

Special COVID-19 Letter of Direction #22

Date: June 11, 2021

To: Centennial Care 2.0 Managed Care Organizations

From: Nicole Comeaux, Director, Medical Assistance Division 

Subject: COVID-19 vaccine guidance for Centennial Care MCOs

Title: COVID-19 vaccine guidance

The purpose of this Letter of Direction (LOD) is to provide guidance to the Centennial Care 2.0 Managed Care Organizations (MCOs) for coverage of the COVID-19 vaccine and vaccine administration related to the national public health emergency associated with the 2019 Novel Coronavirus (COVID-19) outbreak.

I. COVID-19 Vaccines & Vaccine Administration Coverage

Retroactive to December 1, 2020 and for the duration of the identified timeframe for the 100% Federal Medical Assistance Percentage (FMAP) coverage of the COVID-19 vaccine administration authorized by the American Rescue Plan Act (ARPA), New Mexico Medicaid will provide reimbursement for the 2019 Novel Coronavirus (COVID-19) vaccine and vaccine administration for all eligible individuals. MCOs are directed to allow up to one year from date of service for the filing of COVID-19 vaccine related claims, in accordance with Special COVID-19 LOD 19-1. Providers are encouraged to resubmit any claims which were initially denied for missing or incorrect information.

The initial supply of this vaccine has been purchased and supplied by the Federal Government. The Medical Assistance Division (MAD) will implement reimbursement for the COVID-19 vaccine administration, following the Medicare guidelines.

Outside of the PHE and when the federally purchased supply of the COVID-19 vaccine is no longer available, HSD will provide reimbursement for the COVID-19 vaccine and vaccine administration for all eligible Medicaid individuals. The MCOs are only responsible to provide vaccine and vaccine administration coverage for those individuals enrolled in managed care. Additionally, HSD is expanding this benefit for individuals eligible under the following Medicaid Categories of Eligibility (COE):

- Family Planning - COE 029
- Uninsured Individuals - COVID-19 testing and related services Families First Coronavirus Response Act (FFCRA) - COE 085; federal match 8
- Pregnancy related services - COE 301

Pending guidance from CMS on the coverage requirements outlined in the American Rescue Plan Act passed on March 11, 2021, HSD will update this document to address any changes for the Emergency Medical Services for Non-Citizens (EMSNC) (COE 085; federal match 4) population. Until we receive said guidance, providers can submit claims for COVID-19 vaccine administration, testing, testing related services, and treatment for the EMSNC population through the Health Resources and Services Administration (HRSA) COVID-19 Uninsured Program Portal (<https://www.hrsa.gov/CovidUninsuredClaim>).

Please see the links below for additional information:

CMS toolkit for COVID Vaccine guidance:

<https://www.medicaid.gov/state-resource-center/downloads/covid-19-vaccine-toolkit.pdf>

CDC requirements:

https://www.cdc.gov/vaccines/imz-managers/downloads/COVID-19-Vaccination-Program-Interim_Playbook.pdf.

II. Billing Requirements:

This section provides guidance on how to bill for the COVID-19 vaccine administration, the related procedure and professional service codes, and the reimbursement rates. The billing guidance will apply for both the initial and the secondary dose. This guidance is applicable when the COVID-19 vaccine is administered in a clinic, pharmacy, or offsite setting. This billing guidance applies to all Medicaid eligible individuals including those under COEs noted above. All providers noted below must follow the guidance in Section IV Provider agreements.

○ **Providers who bill on a UB-04 claim form:**

a. **Federally Qualified Health Centers (FQHCs):**

Billing on a UB-04 claim form, use physical health revenue code 0529 -Free-Standing Clinic-Other Free-Standing Clinic and append the associated HCPCS COVID-19 vaccine administration procedure code. Reimbursement will be made at the encounter rate.

b. **IHS and Tribal 638 Facilities:**

Billing on a UB-04 claim form, with revenue code 0519-Clinic and append the associated HCPCS COVID-19 vaccine administration procedure code. Reimbursement will be made at the OMB rate.

c. Rural Health Clinics (RHCs) and Hospital Based Rural Health Clinics (HBRHCs):

