Medicare Billing Guidance for Respiratory Vaccines in LTC



FOR THE FOUR VACCINES (RSV, INFLUENZA, PNEUMOCOCCAL AND COVID), LONG TERM CARE (LTC) FACILITIES CAN BILL MEDICARE.

<u>All Part B vaccines</u> (e.g., Influenza, Pneumococcal and COVID) are subject to consolidated billing and must be submitted by the Skilled Nursing Facility (SNF) on either a separate inpatient or outpatient Part B claim. It is paid separate from any Part A bundled rate when it is for preventative and not therapeutic purposes.

<u>Part D vaccines</u> (which includes RSV) are covered only under Part D and are not covered by Part A or B. RSV vaccine is also not subject to consolidated billing. It can be billed by any outside pharmacy or other entity regardless of SNF Part A (if preventative) or long-stay status. Therapeutic use of a Part D vaccine (e.g., tetanus for a person exposed) during a Part A stay would be bundled into the Part A perdiem rate (Part A is primary payer) and could not be billed separately to Part D.

So, for the RSV Vaccine that is not covered by Part B benefits but is a covered Part D benefit:

• If administered for <u>preventive</u> purposes: Part D plan would pay any approved entity that administers the vaccine regardless of Part A status (Not subject to SNF consolidated billing).

In March 2024, CMS issued a <u>SNF Fact Sheet</u> to explain how Medicare pays for vaccines administered during a patient's stay in a nursing home. Who administers and bills for the vaccine and how it is reimbursed depends on the type of vaccine and whether the patient is using their Skilled Nursing Facility (SNF) Part A benefit. The CMS document doesn't cover vaccine payment by Medicare Advantage plans, Medicaid or commercial insurance. Providers should contact those payers for guidance.

The <u>Medicare Claims Processing Manual Chapter 6</u>, Section 20.4 Screening and Preventive Services (updated 11-04-2021) are copied on the subsequent pages. Key provisions are highlighted.



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COVID-19 vaccine coverage under Part B is also addressed on CMS (Centers for Medicare & Medicaid Services) webpage: COVID-19 Vaccines & Monoclonal Antibodies - VACCINE PRICING and in a July 13, 2023, CMS Letter to Payors Regarding Coverage of COVID-19 Vaccines.

20.4 - Screening and Preventive Services

(Rev.4163, Issued: 11-02-18, Effective: 12-04-18, Implementation: 12-04-18)

The Part A SNF benefit is limited to services that are reasonable and necessary to "diagnose or treat" a condition that has already manifested itself. Accordingly, this benefit does not encompass screening services (which serve to check an at-risk individual for the possible presence of a specific latent condition, before it manifests any overt symptoms to diagnose or treat) or preventive services (which are aimed at warding off the occurrence of a particular condition altogether rather than diagnosing or treating it once it occurs). Coverage of screening and preventive services (e.g., screening mammography, pneumococcal pneumonia vaccine, influenza vaccine, hepatitis B vaccine) is a separate Part B inpatient benefit when rendered to beneficiaries in a covered Part A stay and is paid outside of the Part A payment rate. For this reason, screening and preventive services must not be included in the global Part A bill. However, screening and preventive services remain subject to consolidated billing and, thus, must be billed separately by the SNF under Part B.

Accordingly, even though the SNF itself must bill for these services, it submits a separate Part B inpatient bill for them rather than including them on its global Part A bill. Screening and preventive services must be billed with a 22X type of bill. Swing Bed providers must use TOB 12x for eligible beneficiaries in a Part A SNF level of care. **NOTE:** For beneficiaries residing in the Medicare non-certified area of the facility, these services should be billed on a 23x type of bill. In transmittals for A/B MAC (A) billing providing the annual update list of HCPCS codes affected by SNF consolidated billing, such services are referred to as "Major Category IV." See §10.1 above for the link to where transmittals providing current lists of HCPCS codes used for Major Category IV can be found.



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There are certain limited circumstances in which a vaccine would no longer be considered preventive in nature, and this can affect how the vaccine is covered. For example, while a booster shot of tetanus vaccine would be considered preventive if administered routinely in accordance with a recommended schedule, it would not be considered preventive when administered in response to an actual exposure to the disease (such as an animal bite, or a scratch on a rusty nail).

In the latter situation, such a vaccine furnished to an SNF's Part A resident would be considered therapeutic rather than preventive in nature, as its use is reasonable and necessary for treating an existing condition.

In terms of billing for an SNF's Part A resident, a vaccine that is administered for therapeutic rather than preventive purposes would be included on the SNF's global Part A bill for the resident's covered stay. Alternatively, if a vaccine is preventive in nature and is one of the three types of vaccines (i.e., pneumococcal pneumonia, hepatitis B, or influenza virus) for which a Part B benefit category exists (see §50.4.4.2 of the Medicare Benefit Policy Manual, Chapter 15), then the SNF would submit a separate Part B bill for the vaccine. (Under section 1888(e)(9) of the Social Security Act (the Act) and the implementing regulations at 42 CFR 413.1(g)(2)(ii), payment for an SNF's Part B services is made in accordance with the applicable fee schedule for the type of service being billed (see the Medicare Claims Processing Manual, Chapter 7, §10.5).

However, when these three types of vaccines are furnished in the SNF setting, Part B makes payment in accordance with the applicable instructions contained in the Medicare Claims Processing Manual, Chapter 7, §80.1, and Chapter 18, §10.2.2.1.)

If the resident receives a type of vaccine that is preventive in nature but for which no Part B benefit category exists (e.g., diphtheria), then the vaccine would not be covered under either Parts A or B and, as a consequence, would become coverable under the Part D drug benefit. This is because priority of payment between the various parts of the Medicare law proceeds in alphabetical order: Part A is primary to Part B (see section 1833(d) of the Act), and both Parts A and B are primary to Part D (see section 1860D-2(e)(2)(B) of the Act).

