

An Immunization Safety Net Without Missed Opportunities: Status of the Public Sector Billing Project

National Vaccine Advisory Committee

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A Basic Question

- ❑ Insurance plans pay for immunizations at primary care provider offices**

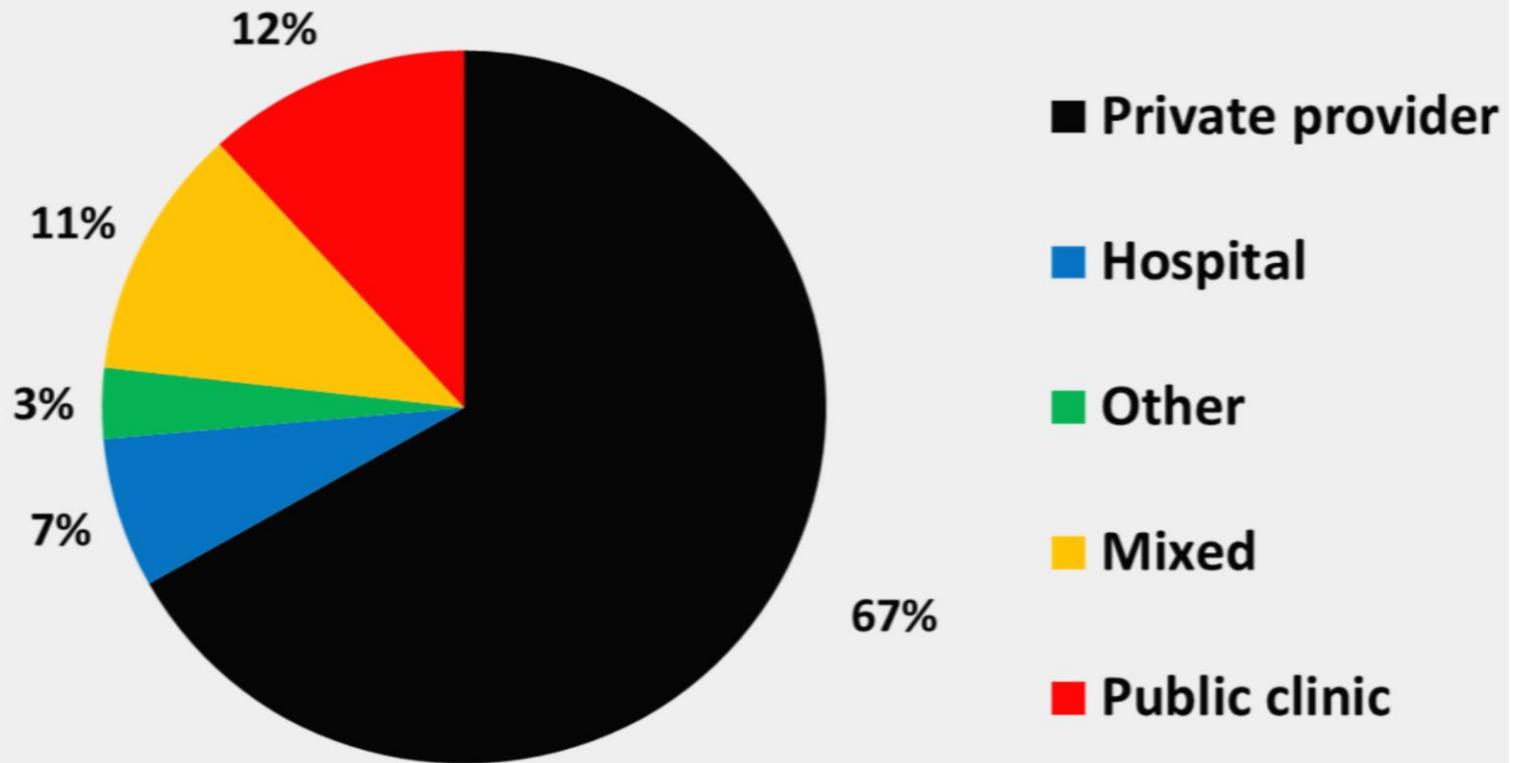
- ❑ Some children or adults will present to the health department for vaccination for many reasons**
 - Provider does not offer specific vaccine
 - Patient does not have provider
 - Inability to pay for office visit

