Medicare boosts pay for COVID-19 vaccine administration

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What’s the news: President Joe Biden’s administration is nearly doubling the Medicare payment for administration of the COVID-19 vaccine, raising it from $23 to $40, effective immediately.

The move follows significant advocacy by the AMA and the AMA/Specialty Society RVS Update Committee (RUC) with the Biden transition team, Congress and the Centers for Medicare & Medicaid Services (CMS) to increase payment to ensure adequate reimbursement for the administration of these life-saving vaccines for Medicare patients, while ensuring there are no out-of-pocket costs for patients.

On the second day of the administration, the White House called on CMS to review the cost of administering vaccines to evaluate whether a higher rate would more accurately compensate physicians.

The updated Medicare payment rate reflects the additional resources necessary to ensure the vaccine is administered safely and appropriately. The AMA and RUC brought to the administration’s attention the increased expenses to safely administer the vaccines and provide in-person care during the public health emergency. These costs are described by the CPT Editorial Panel with the new CPT code 99072 and are recognized in the new COVID-19 immunization administration payments.

“We want everyone to get vaccinated and our doctors and nurses to get the pay they deserve for their public health efforts,” White House Senior Adviser for COVID Response Andy Slavitt said in announcing the change.

Why it’s important: “The Biden administration acted promptly in updating the Medicare payment rate for COVID-19 vaccine administration,” said AMA President Susan R. Bailey, MD. “The updated rate reflects new information about the costs involved in administering the vaccine for different types of providers and suppliers, and the additional resources necessary to ensure the vaccine is
administered safely and appropriately.”

She noted that the move ensures “no out-of-pocket costs for patients” and that it “will increase the number of clinicians who can administer the vaccine.”

“This has been a trying time for physician practices,” Dr. Bailey said, “and we thank the administration for acknowledging the challenges of practicing medicine during a pandemic.”

**Learn more:** Read the CMS announcement to find out more about the coverage and implications for Medicare Advantage, Medicaid, private plans and patients who are uninsured.

Part of the AMA’s COVID-19 Current Procedure Terminology (CPT™) guidance, the “Find your COVID-19 Vaccine CPT® Codes” resource helps you determine the appropriate CPT code combination for the type and dose of vaccine that you are using. With the rapidly expanding availability of different vaccines coming to market, understanding the appropriate reporting for the vaccine that physicians and qualified health care professionals plan to deliver to patients is critical.

These codes incorporate the specialized tracking needs of the Centers for Disease Control and Prevention (CDC) and CMS by identifying two code groups. One group identifies a specific vaccine product and the other provides a vaccine administration code that is both vaccine- and dose-specific.

Find out what else physicians need to know about CPT codes for the new coronavirus vaccines, and learn more about COVID-19 and vaccine development.