



# Maximizing Vaccine Profit Margin

January 16, 2019

# Introduction

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Matt Thompson is the Executive Vice President at EqualizeRCM. Previously, Matt was the President and Chief Executive of Medical Management Solutions, and he has over 20 years of experience in healthcare management. In addition to a Bachelor of Arts degree in Mathematics from the University of Arkansas, Matt has a Masters of Health Services Management degree from the University of Mary Hardin-Baylor. He has served as an adjunct faculty member at St. Edwards University and the University of Mary Hardin-Baylor. Further, he is a Diplomate in the American College of Medical Practice Executives (ACMPE).



**Matt Thompson**

Executive Vice President

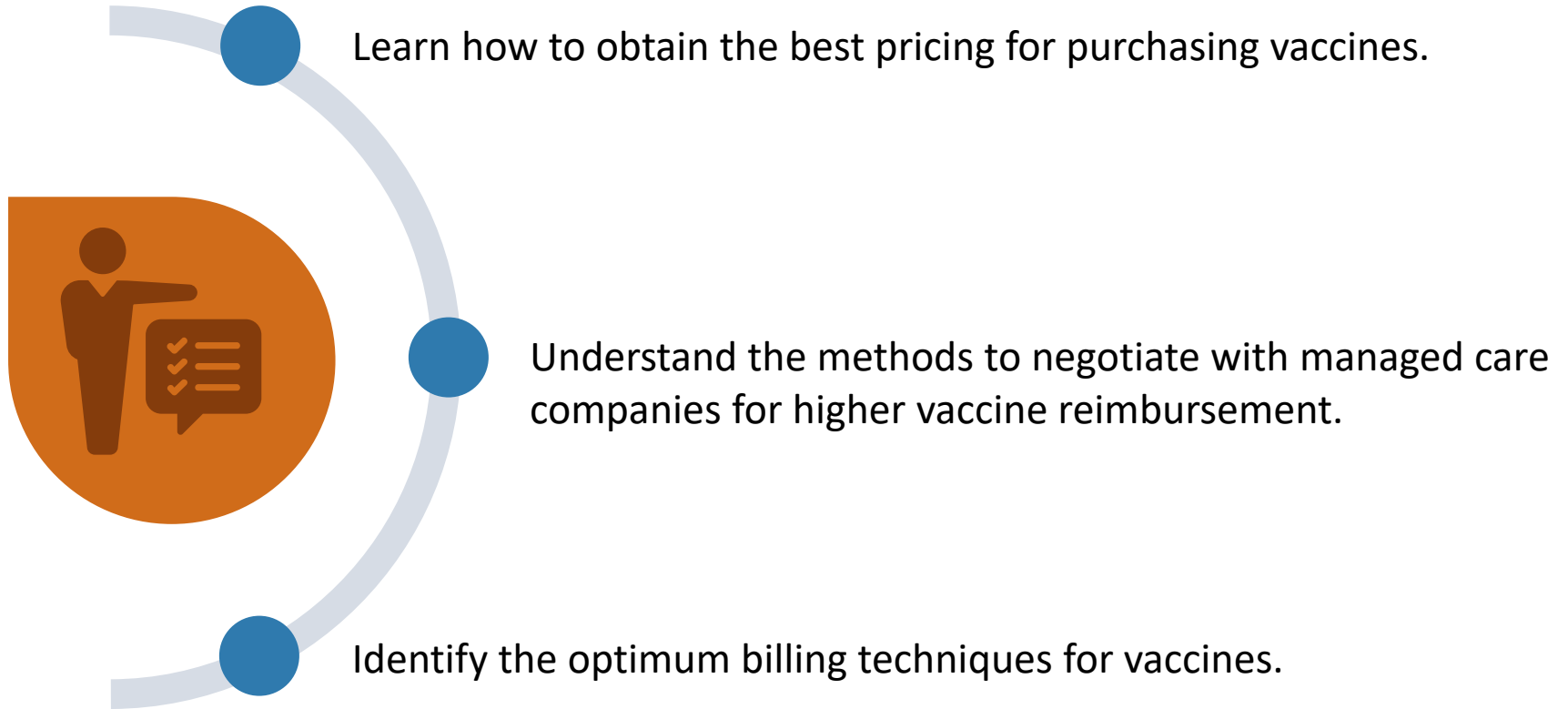
# Agenda

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- Learning Objectives
- Purchasing Vaccines
- Negotiating Rates
- Billing Techniques
- Questions

