, Health Plan Policy *DS*
Ohio Department of Medicaid

SUBJECT: Policy Clarification - Reimbursement Update on the Federal Vaccine for Children (VFC) Program under the Primary Care Rate Increase

DATE: April 24, 2014

Under the Federal VFC program, the Center for Disease Control (CDC) purchases vaccines at a discount and distributes them to grantees, such as state health departments and certain local and territorial public health agencies. These grantees distribute the vaccines at no charge to private physicians' offices and public health clinics that are registered as VFC providers. Because the federal government pays for the vaccine, providers are not paid for the cost of the vaccine product. Instead, they are paid an administration fee for the costs that the provider incurs in administering the vaccine. For children enrolled in Medicaid, the Medicaid program pays the vaccine administration fee.

In a prior publication Ohio Medicaid providers who are eligible for the Primary Care Rate Increase and participating in the VFC program were informed that they may be reimbursed for administering VFC vaccines so long as the payment amount does not exceed the allowed regional maximum amount of \$21.25 for Calendar years 2013 and 2014. The publication went on to say that "Providers cannot be paid more than \$ 21.25 per encounter regardless of the number of vaccines administered in a single encounter." Due to inquiries made by participating providers regarding this limitation ODM consulted with the CMS and the department and CMS agree that this information is inaccurate. **Consequently, participating providers must be reimbursed for the administration of vaccines administered to Medicaid eligible children at the allowed regional maximum amount of \$21.25 per vaccine administration. Medicaid Managed Care Plans must make the appropriate alterations to their payment policy in order to comply with this reimbursement update.**

The final regulations governing the Primary Care Rate Increase instruct providers to use CPT code 90460 (immunization administration through 18 years of age) when billing for the administration of the initial VFC vaccine. Each subsequent vaccine should be billed using the appropriate vaccine CPT code. Initial vaccine administration and each subsequent vaccine will be reimbursed at the allowed regional maximum amount of \$21.25 per vaccine.

Providers who are not subject to the Primary Care Rate Increase will continue to be reimbursed \$10.00 for each VFC vaccine administered.

If you have further questions, please email Sarah Curtin (sarah.curtin@medicaid.ohio.gov).

50 W. Town Street, Suite 400
Columbus, Ohio 43215

An Equal Opportunity Employer and Service Provider