

## COMMONWEALTH of VIRGINIA

### Office of the Governor

Daniel Carey, MD Secretary of Health and Human Resources

September 2, 2021

Francis McCullough, Associate Regional Administrator Centers for Medicare & Medicaid Services 801 Market Street, Suite 9400 Philadelphia, PA 19107-3134

Dear Mr. McCullough:

Attached for your review and approval is amendment 21-024, entitled "Pharmacy-Administered Vaccines" to the Plan for Medical Assistance for the Commonwealth. I request that your office approve this change as quickly as possible.

Sincerely. Daniel Carey, MD, MHCM

Attachment

cc: Karen Kimsey, Director, Department of Medical Assistance Services

### Transmittal Summary

SPA 21-024

### I. IDENTIFICATION INFORMATION

Title of Amendment: Pharmacy-Administered Vaccines

II. SYNOPSIS

<u>Basis and Authority</u>: The <u>Code of Virginia</u> (1950) as amended, § 32.1-325, grants to the Board of Medical Assistance Services the authority to administer and amend the Plan for Medical Assistance. The <u>Code of Virginia</u> (1950) as amended, § 32.1-324, authorizes the Director of the Department of Medical Assistance Services (DMAS) to administer and amend the Plan for Medical Assistance according to the Board's requirements.

The 2021 Appropriation Act, Item 313.UUUUU requires DMAS to "amend the State Plan for Medical Assistance to authorize the reimbursement, using a budget neutral methodology, of pharmacy-administered immunizations for all vaccinations covered under the medical benefit for Medicaid members. Reimbursement for fee-for-service members shall be the cost of the vaccine plus an administration fee not to exceed \$16. Reimbursement for pharmacy-administered vaccinations for pediatric Medicaid members eligible for free vaccinations through the Vaccines For Children (VFC) program shall include only the administration fee.

<u>Purpose</u>: These changes are being made to comply with Item 313.UUUUU of the 2021 Appropriations Act. In addition, in order to comply with the Public Readiness and Emergency Preparedness (PREP) Act, the changes in 3.1A&B Supplement 1 indicate that pharmacists, pharmacy interns, and technicians may administer vaccines.

<u>Substance and Analysis</u>: The sections of the State Plan for Medical Assistance that are affected by this action are "Amount, Duration, and Scope of Medical and Remedial Care and Services Provided to the Medically Needy and the Categorically Needy" and "Methods and Standards of Establishing Rates – Other Types of Care."

<u>Impact</u>: The expected increase in annual aggregate expenditures is \$6,369 in federal fiscal year 2021.

Tribal Notice: Please see Attachments A-1 and A-2.

Prior Public Notice: Please see Attachment B-1.

Public Comments and Agency Analysis: One comment was submitted in support of the

changes in this SPA.

### ATTACHMENT A-1



Mcclellan, Emily <emily.mcclellan@dmas.virginia.gov>

# Tribal Notice: Vaccine Administration Fee for Pharmacies

**Mcclellan, Emily** <emily.mcclellan@dmas.virginia.gov> Mon, Aug 2, 2021 at 2:51 PM To: TribalOffice@monacannation.com, "chiefannerich@aol.com" <chiefannerich@aol.com>, Gerald Stewart <wasandson@cox.net>, Pam Thompson <Pamelathompson4@yahoo.com>, rappahannocktrib@aol.com, regstew007@gmail.com, robert.gray@pamunkey.org, Rufus Elliott <tribaladmin@monacannation.com>, Samuel Bass <samflyingeagle48@yahoo.com>, Stephen Adkins <chiefstephenadkins@gmail.com>, Frank <WFrankAdams@verizon.net>, "bradbybrown@gmail.com" <br/>bradbybrown@gmail.com" <tribalbybrown@gmail.com>, kara.Kearns@ihs.gov

Dear Tribal Leaders and Indian Health Programs:

Attached is a Tribal Notice letter from Virginia Medicaid Director Karen Kimsey indicating that the Dept. of Medical Assistance Services (DMAS) plans to submit a State Plan Amendment (SPA) to the federal Centers for Medicare and Medicaid Services. This SPA relates to a (non-COVID) vaccine administration fee that will be paid to pharmacies.

