



Medicaid Coverage of Vaccines

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Medicaid and CHIP Payment and Access Commission

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Overview

- Coverage of vaccines
 - Vaccines for Children program
 - Medicaid-enrolled adults
- Payment for vaccines
- Barriers to access
- Strategies to improve access

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Vaccines for Children Program

- Vaccines for Children (VFC) program established under Medicaid statute
 - Children under 19 years old who are Medicaid-eligible, uninsured, underinsured, or an American Indian or Alaska Native
 - Covers all vaccines recommended by the Advisory Committee on Immunization Practices (ACIP) without cost sharing
- Vaccines purchased directly by Centers for Disease Control and Prevention (CDC)
 - Fully funded by federal government
 - No charge to states, providers, or beneficiaries for vaccine cost

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Vaccine Coverage for Medicaid-Enrolled Adults

- Beneficiaries in new adult group receive essential health benefits (EHB) and have mandatory coverage of vaccines without cost sharing
- Vaccine coverage is not mandatory for other adults who are not subject to EHB
 - States do not need to cover all ACIP-recommended vaccines
 - Beneficiaries may have cost sharing
- Vaccines are not covered outpatient drugs under the Medicaid Drug Rebate Program (MDRP)

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Adult Vaccine Coverage Varies by State

- All states offered some vaccine coverage for Medicaid-enrolled adults in 2018–2019
 - 24 out of 49 states in recent CDC study covered all ACIP-recommended vaccines
- Section 4106 of Affordable Care Act (ACA) provides incentive to cover all recommended vaccines without cost sharing
 - 1 percentage point increase in federal medical assistance percentage (FMAP) on vaccine-related spending
 - 12 out of 44 states in CDC study implemented this option

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Medicaid Payment for Vaccines

- Payment to cover vaccine purchase
 - Median payment for 9-valent human papillomavirus (HPV) vaccine was \$204.87 (ranged from \$5.27 to \$491.38)
 - Median payment for Haemophilus influenzae type b (Hib) vaccine was \$18.09 (ranged from \$5.27 to \$30.80)
- Payment for administration
 - 41 out of 49 states in recent CDC study make a fee-for-service payment for vaccine administration
 - Median payment for the first dose of an injected vaccine was \$13.62 (ranged from \$3.72 to \$28.18)

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Barriers to Access

- Individuals with public insurance generally have lower rates of vaccination than those with private insurance
 - Publicly insured adults had lower vaccination rates for tetanus, diphtheria, and pertussis (Tdap), hepatitis A, and hepatitis B
- Lack of mandatory vaccine coverage for some Medicaid-covered adults may lower vaccination rates
 - Medicaid-covered women less likely to receive Tdap and influenza vaccination during pregnancy than those with commercial insurance
- Lower provider payment rates in Medicaid may also contribute to lower vaccination rates
 - Payment rates may not cover providers' costs

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Strategies to Improve Access

- Mandatory coverage
 - Equalize coverage for Medicaid-covered adults
- Additional federal funding
 - FMAP increase (e.g., Section 4106 of ACA)
- Include vaccines in MDRP
 - States must cover vaccines but also get rebates
- Federal purchasing program
 - VFC program
 - Section 317 Immunization Program
 - Operation Warp Speed

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Next Steps

- Provide guidance on how to proceed on this topic
- Additional research and analysis
- Develop possible policy options

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