

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-04 Medicare Claims Processing</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 13055</b>	<b>Date: January 16, 2025</b>
	<b>Change Request 13923</b>

**SUBJECT: Payment for Part B Preventive Vaccines and Their Administration on the Claim for Rural Health Clinics (RHCs) and Federally Qualified Health Centers (FQHCs)**

**I. SUMMARY OF CHANGES:** The purpose of this Change Request (CR) is to implement claim-based payments for Part B Preventive Vaccines and their Administration for RHCs and FQHCs, effective for dates of service on or after July 1, 2025.

**EFFECTIVE DATE: July 1, 2025**

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

**IMPLEMENTATION DATE: July 7, 2025**

*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.*

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
R	18/table of contents
R	18/10/10.2/Billing Requirements
R	18/10/10.2/10.2.2.1/Payment for Pneumococcal Pneumonia Virus, Influenza Virus, Hepatitis B Virus and COVID-19 Vaccines and Their Administration on Institutional Claims
R	18/10/10.2/10.2.2.2/Special Instructions for Rural Health Clinics/Federally Qualified Health Center (RHCs/FQHCs)

**III. FUNDING:**

**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 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.

**IV. ATTACHMENTS:**

**Business Requirements  
Manual Instruction**

# Attachment - Business Requirements

Pub. 100-04	Transmittal: 13055	Date: January 16, 2025	Change Request: 13923
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**I. SUMMARY OF CHANGES:** The purpose of this Change Request (CR) is to implement claim-based payments for Part B Preventive Vaccines and their Administration for RHCs and FQHCs, effective for dates of service on or after July 1, 2025.

## II. GENERAL INFORMATION

**A. Background:** Section 1833(a)(3)(A) of the Act specifies that services described in section 1861(s)(10)(A) – pneumococcal, influenza and COVID-19 vaccines and their administration – are exempt from the RHC and FQHC payment limit of 80 percent of reasonable costs. Therefore, payment for pneumococcal, influenza and COVID-19 vaccines and their administration in RHCs and FQHCs is governed by the statute at section 1833(a)(1)(B) of the Act, which requires payment at 100 percent of reasonable cost. For RHCs, this means that costs associated with these vaccines and their administration are not included in determining the All-Inclusive Rate (AIR) and that such vaccines and their administration are not subject to the payment limit. For FQHCs, these costs are not included under the FQHC PPS.

Effective January 1, 2025, hepatitis B vaccines are paid like pneumococcal, influenza and COVID-19 vaccines in RHCs and FQHCs.

**B. Policy:** Effective for dates of service on or after July 1, 2025, RHCs and FQHCs can bill for all four types of Part B preventive vaccines – pneumococcal, influenza, hepatitis B, and COVID-19 vaccines and their administration – at the time of service. RHCs and FQHCs can bill Healthcare Common Procedure Coding System (HCPCS) code M0201 for an in-home additional payment for Part B preventive vaccine administration, provided that a home visit meets all the requirements of both part 405, subpart X, for RHCs and FQHCs services provided in the home, and § 410.152(h)(3)(iii) for the in-home additional payment for Part B preventive vaccine administration.

Payments for these services received at the time they are furnished in RHCs and FQHCs will need to be annually reconciled with the facilities' actual vaccine and vaccine administration costs, including any in-home additional costs, on their cost reports.

The claims will be paid like other Part B vaccine and vaccine administration claims: vaccine products will be paid at 95 percent of their Average Wholesale Price (AWP), and vaccine administration will be paid according to the National Fee Schedule for Medicare Part B Vaccine Administration. The Part B vaccine administration fee schedule includes locality-adjusted payment rate files for HCPCS codes G0008, G0009, G0010, 90480, and M0201 with the annual update applied for calendar year 2025. The files can be found on the CMS Vaccine Pricing website at <https://www.cms.gov/medicare/payment/all-fee-service-providers/medicare-part-b-drug-average-sales-price/vaccine-pricing>. Payment rate files for influenza, pneumococcal and hepatitis B vaccine administration can be found under the “Seasonal Flu Vaccine” tab,

and payment rate files for COVID-19 vaccines can be found under the “COVID-19 Vaccines & Monoclonal Antibodies” tab.