Billing on a UB-04 claim form, RHCs should use revenue code 0521-Free Standing Rural Health Clinic and HBRHCs should use revenue code 0510-Clinic and append the associated HCPCS COVID-19 vaccine administration procedure code. Reimbursement will be made at the encounter rate.

d. All others billing on a UB-04 claim form:

Billing on a UB-04 claim form, use revenue code 0779 (PREVENTIVE CARE SVCS- OTHER PREVENTIVE CARE SVCS) and append the associated HCPCS COVID-19 vaccine administration procedure code identifying the vaccine. Reimbursement will be made at the fee schedule rate. The revenue code and the HCPCS code must be on the claim line to avoid claim and/or claim line denials and ensure accurate payment.

o Professional Practitioners and other Providers:

Billing on a CMS-1500 claim form, enter the associated HCPCS COVID-19 vaccine administration procedure code. Reimbursement will be made at the fee schedule rate.

o Pharmacy Providers:

The United States Health and Human Service (HHS) authorized qualified pharmacy technicians and state-authorized pharmacy interns acting under the supervision of a qualified pharmacist to administer FDA-authorized or FDA-licensed COVID-19 vaccinations to persons aged 3 or older. See requirements at: <https://www.medicaid.gov/state-resource-center/downloads/covid-19-vaccine-toolkit.pdf>

a. For detailed Pharmacy Point of Sale (POS) billing guidance, please see the National Council for Prescription Drug Programs (NCPDP) guidance at the following link: [NCPDP-Emergency-Preparedness-Guidance-COVID-19-Vaccines.pdf](https://www.ncpdp.org/~/media/Files/2020/07/NCPDP-Emergency-Preparedness-Guidance-COVID-19-Vaccines.pdf)

o For Medical Billing on a CMS-1500 claim form, use the HCPCS COVID-19 vaccine administration procedure code. Reimbursement will be made at the fee schedule rate.

o For POS Pharmacy Billing: This would be billed in a similar way as other vaccine administration.

COVID-19 vaccine must be billed with \$0.01 (one cent) and the following fields need to be filled in:

<u>Field#</u>	<u>NCPDP Field Name</u>	<u>Value</u>
438-E3	Incentive Amount Submitted	Reimbursement based on Medicare methodology
440-E5	Professional Service Code	MA = Medication Administration

- Providers submitting claims for COVID-19 vaccine paid for by the federal government through funding authorized by the Coronavirus Aid, Relief and Economic Security (CARES) act, or paid for by any program supplying Provider with no associated cost (zero cost) COVID-19 vaccine, shall submit claims with either \$0.01 in the Ingredient Cost Submitted field (NCPDP field 409-D9) or the combination of \$0.00 in the Ingredient Cost Submitted field (NCPDP field 409-D9) and a value of “15” in the Basis of Cost Determination field (NCPDP field 423-DN).
 - When submitting administration claims for a COVID-19 vaccine that requires multiple doses, pharmacies must submit the following information to indicate whether they are submitting an initial/restarter dose or the final dose in the regimen.
 - Field #
 - 420-DK [Submission Clarification Code] Value = 02 (for Initial/Restarter Dose)
 - 420-DK [Submission Clarification Code] Value = 06 (for Final Dose)
- Contact the applicable MCO for any needed claim assistance

III. COVID-19 Vaccine Administration Reimbursement:

HSD will follow all Medicare payment guidance and rates for COVID-19 vaccines and vaccine administration including the changes outlined below. Going forward, HSD will not issue additional LODs outlining any changes to the Medicare rate but instead will point MCOs to the link below which will contain the most current CMS guidance, codes, and rates for COVID-19 vaccines and vaccine administration.

For COVID-19 vaccine administration services furnished before March 15, 2021, the Medicare payment rate for a single-dose vaccine or for the final dose in a series was \$28.39. For a COVID-19 vaccine requiring a series of two or more doses, the payment rate was \$16.94 for the initial dose(s) in the series and \$28.39 for the final dose in the series.

