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Date: February 21, 2024

Re: Response to Public Comment for Global Commitment Register notice [GCR 23-152: Physician Administered Drugs Fee Schedule Update](#)

A comment received from the Biotechnology Innovation Organization (BIO) is included in the pages following the response from the Agency of Human Services (AHS). No other comments were received.

State Response to Comment:

The Department of Vermont Health Access (DVHA) utilizes the Medicare Average Sales Price (ASP) rate file to set rates for the Physician Administered Drug (PAD) fee schedule. When no Medicare rate is available DVHA establishes rates by analyzing payment and utilization data, other state Medicaid rates, or rates for similar codes. If a fixed rate cannot be established reimbursement will equal 100% of the actual acquisition costs, which requires the purchase invoice to be submitted with the claim. Vaccine codes for HPV (90651) & Shingles (90750) have no corresponding Medicare rate in the ASP pricing file. To establish the rates for these specific codes DVHA reviewed other New England Medicaid rates and set the Vermont Medicaid rate at the average of available New England Medicaid rates. It is less burdensome for providers to have an established rate, instead of requiring the purchase invoice to be submitted.



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VIA Electronic Delivery

January 19, 2024

State of Vermont
Medicaid Policy Unit
280 State Drive, Center Building
Waterbury, VT 05671-1000

Re: Public Comment on GCR 23-152 | Proposed Physician Administered Drugs Fee Schedule Update

Dear Agency of Human Services Medicaid Policy Unit,

The Biotechnology Innovation Organization (BIO) thanks the Department of Vermont Health Access (DVHA) for the opportunity to submit questions regarding the annual update of the Physician Administered Drugs Fee Schedule and rate methodology.

BIO is the world's largest trade association representing biotechnology companies, academic institutions, state biotechnology centers, and related organizations across the United States and in more than 30 other nations. BIO's members develop medical products and technologies to treat patients afflicted with serious diseases, to delay the onset of these diseases, or to prevent them in the first place.

As you know, vaccines are a cost-effective tool to promote public health. However, low uptake of recommended adult vaccines has resulted in preventable disease, death, and economic burden.¹ Adequate provider reimbursement is a critical component of ensuring equitable access to vaccines. Evidence suggests that Medicaid reimbursement rates are closely linked to vaccine uptake.^{2,3} Recent guidance from CMS reinforces the importance of reimbursement that adequately covers vaccines and their associated costs.⁴

In reviewing the proposed fee schedule, we had several concerns, which we seek to better understand through the comment process. Specifically, we were concerned to see a separate methodology for the calculation of physician reimbursement for two specific vaccines. We are concerned about a situation where appropriate uptake of vaccines, which are a critical tool for prevention, are disincentivized in any way. Almost all vaccines go through a robust evaluation by both the FDA and the CDC, resulting in clear recommendations that consider their high, positive impact on both individual and public health. In fact, the two vaccines under review by the Department have been shown to be very cost-effective. Without a clearer understanding of the methodology, it is challenging to

¹ [MACPAC: Vaccine Access for Adults Enrolled in Medicaid \(March 2022\)](#)

² [Association between Medicaid reimbursement and child influenza vaccination rates - PubMed \(nih.gov\)](#);

³ [Payments and Utilization of Immunization Services Among Children Enrolled in Fee-for-Service Medicaid - PMC \(nih.gov\)](#)

⁴ "CMS encourages states to consider setting payment rates for vaccines at actual acquisition cost and an adequate professional fee for administration to incentivize access to and availability of vaccines." Page 9. <https://www.medicaid.gov/sites/default/files/2023-06/sho23003.pdf>

understand the potential impact on vaccine access and whether the proposed methodology meets the needs of providers and patients.

We strongly recommend providers are fully reimbursed for their costs related to vaccination and would urge you to ensure that the rates being set are done so with a transparent methodology that is applied consistently across all ACIP-recommended vaccines. In particular, vaccines, like the two identified, which are covered under Medicare Part D, are often newer, innovative vaccines that address new disease areas. These vaccines are not included in the Medicare ASP file and, given what we understand about the methodology shared, as a result, may be subject to a more complex reimbursement status that could disincentivize providers from offering these two highly effective vaccines to their patients.

To better understand the proposed methodology, we raise the following questions:

- Why is there a unique methodology for codes 90651 (HPV vaccine) and 90750 (Zoster vaccine)? This could establish a precedent of creating unique reimbursement methodologies for certain vaccines, complicating access.⁵ Especially as most ACIP recommended vaccines have already been fully evaluated by the committee for their impact on both individual and public health.
- Which New England Medicaid states rates are used to determine the average reimbursement rates for codes 90651 and 90750? Why were these states selected? Has there been consideration about how these rates may impact providers' ability to vaccinate patients?
- Which patient populations and provider types would be affected by the fee updates? Has the state considered the impact that the difference in reimbursement rates between the medical and pharmacy benefits could have on patient access?

Giving providers, patients, and others the transparency needed to understand how rates are set, and the importance of maintain high utilization rates for adult vaccines as a tool for prevention, is critical for public health. We would welcome the opportunity to discuss any of these topics with you in more detail and sincerely appreciate your attention to this issue.

Sincerely,

/s/

Phyllis Arthur
Senior Vice President
Infectious Diseases &
Emerging Science Policy

⁵ [CMS has recently highlighted](#) concerns around payment practices that may impede access to recommended vaccinations and has asked plans and PBMs to take steps to ensure adequate payment for and access to vaccines.