

May 3, 2021

Elizabeth Richter
Acting Administrator
Centers for Medicare & Medicaid Services
Hubert H. Humphrey Building
200 Independence Avenue, S.W., Room 445-G
Washington, DC 20201

Dear Acting Administrator Richter:

On behalf of our nearly 5,000 member hospitals, health systems and other health care organizations, and our clinician partners – including more than 270,000 affiliated physicians, 2 million nurses and other caregivers – and the 43,000 health care leaders who belong to our professional membership groups, **the American Hospital Association (AHA) writes to urge the Centers for Medicare & Medicaid Services (CMS) to apply its recently increased Medicare payment rates for COVID-19 vaccine administration services retroactively. The effective date for payment of these services was Dec. 11, 2020, yet the higher payment rate was not effective until March 15.**

The AHA thanks the Department of Health and Human Services for its decision today to launch the COVID-19 Coverage Assistance Fund, under the authority of the Health Resources and Services Administration, that will cover the costs of administering COVID-19 vaccines to patients enrolled in health plans that either do not cover vaccination fees or cover them with patient cost-sharing. The AHA has long been advocating for such a change to address this outstanding reimbursement shortfall for providers on the front lines of vaccinating patients who are uninsured for purposes of paying for their COVID-19 care. We also applaud CMS' recent decision to increase the Medicare payment rate for administering a COVID-19 vaccine to \$40 per dose. At the time, the agency indicated that this increase reflected updated information about the costs involved in administering the COVID-19 vaccine for different types of providers and suppliers, as well as the additional resources necessary to ensure the vaccine is administered safely and appropriately. While the AHA welcomes CMS' acknowledgement of these increased costs, we urge the agency to recognize that hospitals and health systems also bore these higher costs prior to March 15.



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Hospitals and health systems put forth substantial efforts to rapidly stand up COVID-19 vaccination programs in order to begin safely, effectively and efficiently administering COVID-19 vaccines to Medicare beneficiaries and other high-priority populations. As we noted in our [Dec. 29, 2020 letter](#), hospitals and health systems face higher resource costs involved in administering the COVID-19 vaccine compared to other preventive vaccines, including higher vaccine equipment, storage and handling costs, higher levels of personal protective equipment, additional time needed to educate and answer patient questions, and greater reporting requirements to public health. **Therefore, we urge CMS to apply the increased COVID-19 vaccine administration payments to claims with a date of service of Dec. 11, 2020 and beyond, not only to those with a date of service of March 15, 2021 and beyond. We further recommend that the agency accomplish this without requiring any additional action by hospitals; that is, we recommend the agency implement this change by reprocessing claims automatically.** CMS has a long history of reprocessing claims in this way, most recently when it reprocessed claims for certain hospital clinic visit services in 2019 and 2020.

We appreciate your consideration of these issues. Please contact me if you have questions or feel free to have a member of your team contact Roslyne Schulman, director for policy, at rschulman@aha.org.

Sincerely,

/s/

Stacey Hughes
Executive Vice President
Government Affairs and Public Policy