### III. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
13923.1	The Medicare Contractors shall prepare their systems to identify payable Part B preventive vaccines and their administration on RHC claims (71X bill type) and FQHC claims (77X bill type), effective for dates of service on or after July 1, 2025.	X				X			X	FQHC Pricer, IOCE, PS&R
13923.2	The Medicare Contractor shall modify existing claim edits and reason codes to allow separate billing of Part B preventive vaccines and their administration on RHC and FQHC claims, and shall no longer require a visit/encounter or qualifying visit code to be reported on the same day, effective for dates of service on or after July 1, 2025.					X				
13923.3	The Medicare Contractor shall modify the Roster Bill process to allow entry of 77X bill type, effective for dates of service on or after July 1, 2025.  <b>Note:</b> Currently the Roster Bill process allows entry of 71X bill type.					X				
13923.3.1	The Medicare Contractor shall modify existing edits and reason codes to allow RHCs and FQHCs to enter Roster Billing services for Part B preventive vaccines and their administration, effective for dates of service					X				

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	on or after July 1, 2025.									
13923.4	<p>The Medicare Contractor shall make a separate payment at the lesser of 95% of the Average Wholesale Price (AWP), as displayed on the Medicare quarterly Average Sales Price (ASP) files, or the submitted charges, for service lines reporting Part B preventive vaccine products, when reported on bill types 71X and 77X, effective for dates of service on or after July 1, 2025.</p> <p><b>Note:</b> A visit/encounter or qualifying visit code is not required to be billed for these services.</p>					X				
13923.5	<p>The Medicare Contractor shall make a separate payment based on the lesser of the Medicare Physician Fee Schedule (MPFS) rates or the submitted charges, for service lines reporting Part B preventive vaccine administrations, including in-home preventive vaccine administration HCPCS code M0201, when reported on bill types 71X and 77X, effective for dates of service on or after July 1, 2025.</p> <p><b>Note:</b> A visit/encounter or qualifying visit code is not required to be billed for these services.</p>					X				
13923.6	<p>The Medicare Contractor shall make the separate payment for Part B preventive vaccine products and their administration, when reported on bill type 71X, with or without the</p>					X				

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	CG modifier present on the service line, effective for dates of service on or after July 1, 2025.  <b>Note:</b> A visit/encounter is not required to be billed for these services.									
13923.7	The Medicare Contractor shall not apply beneficiary cost sharing to service lines reporting Part B preventive vaccine products and their administration.					X				
13923.8	The Integrated Outpatient Code Editor (IOCE) shall allow for separate payment of Part B preventive services and their administration on RHC and FQHC claims, for dates of service on or after July 1, 2025. The Fiscal Intermediary Shared System (FISS) shall receive and send the output payment indicator to the FQHC Pricer.  <b>Note:</b> A FQHC payment code and qualifying visit code are not required. IOCE specifications for the output indicator shall be included in a future quarterly recurring CR.					X			FQHC Pricer, IOCE	
13923.9	The Medicare Contractor shall no longer assign reason code 32416 on RHC and FQHC claims when Part B preventive vaccines and their administration are reported, for dates of service on or after July 1, 2025.					X				

Number	Requirement	Responsibility									
		A/B MAC			DME MAC	Shared-System Maintainers				Other	
		A	B	HHH		FISS	MCS	VMS	CWF		
13923.10	The Medicare Contractor shall no longer package service lines reporting Part B preventive vaccines and their administration, when reported on the same day as a visit/encounter or qualifying visit code on bill types 71X or 77X, effective for dates of service on or after July 1, 2025.					X				IOCE	
13923.11	<p>The Medicare Contractor shall accept the following Part B preventive vaccines and their administration on RHC (bill type 71X) and FQHC (bill type 77X) outpatient claims, effective for dates of service on or after July 1, 2025:</p> <ul style="list-style-type: none"> <li>• Flu vaccines and administration.</li> <li>• Pneumococcal vaccines and administration.</li> <li>• COVID-19 vaccines and administration.</li> <li>• Hepatitis vaccines and administration.</li> <li>• In-home vaccine administration code M0201.</li> </ul>								X		
13923.11.1	The Medicare Contractor shall apply existing logic and editing processes for Part B preventive vaccines and their administration to RHC and FQHC outpatient claims.									X	
13923.11.2	The Medicare Contractor shall pass the Part B preventive vaccine codes to the downstream systems for outpatient bill types 71X and 77X.									X	HETS, MBD, NGD