- ❑ Should the insurance plan covering vaccination services be billed for services rendered in health department clinics?**

Rationales for “Yes” Answer

- ❑ Public health should be paid for work performed, just as anyone else should (equity)**
- ❑ Parents and employers pay the health plan for vaccinations, so the vaccine is already paid for; it doesn't make sense for government vaccine to be used (common sense)**
- ❑ Paying for those already covered privately limits what programs can do with their scarce public resources (stewardship)**
- ❑ Opening a revenue stream in health departments will help keep public health clinics viable (preparedness)**

Vaccination Venue, Non-VFC Children 13-17 Years of Age, 2010



Number, cost of vaccines spur budget dilemma

Several states are asking insurers to pay for children they cover and investigating alternate financing strategies.

By [Victoria Stagg Elliott](#), *AMNews* staff. Nov. 5, 2007.

As of Jan. 1, 2008, the North Dakota Dept. of Health will stop struggling to pay for many of the vaccinations for all the state's children and adolescents. The recommended list has gotten too long and too expensive, so officials are now asking insurance companies to pay to immunize the children on their rolls. If it is a covered service, they will be billed.

"When we gathered information on who was receiving vaccines, we discovered that nearly all '317 funds' (a Centers for Disease Control and Prevention immunization grant) were subsidizing insurance companies. That didn't seem to be right," said State Health Officer Terry Dwelle, MD, MPH.

Section 317 Vaccine Purchasing Power Has Decreased Substantially from 2000 to 2010

- ❑ Cost to purchase recommended vaccines for children increased 360%**
- ❑ Section 317 vaccine purchase funding increased 24%**
- ❑ Section 317 vaccine therefore not a viable source of vaccine funding for insured children**

Oregon's Experience: Increased Revenue and Sparing of Section 317 Funding

TABLE 1 ● Funds collected by the Oregon Immunization Program for billable vaccines, 2003–2007

Year	Doses billed	Total amount billed	Total collected	% of 317 saved
2003	16 124	\$357 831	\$328 353	13
2004	15 548	\$392 472	\$346 631	23
2005	19 711	\$588 156	\$580 945	34
2006	25 416	\$854 839	\$814 681	45
2007	28 954	\$1 231 670	\$1 156 826	52
Total	105 753	\$3 424 968	\$3 227 436	33

Billing Third Party Payers for Vaccines: State and Local Health Department Perspectives

