

CMS Releases Guidance On Mandatory Coverage Requirements For Adult Vaccines

Category: Policy Blog

written by Elijah Allen | July 25, 2023

On June 27, the Centers for Medicaid and Medicare Services (CMS) released guidance on mandatory coverage requirements for adult vaccines (section 11405 of the Inflation Reduction Act (IRA) (Pub. L. 117-169)). In August 2022, President Biden signed the IRA of 2022 (P.L. 117-169) into law. The IRA amended the Medicaid and Children's Health Insurance Program (CHIP) statutes to require Medicaid and CHIP coverage and payment without cost sharing beginning October 1, 2023, for U.S. Food and Drug Administration (FDA) approved adult vaccines recommended by the Advisory Committee on Immunization Practices (ACIP) and their administration.

Read the full guidance here:

<https://www.medicaid.gov/federal-policy-guidance/downloads/sho23003.pdf>

Overview of Guidance

State Medicaid and CHIP programs must cover vaccines that are approved by the FDA for use by adult populations and administered in accordance with ACIP recommendations. CMS does not interpret the IRA-required coverage to include vaccines that FDA has authorized for use under emergency use authorization but has not approved. CMS interprets the statutory references to "adults" to mean persons age 19 and older. This coverage requirement will go into effect on October 1, 2023, and applies in both fee-for-service and managed care. Also, effective October 1, 2023, the statutory amendments made by the IRA modify the requirements that states must meet in order to claim a one percentage point increase in the federal medical assistance percentage (FMAP) for certain services described in sections 1905(a)(13)(A) and (B) and 1905(a)(4)(D) of the Social Security Act (the Act).

Background on the IRA and Adult Vaccines

Prior to the effective date of the IRA's amendments, Medicaid coverage of vaccines and vaccine administration is mandatory in certain circumstances; otherwise, coverage is at a state's option. Coverage varied based on age, health history, and recommendations from ACIP. Medicaid programs were also required to cover COVID-19 vaccines and their administration under the American Rescue Plan Act. Additionally, states could choose to cover adult vaccines recommended by ACIP and claim a one percentage point FMAP increase.

Section 1905(a)(13)(B) of the Act defines the covered services as approved vaccines recommended by the ACIP and their administration. The coverage applies to FDA-approved vaccines for use in adult populations and administered in accordance with ACIP recommendations.