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
13923.12	Medicare Contractors shall be aware of the Internet Only Manual (IOM) updates regarding billing and payment of Part B preventive vaccines and their administration, effective for dates of service on or after July 1, 2025. See Publication 100-04, Chapter 18, Sections 10.2, 10.2.2.1, and 10.2.2.2.	X								

**IV. PROVIDER EDUCATION**

Medicare Learning Network® (MLN): CMS will develop and release national provider education content and market it through the MLN Connects® newsletter shortly after we issue the CR. MACs shall link to relevant information on your website and follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 for distributing the newsletter to providers. When you follow this manual section, you don't need to separately track and report MLN content releases. You may supplement with your local educational content after we release the newsletter.

**Impacted Contractors:** A/B MAC Part A

**V. 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:
11.2	The Medicare Contractor shall review all edits impacted by these changes, which include but are not limited to the following provided for example: 68xx series, 7080, and 7252.
2	The Medicare Contractor shall review all reason codes impacted by these changes, which include but are not limited to the following provided for example: 1A008, 31492, 32114, and 39910.
3.1	The Medicare Contractor shall review all reason codes impacted by these changes, which include but are not limited to the following provided for example: 19903, 31577, 32200, 32265, and 32266.

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



## **VI. CONTACTS**

**Post-Implementation Contact(s):** Contact your Contracting Officer's Representative (COR).

## **VII. FUNDING**

### **Section A: For Medicare Administrative Contractors (MACs):**

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**ATTACHMENTS: 0**

# **Medicare Claims Processing Manual**

## **Chapter 18 - Preventive and Screening Services**

**Table of Contents**  
*(Rev. 13055; Issued: 01-16-25)*

### **Transmittals for Chapter 18**

*10.2.2.2 - Special Instructions for Rural Health Clinics/Federally Qualified Health Center (RHCs/FQHCs)*

## **10.2 - Billing Requirements**

*(Rev. 13055; Issued: 01-16-25; Effective: 07-01-25; Implementation: 07-07-25)*

### **A. Edits Not Applicable to Claims for Pneumococcal, Influenza, Hepatitis B or COVID-19 Vaccines and Administration**

The Common Working File (CWF) and shared systems bypass all Medicare Secondary Payer (MSP) utilization edits in CWF on all claims when the only service provided is pneumococcal, influenza, hepatitis B or COVID-19 vaccine and/or their administration. This waiver does not apply when other services, (e.g., office visits), are billed on the same claim as pneumococcal, influenza, hepatitis B or COVID-19 vaccinations. If the provider knows, or has reason to believe that a particular group health plan covers preventive vaccines and their administration, and all other MSP requirements for the Medicare beneficiary are met, the primary payer must be billed.

First claim development alerts from CWF are not generated for pneumococcal, influenza, hepatitis B or COVID-19 vaccine. However, first claim development is performed if other services are submitted along with pneumococcal, influenza, hepatitis B or COVID-19 vaccines.

See Pub. 100-05, Medicare Secondary Payer Manual, chapters 4 and 5, for responsibilities for MSP development where applicable.

### **B Institutional Claims**

Chapter 25 of this manual provides general billing instructions that must be followed for institutional claims.