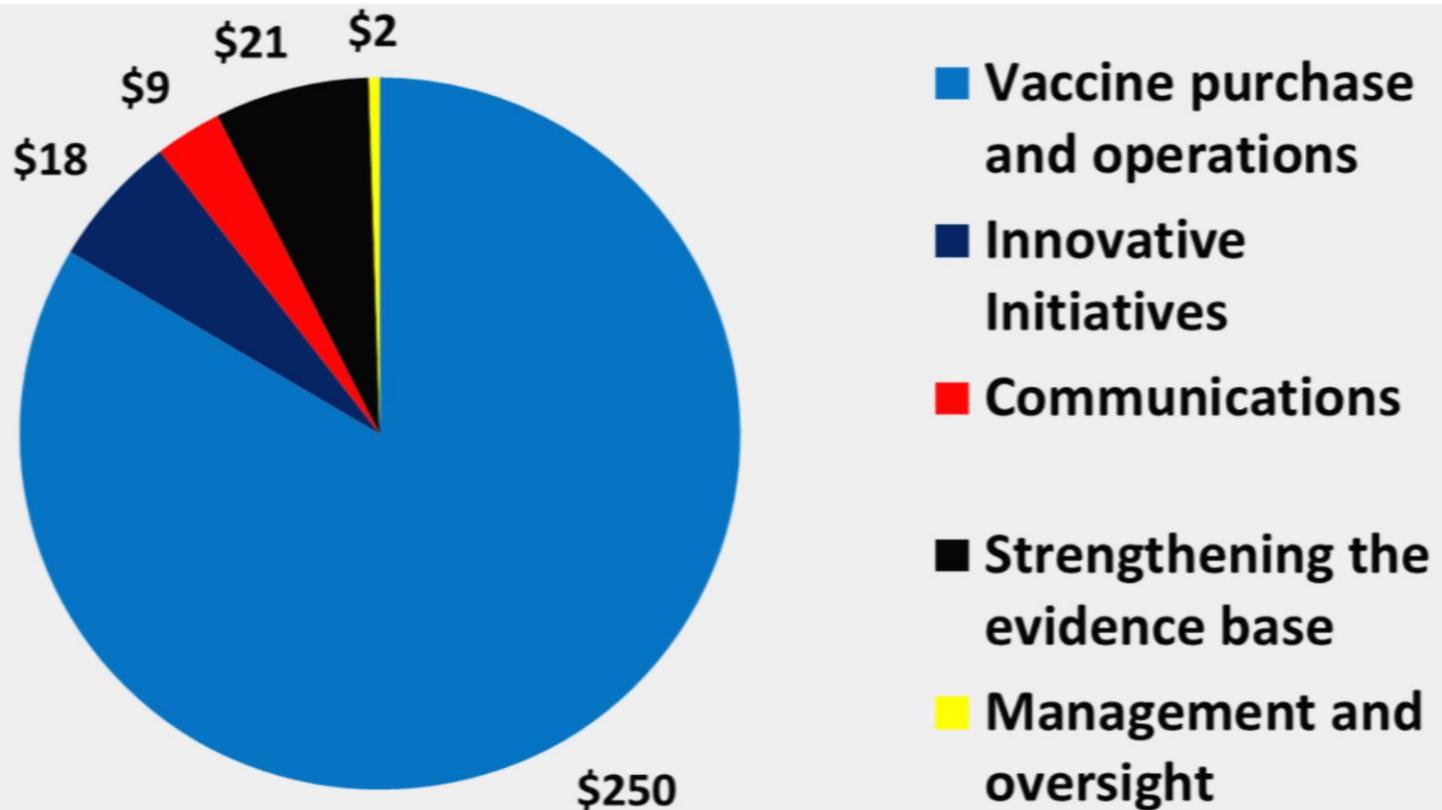
Carlos Quintanilla, Lorraine Duncan, and Lydia Luther

