CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 2786	**Date: September 13, 2013**
	Change Request 8433

SUBJECT: Influenza Vaccine Payment Allowances - Annual Update for 2013-2014 Season

I. SUMMARY OF CHANGES This recurring update notification provides the payment allowances for the following seasonal influenza virus vaccines as updated on an annual basis effective August 1 of each year. The attached recurring update applies to Pub 100-04, chapter 17, section 20.5.9.

EFFECTIVE DATE: August 1, 2013
IMPLEMENTATION DATE: No later than October 25, 2013

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)
R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	N/A

III. FUNDING:
For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs) and/or Carriers:
No additional funding will be provided by CMS; Contractors activities are to be carried out with their operating budgets

For Medicare Administrative Contractors (MACs):
The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC statement of Work. The contractor is not obliged to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

Recurring Update Notification

**Unless otherwise specified, the effective date is the date of service.*

Recurring Update Notification

Pub. 100-04	Transmittal: 2786	Date: September 13, 2013	Change Request: 8433

SUBJECT: Influenza Vaccine Payment Allowances - Annual Update for 2013-2014 Season

EFFECTIVE DATE: August 1, 2013
IMPLEMENTATION DATE: No later than October 25, 2013

I. GENERAL INFORMATION

A. Background: This recurring update notification provides the payment allowances for the following seasonal influenza virus vaccines: CPT codes 90654, 90655, 90656, 90657, 90661, 90662, 90672, 90673, 90685, 90686, 90687, and 90688, and HCPCS codes Q2033, Q2035, Q2036, Q2037, and Q2038, when payment is based on 95 percent of the Average Wholesale Price (AWP).

The Medicare Part B payment allowances below apply for the indicated effective dates:

CPT 90655 Payment allowance is $17.243. Effective dates: 8/1/2013-7/31/2014

CPT 90656 Payment allowance is $ 12.398. Effective dates: 8/1/2013-7/31/2014

CPT 90657 Payment allowance is $ 6.022. Effective dates: 8/1/2013-7/31/2014

CPT 90661 Payment allowance is pending. Effective dates: 8/1/2013-7/31/2014

CPT 90685 Payment allowance is $ 23.228. Effective dates: 8/1/2013-7/31/2014

CPT 90686 Payment allowance is $ 19.409. Effective dates: 8/1/2013-7/31/2014

CPT 90687 Payment allowance is pending. Effective dates: pending-7/31/2014

CPT 90688 Payment allowance is pending. Effective dates: pending-7/31/2014

HCPCS Q2035 Payment allowance is $ 11.543. Effective dates: 8/1/2013-7/31/2014

HCPCS Q2036 Payment allowance is $ 8.579. Effective dates: 8/1/2013-7/31/2014

HCPCS Q2037 Payment allowance is $ 14.963. Effective dates: 8/1/2013-7/31/2014

HCPCS Q2038 Payment allowance is $ 12.044. Effective dates: 8/1/2013-7/31/2014

HCPCS Q2039 Flu Vaccine Adult - Not Otherwise Classified payment allowance is to be determined by the local claims processing contractor with effective dates of 8/1/2013-7/31/2014.

Payment allowances for codes for which products have not yet been approved (including but not limited to CPT codes 90687 and 90688) will be provided when the products have been approved and pricing information becomes available to CMS.

Payment for the following CPT or HCPCS codes may be made if the local claims processing contractor determines its use is reasonable and necessary for the beneficiary, during the effective dates indicated below:

CPT 90654 Payment allowance is $ 18.918. Effective dates: 8/1/2013-7/31/2014

CPT 90662 Payment allowance is $ 31.823. Effective dates: 8/1/2013-7/31/2014

CPT 90672 Payment allowance is $ 24.596. Effective dates: 8/1/2013-7/31/2014

HCPCS Q2033 Payment allowance is pending. Effective dates: 8/1/2013-12/31/2013

CPT 90673 Payment allowance is pending. Effective dates: 1/1/2014-7/31/2014

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.

B. Policy: The Medicare Part B payment allowance limits for influenza and pneumococcal vaccines are 95 percent of the AWP as reflected in the published compendia except where the vaccine is furnished in a hospital outpatient department, Rural Health Clinic (RHC), or Federally Qualified Health Center (FQHC). Where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC, payment for the vaccine 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.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility											
		A/B MAC			DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				Other
		A	B	HHH					FISS	MCS	VMS	CWF	
8433.1	Effective for dates of service on or after August 1, 2013, the Medicare Part B payment allowance for CPT 90655 is $ 17.243, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X			X	X						
8433.2	Effective for dates of service on or after August 1, 2013, the Medicare Part B payment allowance for CPT 90656 is $ 12.398, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X			X	X						
8433.3	Effective for dates of service on or after August 1, 2013, the Medicare Part B payment allowance for CPT 90657 is $ 6.022, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X			X	X						
8433.4	Effective for dates of service on or after August 1, 2013, the Medicare Part B payment allowance for CPT 90661 is pending, except where the vaccine is furnished in the hospital outpatient department,	X	X			X	X						

