December 21, 2001

Thomas Scully, Administrator
Centers for Medicare and Medicaid Services
Department of Health and Human Services
Hubert H. Humphries Building
200 Independence Avenue, SW
Washington, DC 20201

Dear Mr. Scully:

The undersigned organizations urge the Centers for Medicare and Medicaid Services (CMS) to review the payment policy for the administration of immunizations. Below we have outlined payment policy adjustments that are needed to more accurately value immunization administrations, as well as changes that are needed to simplify CMS coding requirements for these services.

Payment Policy

We are pleased that CMS has activated immunization administration CPT codes 90471 and 90472 in the 2002 Medicare Physician Fee Schedule. However, as has happened on several prior occasions, CMS overruled the AMA/Specialty Society Relative Value Update Committee (RUC) on the question of whether or not a particular service contained physician work. The values it has assigned for this service are therefore inaccurate and inadequate and should be revised.

The RUC made physician work and practice expense value recommendations to HCFA in May 1999, and reaffirmed in February 2001, that these values should be placed in the Medicare Physician Fee Schedule. The RUC's recommended work values were rejected by CMS, which in the November 1, 2001 *Federal Register*, stated the following about 90471 and 90472:

> These services are analogous to CPT 90782 which has no physician work RVUs. They are services performed by a nurse and have no physician work. If the physician performs any counseling related to this service, it is considered part of the work of the preventive medicine visit during which the immunization was administered. If the vaccine is administered during a visit other than a preventive medicine service, any physician counseling should be billed separately as an E/M service. For these reasons we are not assigning work RVUs to these codes.

The CMS statement that 90782 is analogous to 90471 is simply not true. The RUC has not surveyed the work component of 90782, so it is inappropriate to say that 90471 has the same value as a code that has never been fully reviewed. The RUC has concluded that the work involved in immunization administration is comparable to the work involved in 99211, which has a 0.17 work value. In February 2001, the RUC reaffirmed its May 1999 decision on this issue and recommended a 0.17 work value for 90471 and 0.15 for 90472. Utilizing the RUC approved values for CPT codes 90471 and 90472 will ensure vaccine administration services are appropriately valued relative to other services. Therefore, we urge CMS to review this

methodology, make the correct adjustments, and accurately reimburse immunization administrations.

The Department of Health and Human Services (DHHS) Workgroup on Adult Immunization developed an Action Plan outlining five goals the United States should accomplish to improve immunization rates. The third goal of the DHHS Action Plan is to *Expand financing mechanisms to support the increased delivery of vaccines to adults* because inadequate reimbursement rates have been identified as one of the top barriers toward increasing immunization rates in this country. CMS is the lead government agency for this portion of the DHHS plan and is expected to: "Provide adequate reimbursement to providers for the cost of vaccine and vaccine administration by all publicly funded and private health insurance programs." For years physicians and other health care providers have reluctantly accepted payment for immunization services below the actual expenses incurred. Many providers are frustrated with reimbursement rates that do not cover the costs to provide these services and are referring their patients to other sources to receive immunizations. As the lead government agency on this issue, CMS has a responsibility to reverse this trend and properly reimburse these services.

CMS must also acknowledge that Medicaid and private payers are increasingly utilizing the RBRVS physician fee schedule as a basis for setting payment rates. The values that CMS arbitrarily created for immunization administrations will likely be mirrored by Medicaid and other private insurance companies. CMS has a responsibility to all Americans to appropriately value immunization administrations and eliminate one of the barriers that is impeding the utilization of these necessary, yet cost efficient services.

<u>Coding Policy</u>

The undersigned organizations also believe that CMS should clarify their intent for activating 90471 and 90472. It is unclear whether providers should use CPT 90471 and 90472 instead of G0008, G0009, or G0010 to document immunization administrations beginning January 1, 2002.

We recommend that CMS require providers to use CPT codes 90471 and 90472 for all immunization administrations. These codes were specifically created to describe these services and will simplify the coding requirements placed on providers. The majority of private insurance plans currently require providers to bill for these services by using the codes 90471 and 90472. Medicare's requirement to use G codes for vaccine administrations is an unnecessary administrative hassle to providers that should be revised.

The elimination of G codes should not raise epidemiological concerns. The CPT codes for a vaccine administered as well as the diagnosis code are documentation requirements that accompany a vaccine administration code. Tracking the Medicare utilization of influenza, pneumococcal and hepatitis B vaccinations would therefore be feasible using vaccine or diagnosis codes. (For example, CPT 90658 or ICD-9 code V04.8 could be used to track influenza vaccine utilization rates.)

Thank you for taking the time to review this important issue. If you have questions, please contact Scott Jauch at the American College of Physicians – American Society of Internal Medicine (202-261-4539 or sjauch@mail.acponline.org).

Sincerely,

American Academy of Facial Plastic and Reconstructive Surgery
American Academy of Family Physicians
American Academy of Otolaryngology - Head and Neck Surgery
American Academy of Pediatrics
American College of Cardiology
American College of Chest Physicians
American College of Obstetricians and Gynecologists
American College of Physicians - American Society of Internal Medicine
American Gastroenterological Association
American Geriatrics Society
American Medical Association
American Osteopathic Association
American Society of Plastic Surgeons
American Thoracic Society
Medical Group Management Association
National Association for Medical Direction of Respiratory Care
National Medical Association

Cc: Tom Grissom, Terry Kay