J Public Health Management Practice, 2009, 15(5), E1–E5

NVAC Vaccination Financing Recommendation 22

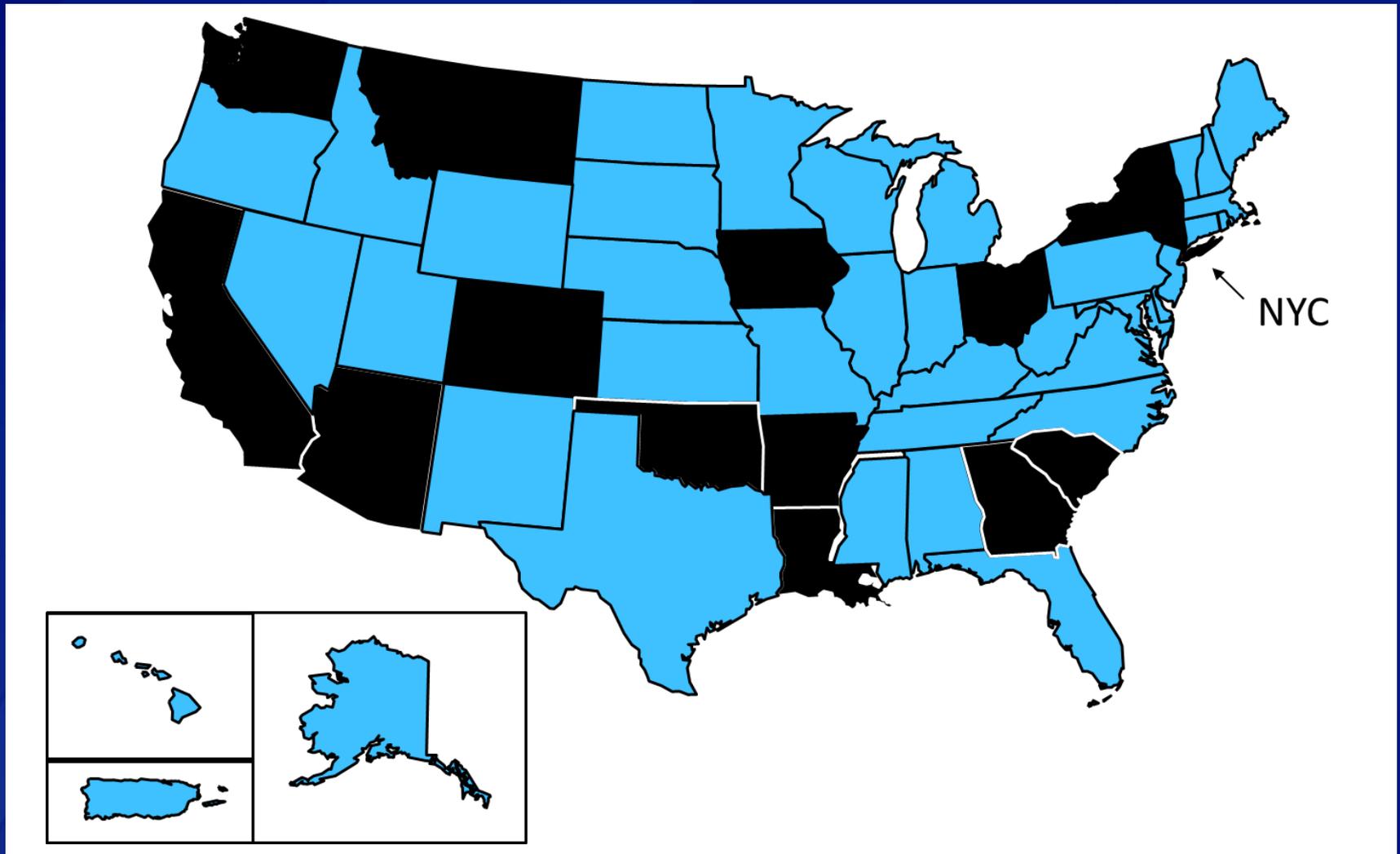
- States and localities should develop mechanisms for billing insured children and adolescents served in the public sector.**
- The CDC should provide support to states and localities by disseminating best practices and providing technical assistance to develop these billing mechanisms (which may require additional resources not currently in the CDC immunization program budget).**
- Furthermore, the NVAC urges states and localities to reinvest reimbursements from public and private payers in immunization programs.**

ARRA-317 Funding; FY2009 and FY2010; Total \$300 million



Shown in \$ millions

14 Grantees Funded Through ARRA-317 Innovative Projects to Improve Reimbursement in Public Health Department Clinics



Project Goals

- ❑ Facilitate strong active support from a network of stakeholders.**
- ❑ Determine what resources and processes will be needed to develop a successful billing program.**
- ❑ Provide analysis of data to determine benefits and potential barriers to the development of a successful billing program.**
- ❑ Develop a program plan that will enable public health clinics to bill private health insurance for immunization services.**
- ❑ Assess the ability for this billing program to operate successfully and potentially become self sustaining.**

Billing Plan

- ❑ **State profile**
- ❑ **Description of stakeholder involvement**
- ❑ **Current capacity to bill for all services**
- ❑ **State regulations that may support or hinder the billing process for immunization.**
- ❑ **Overview of potential barriers or resistance to billing**
- ❑ **Agreements that may be necessary with payers**
- ❑ **Mechanisms to bill private insurance**
- ❑ **Break even analysis**
- ❑ **Public health arguments in support of billing**
- ❑ **Financial arguments in support of billing**
- ❑ **Assessment of readiness to begin billing**
- ❑ **Discussion of needs associated with implementing billing plan**

With all due apologies ...