If you would like a copy of the SPA documents or proposed text changes, or if you have any questions, please let us know.

Thank you! -- Emily McClellan

Emily McClellan Policy, Regulation, and Member Engagement Division Director Virginia Department of Medical Assistance Services 600 East Broad Street Richmond, VA 23219 (804) 371-4300 www.dmas.virginia.gov

DMAS

Improving the health and well-being of Virginians through access to high quality health care coverage

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Tribal Notice letter (signed).pdf

### ATTACHMENT A-2



COMMONWEALTH of VIRGINIA

**Department of Medical Assistance Services** 

KAREN KIMSEY DIRECTOR

**SUITE 1300** 600 EAST BROAD STREET RICHMOND, VA 23219 804/786-7933 800/343-0634 (TDD) www.dmas.virginia.gov

August 2, 2021

SUBJECT: Notice of Opportunity for Tribal Comment - State Plan Amendment related to Pharmacy-Administered Vaccines

Dear Tribal Leader and Indian Health Programs:

This letter is to notify you that the Department of Medical Assistance Services (DMAS) is planning to amend the Virginia State Plan for Medical Assistance with the Centers for Medicare and Medicaid Services (CMS). Specifically, DMAS is providing you notice about a State Plan Amendment (SPA) that the Agency will file with CMS in order to reimburse pharmacies up to \$16 for vaccines administered by pharmacists, pharmacy technicians, and pharmacy interns.

The tribal comment period for this SPA is open through September 1, 2021. You may submit your comments directly to Emily McClellan, DMAS Policy Division, by phone(804) 371-4300, or via email: Emily.McClellan@dmas.virginia.gov Finally, if you prefer regular mail you may send your comments or questions to:

Virginia Department of Medical Assistance Services Attn: Emily McClellan 600 East Broad Street Richmond, VA 23219

Please forward this information to any interested party.

Sincerely, arentimser

Karen Kimsev

Virginia Regulatory Town Hall View General Notice

### ATTACHMENT B-1



**Board** Board of Medical Assistance Services

### **General Notice**

### Edit Notice

# Public Notice - Intent to Amend State Plan - Reimbursement of Pharmacy-Provided Vaccines

Date Posted: 8/2/2021

Expiration Date: 12/31/2021

Submitted to Registrar for publication: YES

30 Day Comment Forum is underway. Began on 8/2/2021 and will end on 9/1/2021

### LEGAL NOTICE

### **COMMONWEALTH OF VIRGINIA**

### DEPARTMENT OF MEDICAL ASSISTANCE SERVICES

### NOTICE OF INTENT TO AMEND

(Pursuant to \$1902(a)(13) of the *Act* (U.S.C. 1396a(a)(13))

#### THE VIRGINIA STATE PLAN FOR MEDICAL ASSISTANCE

#### This Notice was posted on August 2, 2021

The Virginia Department of Medical Assistance Services (DMAS) hereby affords the public notice of its intention to amend the Virginia State Plan for Medical Assistance to provide for changes to the *Methods and Standards for Establishing Payment Rates — Other Types of Care (12 VAC 30-80).* 

This notice is intended to satisfy the requirements of 42 C.F.R. § 447.205 and of § 1902(a)(13) of the *Social Security Act*, 42 U.S.C. § 1396a(a)(13). A copy of this notice is available for public review from Emily McClellan, DMAS, 600 Broad Street, Suite 1300, Richmond, VA 23219, or via e-mail at: Emily.McClellan@dmas.virginia.gov

**DMAS is specifically soliciting input from stakeholders, providers and beneficiaries, on the potential impact of the proposed changes discussed in this notice.** Comments or inquiries may be submitted, in writing, within 30 days of this notice publication to Emily.McClellan@dmas.virginia.gov and such comments are available for review at the same address. Comments may also be submitted, in writing, on the Town Hall public comment forum attached to this notice.

