



News Flash - The 2008 Physician Election Period for the Medicare Part B Drug Competitive Acquisition Program (CAP) will begin on October 1, 2007 and concludes on November 15, 2007. The CAP is a voluntary program that offers physicians the option to acquire many injectable and infused drugs they use in their practice from an approved CAP vendor, thus reducing the time they spend buying and billing for drugs. Additional information about the CAP is available at http://www.cms.hhs.gov/CompetitiveAcquisforBios/02_infophys.asp on the CMS website. Please note that completed and signed physician election forms should be returned by mail to your local carrier. Forms must be postmarked on or before November 15, 2007. DO NOT return forms to CMS offices.

MLN Matters Number: MM5744 **Revised**

Related Change Request (CR) #: 5744

Related CR Release Date: October 26, 2007

Effective Date: September 1, 2007

Related CR Transmittal #: R1357CP

Implementation Date: November 26, 2007

Payment Allowances for the Influenza Virus Vaccine and the Pneumococcal Vaccine When Payment is Based on 95 Percent of the Average Wholesale Price (AWP)

This article was revised on June 3, 2008, to add a reference to MM5910. MM5910 clarifies MM5744 by providing additional instructions regarding the pediatric pneumococcal vaccine CPT code 90669 and the updated payment allowance for the nasal influenza virus vaccine CPT code 90660. MM5910 may be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5910.pdf> on the CMS website. All other information remains the same

Provider Types Affected

Providers who bill Medicare contractors (fiscal intermediaries (FI), carriers, and Medicare Administrative Contractors (A/B MACs)) for influenza virus and pneumococcal vaccines

Provider Action Needed

Be sure your billing staff are aware of the billing rates that are effective for influenza and pneumococcal vaccines provided on or after September 1, 2007. These rates apply, **except where the vaccine is furnished in the hospital outpatient department, in which payment for the vaccine is based on reasonable cost.**

Disclaimer

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Background

Change Request (CR) 5744, from which this article is taken, provides the payment allowances for Influenza Virus Vaccines (Current Procedural Terminology (CPT) codes 90655, 90656, 90657, 90658, and 90660), and Pneumococcal Vaccine (CPT 90732 and 90669); when payment is based on 95% of the AWP.

Effective September 1, 2007, the Medicare Part B payment allowance in these situations is as follows:

Influenza vaccine payments are:

- CPT 90655 is \$16.109;
- CPT 90656 is \$17.366;
- CPT 90657 is \$6.609;
- CPT 90658 is \$13.218; and
- CPT 90660 (FluMist, a nasal influenza vaccine) is \$21.176 and providers should note that CPT 90660 may be covered in those cases where the local Medicare contractor determines that its use is medically reasonable and necessary for the beneficiary.

Pneumococcal vaccine payments are:

- CPT 90732 is \$29.730; and
- CPT 90669 is \$78.803.

Please note:

- These rates apply, except where the vaccine is furnished in the hospital outpatient department, where payment 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.
- Your Medicare contractors will not search their files to adjust payment for claims paid prior to implementation of these changes; however, they will adjust claims that you bring to their attention.

Additional Information

The official instruction, CR5744, issued to your Medicare contractor is located at <http://www.cms.hhs.gov/Transmittals/downloads/R1357CP.pdf> on the Centers for Medicare & Medicaid (CMS) website.

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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.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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