On March 15, 2021, CMS updated the Medicare payment rates for COVID-19 vaccine administration. Effective for services furnished on or after March 15, 2021, the new Medicare payment rate for administering a COVID-19 vaccine is approximately \$40 to administer each dose of a COVID-19 vaccine. This means that starting on March 15, 2021, for single dose COVID-19 vaccines, Medicare pays approximately \$40 for its administration. Starting on March 15, 2021, for COVID-19 vaccines requiring multiple doses, Medicare pays approximately \$40 for each dose in the series. All providers will receive reimbursement for each administration of the COVID-19 vaccine, whether billed at the Medicare rate, encounter rate, or OMB rate.

The Medicare rates recognize the costs involved in administering the vaccine, including the additional resources involved with required public health reporting, conducting important outreach and patient education, and spending additional time with patients answering any questions they may have about the vaccine. Please see the most current CMS guidance, codes, and rates at <https://www.cms.gov/medicare/covid-19/medicare-covid-19-vaccine-shot-payment>

Any claims for COVID-19 vaccine administration reimbursed at rates other than those outlined above will be reprocessed by the MCOs and paid to reflect the updated Medicare rates. MCOs are encouraged to implement changes associated with these instructions, including systems changes, expeditiously and no later than 120 calendar days of issuance of this LOD. Beginning on the second Friday following the issuance of this LOD, the MCOs will provide weekly updates to HSD on the status of the claims reprocessing until directed by HSD to cease reporting.

MCOs should be paying claims at these rates immediately and reprocessing claims as described above. However, HSD is still pending federal approval of the reimbursement methodology and will begin reimbursing the MCOs once federal approval is obtained.

IV. Provider agreements:

In order to receive free supplies of the COVID-19 vaccine(s), pharmacies, retail clinics and providers planning on administering COVID-19 vaccines must sign an agreement with the U.S. government and adhere to storage and recordkeeping requirements, including recording the administration of the vaccine to patients in their systems within 24 hours, and to public health data systems as soon as practical and within 72 hours. COVID-19 vaccines are covered regardless of whether the vaccine is delivered by an in-network or out-of-network provider. Please follow direction given in Special COVID-19 LOD#3 for this directive. Providers will need to request access to the New Mexico Department of Health (NM DOH) Vaccine Provider Portal to meet the CMS requirements.

Information and access to the NM DOH Vaccine Provider Portal can be located at: <https://cv.nmhealth.org/providers/vaccines/> and <https://cv.nmhealth.org/providers/vaccines/vaccine-provider-portal>

Please see the link below for CDC requirements:

https://www.cdc.gov/vaccines/imz-managers/downloads/COVID-19-Vaccination-Program-Interim_Playbook.pdf.

V. Operational and Reporting Requirements

This COVID-19 vaccine and vaccine administration reimbursement will be operationalized as a non-risk arrangement. HSD will make separate payments to each MCO based on the applicable utilization for COVID-19 vaccine and vaccine administration as reported by the MCOs.

HSD will make a payment to each MCO on a quarterly basis. The amount of the quarterly payment for each MCO will be based on the distribution of claims. For example, in April 2021 MAD will evaluate utilization by MCO for the period between January 1, 2021 to March 31, 2021 and use that as a basis to distribute the quarterly payment funds to the MCO. HSD recognizes that the data will not be 100% for any period. For each quarter HSD will evaluate the claims data to determine the quarterly distribution and update the payment for each MCO.

These non-risk payments made from HSD to the MCOs will be excluded from the MCO's Medical Loss Ratio and Underwriting Gain calculations outlined in the CC 2.0 Contract Amendment #2 (Section 7.2). HSD directs each CC 2.0 MCO to report the non-risk payment revenue and the medical expenses

associated with the vaccine and the vaccine administration in the “Analysis” worksheet in the applicable program financial reporting package by cohort for each quarter.

VI. Reporting of COVID-19 vaccine and vaccine administration reimbursement

The MCOs are required to submit utilization and paid amounts by provider group, rate cohort and month in which the service occurred for each month and as prescribed below. The CC 2.0 MCO is required to submit utilization and paid amounts as prescribed in table 1. This data will be refreshed quarterly and will be the source for quarterly payment amounts. Data is due each quarter. MCOs must submit the data via the DMZ no later than ten (10) business days after the last business day of the prior quarter.