This notice is available for public review on the Regulatory Town Hall (<u>www.townhall.com</u>), on the General Notices page, found at: <u>https://townhall.virginia.gov/L/generalnotice.cfm</u>

In accordance with the 2021 Special Session, Items 313.UUUUU, DMAS will be making the following changes:

#### Methods & Standards for Establishing Payment Rates-Other Types of Care (12 VAC 30-80)

The state plan is being revised to authorize reimbursement, using a budget neutral methodology, of pharmacyadministered immunizations for all vaccinations covered under the medical benefit for Medicaid members. Reimbursement for fee-for-service members will be the cost of the vaccine plus an administration fee not to exceed \$16. Reimbursement for pharmacy-administered vaccinations for pediatric Medicaid members eligible for free vaccinations through the Vaccines For Children (VFC) program shall include only the administration fee. The expected increase in annual aggregate expenditures is \$6,369 in federal funds in federal fiscal year 2021.

### **Contact Information**

Name / Title:	Emily McClellan / Regulatory Manager	
Address:	Division of Policy and Research 600 E. Broad St., Suite 1300 Richmond, 23219	
Email Address:	Emily.McClellan@dmas.virginia.gov	
Telephone:	(804)371-4300 FAX: (804)786-1680 TDD: (800)343-0634	

This general notice was created by Emily McClellan on 08/02/2021 at 3:27pm

### ATTACHMENT B-2



Board

Department of Medical Assistance Service

**Board of Medical Assistance Services** 

### Back to List of Comments

Commenter: Jodi Roth VACDS and Jill McCormack NACDS

8/31/21 12:03 pm

### VACDS/NACDS Joint Comments in Support of SPA

Dear Ms. McClellan:

On behalf more than 1,233 pharmacies operating in the Commonwealth of Virginia, the Virginia Association of Chain Drug Stores (VACDS) and the National Association of Chain Drug Stores (NACDS) appreciate the opportunity to submit comments in support of the Department of Medical Assistance Services' (DMAS) Notice of Intent to Amend the Virginia State Plan for Medical Assistance (SPA) related to immunization reimbursement. Specifically, the SPA would authorize the DMAS to provide Medicaid reimbursement for pharmacy-administered immunizations.

Providing for Medicaid reimbursement for pharmacy-administered immunizations creates a pathway for continued access to these important services for Medicaid beneficiaries. As the COVID-19 pandemic has demonstrated, **pharmacies improve access to vaccination delivery**. Even before COVID, nearly 1 in 3 adult influenza vaccines – around 38 million – were provided in pharmacies, illustrating that patients trust and rely on the convenience of pharmacies. In fact, in the three years preceding the pandemic, pharmacies provided more than 4 million vaccines to Virginia's patients. As <u>research</u> has shown, community pharmacies provide a convenient option for at-risk families juggling shift work, transportation challenges, and school schedules in which more than 30% of patients receive vaccines outside of traditional office physician office hours. Providing for Medicaid reimbursement for pharmacists-administered immunizations would not only ensure fair and accurate reimbursement for these services, but it would also ensure patient access and help expand the community-level benefit of protecting the population as a whole through the uptake of immunization services.

NACDS and VACDS applaud DMAS for proposing this SPA amendment. Incentivizing Medicaid patients' access to vaccinations at their local pharmacy will lead to increases in vaccination rates among the population, resulting in improved patient health and overall healthcare savings. Again, we appreciate the opportunity to comment on this and are available to answer any questions or provide further information.

Sincerely, Jill McCormack and Jodi Roth

Jill McCormack | Regional Director, State Government Affairs 717.592.8977 (cell) JMcCormack@nacds.org | http://www.nacds.org