# Learning Objectives

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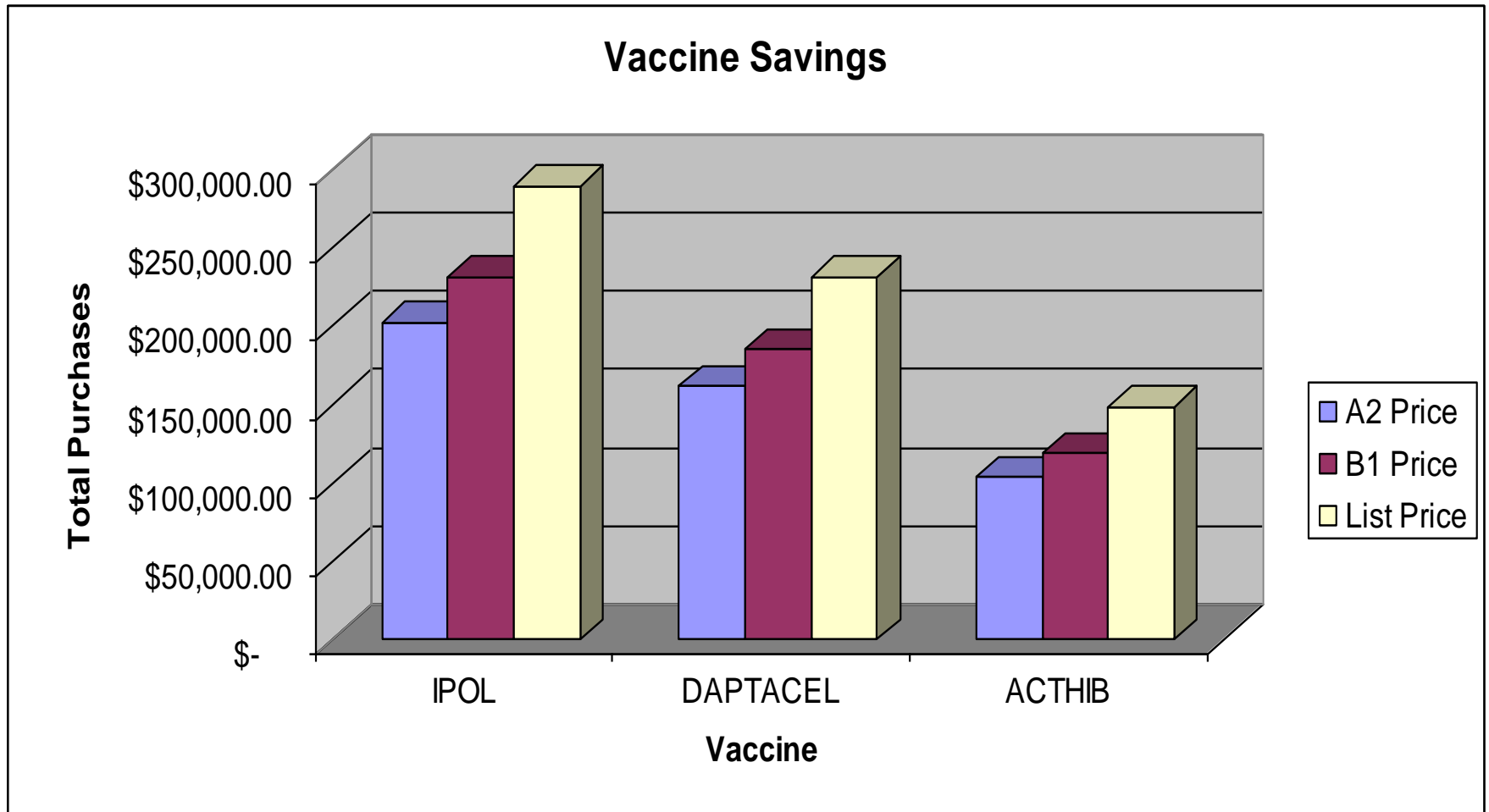