Number	Requirement	Responsibility											
		A/B MAC			DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				Other
		A	B	HHH					FISS	MCS	VMS	CWF	
	RHC, or FQHC.												
8433.5	Effective for dates of service on or after August 1, 2013, the Medicare Part B payment allowance for CPT 90685 is $ 23.228, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X			X	X						
8433.6	Effective for dates of service on or after August 1, 2013, the Medicare Part B payment allowance for CPT 90686 is $ 19.409, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X			X	X						
8433.7	CMS will post payment limits for influenza vaccines that are approved after the release date of this CR (including but not limited to CPT code 90687 & 90688) on the CMS Seasonal Influenza Vaccines Pricing webpage at http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Part-B-Drugs/McrPartBDrugAvgSalesPrice/VaccinesPricing.html as information becomes available. Contractors shall periodically monitor this webpage and obtain updated payment limits during the 2013-2014 influenza season. Effective dates for these vaccines shall be the date of FDA approval.	X	X			X	X						
8433.8	Effective for dates of service on or after August 1, 2013, the Medicare Part B payment allowance for HCPCS Q2035 is $ 11.543, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X			X	X						
8433.9	Effective for dates of service on or after August 1, 2013, the Medicare Part B payment allowance for HCPCS Q2036 is $ 8.579, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X			X	X						
8433.10	Effective for dates of service on or after August 1, 2013, the Medicare Part B payment allowance for HCPCS Q2037 is $ 14.963, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X			X	X						

Number	Requirement	Responsibility											
		A/B MAC			DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				Other
		A	B	HHH					FISS	MCS	VMS	CWF	
8433.11	Effective for dates of service on or after August 1, 2013, the Medicare Part B payment allowance for HCPCS Q2038 is $ 12.044, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X			X	X						
8433.12	Effective for dates of service on or after August 1, 2013, the Medicare Part B payment allowance for HCPCS Q2039 shall be determined by contractor discretion unless otherwise specified.	X	X			X	X						
8433.13	Contractors shall make payment for CPT 90672 if its use is determined to be reasonable and necessary for the beneficiary.	X	X			X	X						
8433.14	Effective for dates of service on or after August 1, 2013, the Medicare Part B payment allowance for CPT 90672 is $ 24.596, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X			X	X						
8433.15	Contractors shall make payment for HCPCS Q2033 if its use is determined to be reasonable and necessary for the beneficiary.	X	X			X	X						
8433.16	Effective for dates of service from August 1, 2013 to December 31, 2013, the Medicare Part B payment allowance for HCPCS Q2033 is pending, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X			X	X						
8433.17	Contractors shall make payment for CPT 90673 after January 1, 2014, if its use is determined to be reasonable and necessary for the beneficiary.	X	X			X	X						
8433.18	Effective for dates of service on or after January 1, 2014, the Medicare Part B payment allowance for CPT 90673 is pending, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X			X	X						
8433.19	Contractors shall make payment for CPT 90654 if its use is determined to be reasonable and necessary for the beneficiary.	X	X			X	X						
8433.20	Effective for dates of service on or after August 1, 2013, the Medicare Part B payment allowance for	X	X			X	X						

Number	Requirement	Responsibility											
		A/B MAC			DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers				Other
		A	B	HHH					FISS	MCS	VMS	CWF	
	CPT 90654 is $ 18.918, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.												
8433.21	Contractors shall make payment for CPT 90662 if its use is determined to be reasonable and necessary for the beneficiary.	X	X			X	X						
8433.22	Effective for dates of service on or after August 1, 2013, the Medicare Part B payment allowance for CPT 90662 is $ 31.823, except where the vaccine is furnished in the hospital outpatient department, RHC, or FQHC.	X	X			X	X						
8433.23	Contractors shall not search their files either to retract payment for claims already paid or to retroactively pay claims. However, contractors shall adjust claims brought to their attention.	X	X			X	X						

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility							
		A/B MAC			DME MAC	FI	CARRIER	RHHI	Other
		A	B	HHH					
8433.24	MLN Article: A provider education article related to this instruction will be available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web sites and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article shall be included in the contractor's next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider	X	X			X	X		

Number	Requirement	Responsibility							
		A/B MAC			DME MAC	FI	CARRIER	RHHI	Other
		A	B	HHH					
	community in billing and administering the Medicare program correctly.								

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements:

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
	None.

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Prabath Malluwa-Wadu, 410-786-4620 or prabath.malluwa-wadu@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR) or Contractor Manager, as applicable.

VI. FUNDING

Section A: For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs), and/or Carriers:
No additional funding will be provided by CMS; Contractors activities are to be carried out with their operating budgets

Section B: For Medicare Administrative Contractors (MACs):
The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS do not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.