Jodi Roth, VACDS jroth@virginiaretailfederation.com 804.690.4940

CommentID: 99874

### STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT State of VIRGINIA

### AMOUNT, DURATION, AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY and MEDICALLY NEEDY

- e. State supplemental rebates. The Department has the authority to seek supplemental rebates from pharmaceutical manufacturers. In addition to collecting supplemental rebates for fee-for-service claims, the Department may, at its option, also collect supplemental rebates for Medicaid Member utilization through MCOs under an agreement. Supplemental rebate agreements shall be separate from the federal rebates and in compliance with federal law, §§ 1927(a)(1) and 1927(a)(4) of the *SocialSecurity Act* (Act). All rebates collected on behalf of the Commonwealth shall be collected for the sole benefit of the state share of the costs.
- f. Pursuant to 42 U.S.C. § 1396r-8(b)(3)(D), information disclosed to the Department or to the Committee by a pharmaceutical manufacturer or wholesaler which discloses the identity of a specific manufacturer or wholesaler and the pricing information regarding the drugs by such manufacturer or wholesaler is confidential and shall notbe subject to the disclosure requirements of the Virginia Freedom of Information Act (§2.2-3700 *et seq.* of the Code of Virginia).
- g. Appeals for denials of prior authorization shall be addressed pursuant to 12VAC30-110, Part I, Client Appeals.
- 8. Coverage of home infusion therapy. This service shall be covered consistent with the limits and requirements set out within home health services (12 VAC 30-50-160). Multiple applications of the same therapy (e.g. two antibiotics on the same day) shall be covered under one service day rate of reimbursement. Multiple applications of different therapies (e.g. chemotherapy, hydration, and pain management on the same day) shall be covered under a full service day rate methodology as provided in pharmacy services reimbursement.
- 9. <u>Vaccines.</u> <u>Vaccines may be administered by pharmacists, pharmacy interns, or pharmacy technicians.</u>
- 12b. Dentures.
  - A. Provided only as a result of EPSDT and subject to medical necessity and preauthorization requirements specified under Dental Services.

### STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of VIRGINIA

### METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATE-OTHER TYPES OF CARE

### 9. Home infusion therapy.

a. The following therapy categories shall have a pharmacy service day rate payment allowable: hydration therapy, chemotherapy, pain management therapy, drug therapy, total parenteral nutrition (TPN). The service day rate payment for the pharmacy component shall apply to the basic components and services intrinsic to the therapy category. Submission of claims for the per diem rate shall be accompanied by use of the CMS 1500 claim form.

b. The cost of the active ingredient or ingredients for chemotherapy, pain management and drug therapies shall be submitted as a separate claim through the pharmacy program, using standard pharmacy format. Payment for this component shall be consistent with the current reimbursement rate for pharmacy services. Multiple applications of the same therapy shall be reimbursed one service day rate for the pharmacy services. Multiple applications of different therapies shall be reimbursed at 100% of standard pharmacy reimbursement for each active ingredient.

### 9.1 Pharmacy-Administered Vaccines

Vaccines administered by pharmacies (pharmacists, pharmacy interns, or pharmacy technicians) shall be reimbursed at the cost of the vaccine plus an administration fee not to exceed \$16. Vaccines obtained at no cost to the pharmacy shall be reimbursed for the administration fee only. No dispensing fee will be reimbursed.

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES	1. TRANSMITTAL NUMBER       2. STATE         2       1       0       2       4       Virginia         3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)		
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE 10/1/2021		
5. TYPE OF PLAN MATERIAL (Check One)           Image: New State Plan         Image: Amendment to be considered asnew plan         Image: Amendment to be considered asnew plan			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENE 6. FEDERAL STATUTE/REGULATION CITATION 42 CFR 440	DMENT (Separate transmittal for each amendment)         7. FEDERAL BUDGET IMPACT         a. FFY 2022       \$ 6,369         b. FFY 2023       \$ 6,369		
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 3.1A&B, Supplement 1, revised page 26.1 Attachment 4.19-B, revised page 8	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ) Same as box #8.		
10. SUBJECT OF AMENDMENT Pharmacy-Administered Vaccines			
<ul> <li>11. GOVERNOR'S REVIEW (Check One)</li> <li>GOVERNOR'S OFFICE REPORTED NO COMMENT</li> <li>COMMENTS OF GOVERNOR'S OFFICE ENCLOSED</li> <li>NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL</li> </ul>	OTHER, AS SPECIFIED Secretary of Health and Human Resources		
12. SIGNATURE OF STATE AGENCY OFFICIAL       16         Manual M	Dept. of Medical Assistance Services 600 East Broad Street, #1300 Richmond VA 23219 Attn: Regulatory Coordinator		
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED     18. DATE APPROVED			
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL     20	. SIGNATURE OF REGIONAL OFFICIAL		
21. TYPED NAME 22	. TITLE		
23. REMARKS			

### STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT State of VIRGINIA

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