# Vaccine Purchasing

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- Cost Containment – Process for Controlling Expenses
- Retail – Purchasing from standard Medical/Surgical Supply Companies at a higher rate
- Wholesale – Purchasing directly from the manufacturer (Direct Contracts)
  - Large Groups
  - Small Groups
- GPO or Buying Group Discounts
  - Discounted Pricing
  - Steerage to a manufacturer
  - Potential Rebates

# Vaccine Purchasing



# Vaccine Purchasing – Sample GPOs

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- EqualizeRCM – [www.equalizercm.com](http://www.equalizercm.com)
- Atlantic Health Partners – [www.atlantichealthpartners.com](http://www.atlantichealthpartners.com)
- National Physician Care – [www.nationalphysiciancare.com](http://www.nationalphysiciancare.com)
- Intalere – [www.intalere.com](http://www.intalere.com)
- Trade Associations
  - National
  - State

# Vaccine Purchasing

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- Vaccine Schedule and Steerage
  - Sanofi – Merck
  - GSK – Merck
  - IPV Factor
  - Cherry Picking and Compliance
- Rebates
- Additional Discounts (i.e. End of Year, Online ordering)
- Cash Flow & Order Management



# Vaccine Reimbursement

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- Negotiation with Managed Care Payers
- Contract Terms
  - Definitive Timeline
  - Evergreen
  - Reimbursement can re-negotiated at any point
- Coordination with Managed Care Leadership
  - Vaccines and bigger picture for practice
  - Coordinated efforts
- Financial Analysis
  - Costs vs. Current Reimbursement
  - Target profit

# Vaccine Reimbursement

| CPT   | Description | Cost | BCBS | UHC | Aetna | Cigna | Humana |
|-------|-------------|------|------|-----|-------|-------|--------|
| 90633 | Hep A       | -    | -    | -   | -     | -     | -      |
| 90648 | HiB         | -    | -    | -   | -     | -     | -      |
| 90700 | DTaP        | -    | -    | -   | -     | -     | -      |
| 90707 | MMR         | -    | -    | -   | -     | -     | -      |
| 90713 | IPV         | -    | -    | -   | -     | -     | -      |
| 90716 | Varicella   | -    | -    | -   | -     | -     | -      |

- AWP or ASP Pricing
  - Ingenix
  - RedBook
- Carve Outs
- Formulate Each Criteria into Best and Worst Case Scenario
- Establish the Team

# Vaccine Reimbursement

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- Determine Power
  - Time
  - Number of Patients per Carrier
  - Position in the Market
- Rehearse/Practice
- Site Selection
- Concessions and Breaking Deadlocks
- Evaluate the Offer

# Vaccine Reimbursement

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- Alternative Dispute Resolution (BATNA)
  - Terminate Agreement
  - Out of Network
  - Close Panel
  - Engage local employers
  - Partner with another Hospital/System
- Take out the Emotion
- Not a Short Term Event
- Close the Process – Not effective until agreement is executed
- Contract clearly spells out the reimbursement

# Vaccine Billing Techniques

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- Administration Codes – 90460-1 vs 90471-4
  - 90460 series
    - Per Toxoid
    - 18 years of age and younger
    - Provider Counseling
  - 90471 series
    - Per Vaccine
    - No counseling required
- Administration Code Audit
- EMR Templates
  - Diagnosis
  - Administration Codes

# Vaccine Billing Techniques

CST07Farm - cst07farm - Remote Desktop Connection

Visit Info. | Filing (1) | Notes | Charges | Trans. | Corr. | Claims

Charge Set: [ ] Case Set: United Healthcare 2011 Case: [ ]

Diagnosis View List

|   | ICD Code | Code    | Description                     |
|---|----------|---------|---------------------------------|
| 1 | Z00.129  | Z00.129 | Encounter for routine child hea |
| 2 | R19.7    | R19.7   | Diarrhea                        |
| 3 |          |         |                                 |

New... Modify... Delete...