The following “providers of services” may administer and submit institutional claims to the A/B MACs (A) for these vaccines:

Hospitals;

Critical Access Hospitals (CAHs);

Skilled Nursing Facilities (SNFs);

Home Health Agencies (HHAs);

Hospices;

Comprehensive Outpatient Rehabilitation Facilities (CORFs);

Indian Health Service (IHS)/Tribally owned and/or operated hospitals and hospital-based facilities; *and*

*Rural Health Clinics (RHCs) and Federally Qualified Health Centers (FQHCs), effective for dates of service on or after July 1, 2025.*

Other billing entities that may submit institutional claims are:

Independent Renal Dialysis Facilities (RDFs).

*Effective for dates of service on or after July 1, 2025, RHCs and FQHCs may submit institutional claims for pneumococcal, influenza, hepatitis B and COVID-19 vaccinations, with or without a visit/encounter or qualifying visit on the same day.* (See §10.2.2.2 of this chapter for special instructions for independent RHCs and freestanding FQHCs.)

Institutional providers should bill for the vaccines and their administration on the same bill. Separate bills for vaccines and their administration are not required. The only exceptions to this rule occur when the vaccine is administered during the course of an otherwise covered home health visit since the vaccine, or its administration is not included in the visit charge. (See §10.2.3 of this chapter).

## **C Professional Claims**

### Billing for Additional Services

If a physician sees a beneficiary for the sole purpose of administering a Medicare covered preventive vaccine, they may not routinely bill for an office visit. However, if the beneficiary actually receives other services constituting an “office visit” level of service, the physician may bill for a visit in addition to the vaccines and their administration, and Medicare will pay for the visit in addition to the vaccines and their administration if it is reasonable and medically necessary.

### Nonparticipating Physicians and Suppliers

Nonparticipating physicians and suppliers (including local health facilities) that do not accept assignment may collect payment from the beneficiary for the administration of the vaccines, but must submit an unassigned claim on the beneficiary’s behalf. Effective for claims with dates of service on or after February 1, 2001, per §114 of the Benefits Improvement and Protection Act of 2000, all drugs and biologicals must be paid based on mandatory assignment. Therefore, regardless of whether the physician and supplier usually accept assignment, they must accept assignment for the vaccines, may not collect any fee up front, and must submit the claim for the beneficiary.

Entities, such as local health facilities, that have never submitted Medicare claims must obtain a National Provider Identifier (NPI) for Part B billing purposes.

## Separate Claims for Vaccines and Their Administration

In situations in which the vaccine and the administration are furnished by two different entities, the entities should submit separate claims. For example, a supplier (e.g., a pharmacist) may bill separately for the vaccine, using the Healthcare Common Procedure Coding System (HCPCS) code for the vaccine, and the physician or supplier (e.g., a drugstore) who actually administers the vaccine may bill separately for the administration, using the HCPCS code for the administration. This procedure results in contractors receiving two claims, one for the vaccine and one for its administration.

For example, when billing for influenza virus vaccine administration only, billers should list only HCPCS code G0008 in block 24D of the Form CMS-1500. When billing for the influenza virus vaccine only, billers should list only HCPCS code 90658 in block 24D of the Form CMS-1500. The same applies for the other Medicare covered preventive vaccinations.

In situations such as a public health emergency when vaccines are supplied at no charge to providers, entities shall submit claims for the administration of the vaccine only. For example, a provider or supplier may only submit a claim for the HCPCS code for the administration of the vaccine. If the billing systems providers and suppliers use will not allow submission of only the vaccine or only the administration, \$.01 should be submitted as the charge for the service that was not provided.

The contractor shall deny claims for vaccine reimbursement costs when the vaccine has been provided at no charge to providers and suppliers.

### **10.2.2.1 - Payment for Pneumococcal Pneumonia Virus, Influenza Virus, Hepatitis B Virus and COVID-19 Vaccines and Their Administration on Institutional Claims** *(Rev. 13055; Issued: 01-16-25; Effective: 07-01-25; Implementation: 07-07-25)*