Acceptable File Formats:

- Delimited text file (*.txt or *.csv)
- Microsoft Access (*.accdb)

Requirements:

- Table 1 illustrates the data required and information about how the field should be formatted and Table 2 provides an example of the data output.
- The report should include incurred and paid claims with dates of service within the specified period.
- Denied or voided claims should be excluded.
- Rate cohort assignment must be based on the cohort assignment for the member as of the incurred date of the claim.

Table 1. Medical Data File Fields

Field Name	Field Information	Format
Date of Service	The date of service must be formatted as 4-character year, 2-character month and 2-character day. “YYYYMMDD”	Text
Billing Provider NPI	1234567890	Text
Vaccine Procedure Code	The procedure code for the vaccine that was administered (e.g. 91300)	Text
Vaccine Administration Code	The procedure code for the administration of the vaccine (e.g. 0001A)	Text
Rate Cohort	<p>This should be the rate cohort assigned by MAD to the member for the month the service was incurred. If a member cohort is changed retroactively by MAD the report should reflect the cohort assigned as of the date of the report.</p> <p>Acceptable values align with Financial Reporting Package Rate Cohorts: 001, 002, 003, 004, 005, 006, 007, 008, 009, 010, 011, 012, 300A, 300B, 300C, 301, 302A, 302B, 302C, 303, 304, 310, 312, 320, 322, 110, 111, 112, 114, 115, 116, 117, 118, 119, 120, 121, 122 (113 does not exist)</p>	Text
Units	The claim count associated with the vaccine administered	Number
Paid Amount	Amount paid by the MCO	Number

Table 2 – Medical Data File Example

Date of Service	Billing Provider NPI	Vaccine Procedure Code	Vaccine Administration Code	Rate Cohort	Units	Paid Amount
20210401	1234567890	91300	0001A	002	46	\$779.24
20210401	1234567890	91300	0002A	003	92	\$2,725.44
20210401	1234567890	91301	0011A	009	81	\$1,372.14

Table 3. Pharmacy Data File Fields

Field Name	Field Information	Format
Date of Service	The date of service must be formatted as 4-character year, 2-character month and 2-character day. “YYYYMMDD”	Text
Billing Provider NPI	1234567890	Text
Labeler Product ID (NDC)	National Drug Code (NDC) using NDC10 or NDC11 12345-6789-0 12345-6789-01	Text
Submission Clarification Code (SCC)	SCC Value = 02 (for Initial/Restarter Dose) SCC Value = 06 (for Final Dose)	Text
Rate Cohort	This should be the rate cohort assigned by MAD to the member for the month the service was incurred. If a member cohort is changed retroactively by MAD the report should reflect the cohort assigned as of the date of the report. Acceptable values align with Financial Reporting Package Rate Cohorts: 001, 002, 003, 004, 005, 006, 007, 008, 009, 010, 011, 012, 300A, 300B, 300C, 301, 302A, 302B, 302C, 303, 304, 310, 312, 320, 322, 110, 111, 112, 114, 115, 116, 117, 118, 119, 120, 121, 122 (113 does not exist)	Text
Units	The claim count associated with the vaccine administered	Number
Incentive Amount Submitted (i.e. Vaccine Administration Fee)	Amount paid by the MCO only for the cost of the vaccine administration fee. Please make sure that no costs are included for the \$0.01 Ingredient Cost Submitted.	Number

Table 4. - Pharmacy Data File Example

Date of Service	Billing Provider NPI	NDC	SCC	Rate Cohort	Units	Incentive Amount Submitted
20210401	1234567890	59267-1000-01	02	002	1	\$40.00

HSD values its continued collaboration and partnership with the MCOs to help assure the health and safety of Medicaid members and our fellow New Mexicans. HSD directs the MCOs to implement these directives as quickly as possible, but no later than 120 days from issuance of this LOD. Further direction will be provided as guidance and authorities become available.

This COVID-19 Letter of Direction will sunset upon inclusion in the Medicaid Managed Care Services Agreement.