Patient Billing Notes

| Date | Note Subject |
|------|--------------|
|      |              |

New... Modify... Delete... Inactivate

Procedures View List

|   | Code    | Description                | Diagnosi | M1 | M2 | M3 | M4 | DOS From   | DOS To     | Quantit |
|---|---------|----------------------------|----------|----|----|----|----|------------|------------|---------|
| 1 | ✓ 99393 | Periodic preventive medi   | 1        | 25 |    |    |    | 01/15/2019 | 01/15/2019 | 1.00    |
| 2 | ✓ 90715 | Tetanus, diphtheria toxoid | 1        |    |    |    |    | 01/15/2019 | 01/15/2019 | 1.00    |
| 3 | ✓ 90460 | Immunization administrati  | 1        |    |    |    |    | 01/15/2019 | 01/15/2019 | 1.00    |
| 4 | ✓ 90461 | Immunization administrati  | 1        |    |    |    |    | 01/15/2019 | 01/15/2019 | 2.00    |
| 5 | ✓ 99215 | Office or other outpatient | 2        | 25 |    |    |    | 01/15/2019 | 01/15/2019 | 1.00    |

New... Modify... Delete...

T... 0.00 T... 505.00

# Vaccine Billing Techniques

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- Fee Setting
- Medicaid Population
- Cost vs. Allowed amounts for reimbursement
  - Frequent Changes in the allowed amount based on AWP or ASP
  - Covering Cost is the priority

# Vaccine Billing Techniques

CST07Farm - cst07farm - Remote Desktop Connection

Thomps

### Procedure Fee Schedule

Fee Schedule: HUMANA - 90707

Calculate based on

Fee:  Fee Schedule  Flat  RVU      Allowed:  Fee Schedule  Flat  RVU

|         |      |                                    |     |                      |              |                      |               |                                     |                                  |
|---------|------|------------------------------------|-----|----------------------|--------------|----------------------|---------------|-------------------------------------|----------------------------------|
| Fee     | Flat | <input type="text"/>               | RVU | <input type="text"/> | Conv. Factor | <input type="text"/> | Comp. Fee     | <input type="text" value="100.00"/> | <input type="button" value="?"/> |
| Allowed | Flat | <input type="text" value="46.04"/> | RVU | <input type="text"/> | Conv. Factor | <input type="text"/> | Comp. Allowed | <input type="text" value="46.04"/>  | <input type="button" value="?"/> |

Cost:

Fee Limit: Min  Max

CPT Code:

UPN/VPN/NDC:

Drug Price Cmp Unit:

Revenue Code:

Modifiers:

Place of Service:   Type of Service:

Global Period (days):

Effective:  Expiration:

Ledger:

Special Proc Units:

Purchased Service  
Facility:

Taxable       Force Paper Filing  
 Laboratory       Prescription # Req'd  
 Anesthesia       Include Description in 837  
 Mammography       Referring Provider required  
 Do not multiply Quantity Units       Use Alternate Payer  
 Use Responsible Provider as Referring Provider  
 Do not include in Concurrency Calculation

Contract Type:  Terms Disc %:  Contract %:

Type of DME Billing:  None  DME  Oxygen Therapy

Note Type:   Procedure Note:

Procedure Note required

Override fee schedule time to units values  
minutes = 1 unit up to minutes  
After 1 minutes minutes = 1 unit





# Questions

# Contact Information

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## Matt Thompson

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For additional information, visit:



<https://EqualizeRCM.com>