#### **Payment for Vaccines**

**Payment for these vaccines is as follows:**

Facility	Type of Bill	Payment
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Hospitals, other than Indian Health Service (IHS) Hospitals, IHS CAHs, and Critical Access Hospitals (CAHs)	012x, 013x	Reasonable cost
IHS Hospitals	012x, 013x	95% of the AWP
IHS CAHs	012x, 085x	95% of the AWP
CAHs Method I and Method II  (other than professional revenue codes)	012x, 085x	Reasonable cost
Skilled Nursing Facilities	022x, 023x	Reasonable cost
Home Health Agencies	034x	Reasonable cost
Hospices	081x, 082x	95% of the AWP
Comprehensive Outpatient Rehabilitation Facilities	075x	95% of the AWP
Independent Renal Dialysis Facilities (RDFs)	072x	95% of the AWP
Hospital-based Renal Dialysis Facilities (RDFs)	072x	Reasonable cost
<i>Rural Health Clinics (RHCs)</i>	<i>71x</i>	<i>95% of the AWP (effective for dates of service on or after July 1, 2025)</i>
<i>Federally Qualified Health Centers (FQHCs)</i>	<i>77x</i>	<i>95% of the AWP (effective for dates of service on or after July 1, 2025)</i>

**Payment for Vaccine Administration**

**Payment for the administration of pneumococcal, influenza, hepatitis B and COVID-19 vaccines is as follows:**

<b>Facility</b>	<b>Type of Bill</b>	<b>Payment</b>
Hospitals, other than IHS Hospitals, IHS CAHs, and CAHs	012x, 013x	Outpatient Prospective Payment System (OPPS) for hospitals subject to OPPS Reasonable cost for hospitals not subject to OPPS
IHS Hospitals	012x, 013x	MPFS
IHS CAHs	012x, 085x	MPFS
CAHs Method I and Method II (other than professional revenue codes)	012x, 085x	Reasonable cost
CAHs Method II (Professional Revenue Codes 096x, 097x, 098x)	085x	MPFS
Skilled Nursing Facilities	022x, 023x	MPFS
Home Health Agencies	034x	OPPS
Hospices	081x, 082x	MPFS
Comprehensive Outpatient Rehabilitation Facilities	075x	MPFS
Independent RDFs	072x	MPFS
Hospital-based RDFs	072x	Reasonable cost
<i>Rural Health Clinics (RHCs)</i>	<i>71x</i>	<i>MPFS (effective for dates of service on or after July 1, 2025)</i>
<i>Federally Qualified Health Centers (FQHCs)</i>	<i>77x</i>	<i>MPFS (effective for dates of service on or after July 1, 2025)</i>

***10.2.2.2 - Special Instructions for Rural Health Clinics/Federally Qualified Health Center (RHCs/FQHCs)***  
***(Rev. 13055; Issued: 01-16-25; Effective: 07-01-25; Implementation: 07-07-25)***

*Prior to July 1, 2025, pneumococcal, influenza and COVID-19 vaccines do not count as RHC/FQHC visits. The cost for these vaccines is included in the cost report and a visit is not billed for these services. RHCs do not report vaccines on the claim, TOB 71x. However, for FQHCs, if there was another reason for the visit, the vaccine and the administration code should be reported on the claim, TOB 77x, for informational and data collection purposes only. Coinsurance and deductible do not apply to these vaccines.*

*Prior to July 1, 2025, payment for the hepatitis B vaccine is included in the RHC all-inclusive and FQHC PPS rate. RHCs/FQHCs do not bill for a visit when the only service involved is the administration of the hepatitis B vaccine. However, the charges of the vaccine and its administration can be included in the line item for the otherwise qualifying visit. A visit cannot be billed if vaccine administration is the only service the RHC/FQHC provides.*

*Effective for dates of service on or after July 1, 2025, RHCs (bill type 71x) and FQHCs (bill type 77x), may report all Part B preventive vaccines and their administration – pneumococcal, influenza, hepatitis B and COVID-19 -- on the claim. A visit/encounter is not required for these services; however, if reported on the same day, the vaccines and administrations shall receive a separate payment. Coinsurance and deductible do not apply to these vaccines. Although paid on the claim, RHCs and FQHCs must reconcile the claim payments with actual vaccine costs, and these services are ultimately reimbursed at 100% of reasonable costs through the cost report.*