**All MCOs: COVID-19 Vaccine Administration Rate Change Effective April 1**

**Background:**

On March 15, 2021, the Centers for Medicare and Medicaid Services (CMS) released an updated version of the Coverage and Reimbursement of COVID-19 Vaccines, Vaccine Administration, and Cost-Sharing under Medicaid, the Children’s Health Insurance Program, and Basic Health Program Toolkit. The Medicare administration rate is changed to $40 per vaccine administration.

**Key Details:**

Beginning April 1, 2021, HHSC set the fee-for-service (FFS) reimbursement rates to align with Medicare. For all COVID-19 vaccines, the FFS administration reimbursement rate is $40 for each administration. This means if a person is receiving a multi-dose vaccine, the provider should be reimbursed $40 for administration of each dose.

HHSC expects MCOs to modify their pharmacy and medical claims systems to reflect a $40 administration reimbursement for each dose administered. HHSC will continue to cover the administration of the COVID-19 vaccines on a non-risk basis.

**Pharmacy Education**

Pharmacies must continue to follow the COVID-19 vaccine claim submission guidance. Pharmacies submitting claims for the initial dose of a COVID-19 vaccine must use the value “02” (Other Override) in the “Submission Clarification Code” field (42Ø-DK) to indicate the first dose of a multi-dose vaccine. Pharmacies must submit the final dose with a value of “06” (Starter Dose) in field 42Ø-DK. For single-dose vaccines, pharmacies must submit a value of “06” (Starter Dose) in field 42Ø-DK.

**Medical Claims Processing Education**

MCOs are not allowed to increase reimbursement to $40 prior to April 1. MCOs are allowed to implement retrospective payments if needed.

**Action:**

For pharmacy systems, MCOs should confirm that they intend to revise their reimbursement to $40 for claims beginning with dates of service April 1. MCOs should send their decision to HHSC, at VDP-Operations@hhsc.state.tx.us, no later than the close of business on April 2, 2021.

For medical systems, MCOs should confirm that they intend to revise their reimbursement to $40 for claims beginning with dates of services April 1, or if the MCO will update its reimbursement to $40 on April 1 but will need to make retrospective payments following system updates. If the MCO determines a
retrospective payment is needed, the MCO may make an additional payment to the provider and is not required to provide interest. Please respond to your MCCO health plan monitoring team no later than the **close of business on April 2, 2021**. In that correspondence, please provide a date by which the MCO intends to re-process any applicable claims if system updates cannot be completed by the April 1 effective date for the rate change.

**Contact:**

Pharmacy: [VDP-Operations@hhsc.state.tx.us](mailto:VDP-Operations@hhsc.state.tx.us) for pharmacy

Medical: Your MCCO health plan monitoring team

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**MCOs and DMOs Encouraged to Share New DSHS COVID-19 Vaccine Resource with Members and Providers**

**Background:**

DSHS is the lead agency for the COVID-19 vaccine roll-out and is responsible for developing communication to the public about the vaccine. Materials developed by DSHS can be used by MCOs and DMOs as appropriate.

DSHS websites and social media contain the most up to date COVID-19 vaccine roll-out information.

**Key Details:**

DSHS recently launched the Texas Public Health Scheduler to help people sign up for the COVID-19 vaccine through participating public entities across Texas. The website also has a ‘Frequently Asked Questions’ section.

Website: [https://getthevaccine.dshs.texas.gov/s/](https://getthevaccine.dshs.texas.gov/s/)

HHSC encourages MCOs and DMOs to share this new resource with members and providers.

Note that the scheduler will not replace all COVID-19 vaccine registration sites or vaccine locator tools. People should register for a vaccine using the sites and tools that work best for them.

**Additional Information:**

Refer to the MCO notice published on Jan. 11, 2021 titled ‘Approved COVID-19 Communication Materials for Providers and Members’ for additional communication resources.

**Contact:**

[MCO_COVID-19_Inquiries@hhsc.state.tx.us](mailto:MCO_COVID-19_Inquiries@hhsc.state.tx.us)