



# INDIANA MEDICAID UPDATE

**Date: April 15, 1998**

**To: All Indiana Medicaid Providers of Family and Pediatric Care**

**Re: Vaccines For Children Program Rate Increase**

Vaccines For Children (VFC) Administration Fee Increase to \$8.00 Effective May 1, 1998

Indiana Medicaid recently reviewed its reimbursement rate for the administration of free vaccines available through the federal Vaccines For Children (VFC) program. As a result, the current \$5.00 VFC vaccine administration fee, established in 1994, will be increased to \$8.00 in order to ensure that Indiana's reimbursement remains commensurate with rates paid in the majority of other states. The rate of \$8.00 per VFC vaccine administration will be effective for Medicaid claims with Dates of Service on May 1, 1998 and after. As you may already be aware, Indiana Medicaid reimbursement for vaccines available through the VFC program will be limited to the VFC vaccine administration fee only (for Medicaid patients age 18 and under), effective July 1, 1998.

## Description of VFC Program

The VFC program is intended to help raise childhood immunization levels in the U.S. by supplying health care providers with free vaccine to be administered to children age 18 and under who:

1. are enrolled in Medicaid, or
2. are without health insurance, or
3. are American Indian or Alaskan Native (as identified by parent/guardian), or
4. are "underinsured\*," i.e., have health insurance that does not cover immunizations

**Currently the VFC program offers free vaccines against ten diseases: diphtheria, Hemophilus influenza type b, hepatitis B, measles, mumps, rubella, pertussis, poliomyelitis, tetanus and varicella.** VFC-enrolled providers may charge non-Medicaid patients a fee for administration of the free vaccine, so long as the service is not denied if the fee cannot be paid. In the case of Medicaid-enrolled patients, providers may charge Medicaid the VFC vaccine administration fee - please see below.



**\* “Underinsured” patients (who have health insurance that does not cover immunizations) are eligible to receive VFC vaccines only at a Federally Qualified Health Center or Rural Health Clinic.**

### **Medicaid Providers are Urged to Participate in the Vaccines For Children (VFC) Program**

The VFC program is operational in nearly every state in the U.S. All Medicaid-enrolled children who are 18 years of age or under are eligible to receive vaccines against ten diseases, which are supplied free to VFC-enrolled providers. Please join the ranks of VFC-participating providers in Indiana by enrolling in this easily administered program and providing free vaccines to Medicaid-enrolled children under your care. Physicians who immunize their patients, rather than refer them to public health authorities, are helping to increase childhood immunization rates nationwide while ensuring continuity and quality of care for their own patients. Hoosier Healthwise and HealthWatch providers: if you choose not to participate in the VFC program, you must document the immunization history of your Medicaid-enrolled patients. Hoosier Healthwise patients’ records must include the required written agreement/Memorandum Of Collaboration (MOC) between the PMP and provider of the immunizations.

### **Medicaid Reimbursement Limited to VFC Administration Fee Effective JULY 1, 1998**

Following a state’s implementation of the Vaccines For Children program, the state Medicaid agency may not pay for vaccines available through the Vaccines For Children program. Indiana Medicaid has continued to reimburse Indiana Medicaid providers for VFC-available vaccines during the 6-month phase-in of Indiana’s VFC Program, in order to permit providers to recover their costs while exhausting supplies of privately purchased vaccines. EFFECTIVE JULY 1, 1998, INDIANA MEDICAID REIMBURSEMENT FOR ANY VACCINE ADMINISTERED THROUGH THE VFC PROGRAM WILL BE LIMITED TO THE VFC VACCINE ADMINISTRATION FEE OF \$8.00, WHEN THE VACCINE IS ADMINISTERED TO A MEDICAID RECIPIENT AGE 18 YEARS OR UNDER. (Medicaid will continue to make reimbursement up to the Medicaid maximum allowable rates for vaccines not available through VFC and for vaccines administered to Medicaid-enrolled individuals over age 18 years).

### **Medicaid Billing and Reimbursement for VFC Vaccines**

This section explains how to bill Indiana Medicaid on a fee-for-service basis for VFC-available vaccines. For details about billing and reimbursement under Medicaid Risk-Based Managed Care, please call your Managed Care Organization (MCO) or the Hoosier Healthwise Helpline at 1-800-889-9949.



➔ **Fee-for-Service Claims with Dates of Service prior to July 1, 1998:**

For claims with dates of service prior to July 1, 1998, Indiana Medicaid providers may obtain reimbursement for EITHER (1) the vaccine plus administration, when administering privately purchased vaccine to a Medicaid-enrolled child age 18 or under, or (2) administration only of free VFC vaccine, when administered to a Medicaid-enrolled child age 18 or under.

**Procedure Code for VFC:** *Use the correct CPT procedure code for the specific vaccine administered (do not use the CPT code for “administration”) and claim no more than the VFC vaccine administration fee amount in effect on the date of service. NOTE: Indiana Medicaid reimbursement for administration of free VFC vaccines was limited to a maximum of \$5.00 prior to May 1, 1998. Effective with Dates of Service May 1, 1998 forward, Medicaid payment for VFC vaccine administration will be limited to the lesser of \$8.00 or the submitted charge.*

**Procedure Code for non-VFC:** *Use the correct CPT code for the specific vaccine administered and bill your usual and customary charge for administration of privately purchased vaccine administered to Medicaid recipients age 18 years and under. (In this case, Medicaid will reimburse at the lower of the submitted charge or Medicaid’s maximum allowable rate for the CPT procedure code).*  
**(Applicable for DOS PRIOR TO JULY 1, 1998 ONLY)**

Only one administration fee is permitted per VFC vaccine administration. When giving a combined vaccine, bill the combined vaccine CPT code and charge only one vaccine administration fee. If the only service performed is vaccine administration, providers may not bill for an office visit. Providers may bill an office visit in conjunction with vaccine administration only when other services (such as a HealthWatch/EPSTD screening exam) are performed at the same visit.

**For More Information**

Under an arrangement with the State Department of Health, the Indiana State Medical Association (ISMA) is performing Vaccines For Children program administration functions, including provider enrollment/education and vaccine order processing. If you wish to participate in the VFC program:

- call the ISMA office to request VFC provider enrollment forms;
- complete and mail the forms;
- receive appropriate training and technical assistance from the VFC program staff;
- order vaccine periodically, as needed, and maintain appropriate vaccine supply records.

If you have any questions concerning VFC provider enrollment, patient eligibility, and vaccine orders, please call Liz Nelson at the Indiana State Medical Association at (800) 257-4762, extension 262. As always, direct questions concerning Indiana Medicaid billing and reimbursement to your Medicaid Provider Relations Representative or to Medicaid Provider Assistance at (800) 577-1278.