REC. 22 HAS A CATCH

Challenges for Project Implementation

- ❑ **Becoming an “In Network” provider**
- ❑ **Credentialing**
- ❑ **Purchasing private stock vaccine (seed vaccine)**
- ❑ **Determining health plan eligibility at point of service**
- ❑ **State or local laws or policies in place that may help or hinder implementation**

Billables project meeting at AHIP to address insurance challenges: July, 2011

- ❑ **Sponsors: NVPO, ASTHO, NACCHO, AIM, AHIP, CDC**
- ❑ **Participants: sponsors listed above; CMS; APhA**
- ❑ **Meeting outcomes**
 - Broad support for health department clinics to become network providers
 - Creative ideas to facilitate achieving network status
 - IT solutions for determining eligibility here, with more on horizon
 - Recognition that pharmacists have similar challenges
 - Commitment to use communications venues to share effective practices

Future Activities

- ❑ Final billing program plans are due in December 2011 for current ARRA funded grantees**
- ❑ NACCHO to facilitate the development of tool kits to aid in the development, training, and TA required for billing programs.**
- ❑ Billing stakeholders meeting attached to Immunization Program Managers Meeting in early 2012**

End-State Goals

- ❑ **Full implementation of NVAC recommendation 22**
- ❑ **Public health immunization clinics**
 - Not operating at a loss, but generating revenue
 - Poised to take advantage of new technology
 - Able to avoid missed opportunities to immunize
- ❑ **An effective, wide, safety net that does not turn children away from lifesaving vaccines**

Public Health Impact

The savings from these well-insured persons enabled the OIP to offer vaccines to the following groups:

- Adults at high risk (hepatitis A and B);
- Adolescents and adults (Tdap);
- Public clinic employees and volunteers (influenza, Tdap, hepatitis A and B, MMR, and varicella);
- All children born in Oregon birthing hospitals (hepatitis B vaccine);
- 317-eligible children and adults (influenza vaccine);
- All 317-eligible girls ages 9 through 18 (HPV vaccine);
- 317-eligible infants (rotavirus vaccine); and
- 317-eligible children and adolescents (MCV4 vaccine).

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Billing Success Stories

- Arizona - has completed its pilot in Maricopa County. With 3 full time data entry clerks TAPI (AZ State Immunization Coalition) is able to process 2000 -2500 claims per month on average. The pilot program shows that the impact to the county by additional revenue is justifies the expense and effort in developing a centralized billing program.**

Billing Success Stories Cont'd

- Arkansas Department of Health piloted billing private insurers for flu immunization services delivered beginning Fall 2010. This pilot project generated \$756,918 from the major insurers in the state. Total revenue generated from Medicaid, Medicare and insurers was \$1,661,393. Arkansas has indicated a desire to implement billing across the entire state within the next 6 to 12 months.**

Billing Success Stories Cont'd

- Montana - At onset of the project, 35 of 50 health departments indicated that they were billing in some capacity. The number of health departments that are billing electronically has more than doubled from 13 to around 28+. The reports from the health departments indicate that they receive payment faster and identify issues sooner when billing electronically. They currently have nine health departments piloting electronic billing.**

Billing Success Stories Cont'd

- California - Kern County has been able to realize between \$30,000-\$40,000 additional revenue each month for other services provided as result of implementing a new fee schedule and improving coding of bills and internal processes for accurate billing.**

Conclusions

- ❑ **Billing will contribute to program stewardship**
- ❑ **Virtually no opposition exists to billing insured individuals in public settings**
- ❑ **Logistical challenges do exist, and are being systematically addressed**
- ❑ **The end-state envisioned by NVAC is achievable and is important to achieve**

Acknowledgments

- ❑ **Duane Kilgus**
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The findings and conclusions in this report are those of the authors and do not necessarily represent the official position of the Centers for Disease Control and Prevention.

