Overview

Providers enrolled in the Vaccines for Children (VFC) program agree to screen patients for program eligibility at each immunization encounter and document their eligibility status. Providers can only administer VFC vaccines to children who meet the congressionally mandated eligibility requirements for the program. (For more information about VFC provider requirements, see Module 2 – Recruiting and Enrolling Providers.)

When providers screen patients, they should choose and document the VFC eligibility category that poses the lowest out-of-pocket expense for the patient's family.

Award recipients must ensure that providers:

- Understand the VFC eligibility categories
- Document VFC eligibility for each immunization visit

Criteria for Program Eligibility

The VFC program provides vaccines at no cost to children 18 years of age or younger who meet at least one of the following criteria:

- American Indian/Alaska Native (AI/AN)
- Medicaid-eligible
- Uninsured
- Underinsured

VFC Eligibility Criteria for Patients

VFC-eligible children must be 18 years old or younger and meet at least one of the following criteria:

Table: VFC Eligibility Criteria for Patients

VFC Eligibility Criterion	Definition
American Indian or Alaska Native (AI/AN)	Children who are a part of this population as defined by the Indian Health Care Improvement Act (25 U.S.C. 1603) Note: AI/AN children are eligible for VFC under any circumstance.
Medicaid-eligible	Children who are eligible for the Medicaid program Note: The VFC program uses the terms "Medicaid-eligible" and "Medicaid-enrolled" interchangeably.
Uninsured	Children who are not covered by any health insurance plan
Underinsured	• Children who have health insurance, but coverage does not include any vaccines • Children who have health insurance, but coverage does not include all vaccines recommended by the Advisory Committee on Immunization Practices (ACIP) • Children who have health insurance, but coverage has a fixed dollar limit (or cap) for vaccines • Children who have health insurance, but insurance does not provide first dollar coverage for vaccines

American Indian or Alaska Native (AI/AN)

The VFC program uses the definition of the AI/AN population established by the Indian Health Care Improvement Act [25 U.S.C. 1603].

AI/AN children are eligible for VFC under any circumstance. Because VFC is an entitlement program, participation is voluntary.

When an AI/AN child also fits a second VFC eligibility category, the provider should always choose the category that will pose the lowest out-of-pocket cost for the family. Depending on the delivery location of vaccine services, the parent may be responsible for the vaccine administration fee for VFC vaccines. If the child has private insurance (non-grandfathered plan under the Affordable Care Act (ACA) of 2010) or is enrolled in the Children's Health Insurance Program (CHIP), receiving vaccines through these programs instead of VFC may cost less out of pocket for the family; this is because there would be no cost sharing. Likewise, if the child is also Medicaid-eligible, the provider should use Medicaid for the administration fee; doing so will pose the lowest out-of-pocket expense for the family.

Medicaid-eligible

The VFC program's initial legislation defined the term "Medicaid-eligible" as a child who is entitled to medical assistance under a state Medicaid plan.

Children enrolled in Medicaid make up the largest category of VFC eligibility.

Medicaid as Secondary Insurance

Some children may have a private primary health insurance plan with Medicaid as their secondary insurance. These children are VFC-eligible because of their Medicaid enrollment. However, participation in the VFC program is voluntary.

Providers have billing options for these children. Providers should choose the option that is most cost-effective for the child's family; they should never bill the parent for a vaccine or an administration fee.

Option 1: Administer VFC vaccines and bill Medicaid for the administration fee

In most health care situations, Medicaid is the "payer of last resort." This means that claims must be filed with and rejected by all other insurers before Medicaid considers payment for the service.

This is not true of the vaccine administration fee for VFC children who are Medicaid-eligible. Medicaid must pay the VFC provider for the administration fee because vaccinations are a component of the Medicaid Early Periodic Screening, Diagnosis, and Treatment program. However, once the provider submits a claim to Medicaid, the state Medicaid agency may seek reimbursement for the administration fee from the child's primary insurer.

Note: Providers should notify the award recipient if the state Medicaid agency:

- Rejects a claim for a vaccine administration fee
- States that the provider must first submit the claim to the primary insurer for payment

The award recipient should then work directly with their state Medicaid agency to address the situation.

Providers should consider this option if it:

- Is the easiest way to use VFC vaccines and bill Medicaid for the administration fee
- Poses no out-of-pocket costs to the parent for the vaccine or the administration fee

Option 2: Administer private stock vaccines and bill the primary insurance carrier for both the cost of the vaccine and the administration fee

The primary insurer may reimburse less than Medicaid does for the vaccine administration fee. In these cases, the provider can bill Medicaid for the balance up to the amount that Medicaid pays for the administration fee.

The primary insurer may deny payment of a vaccine and the administration fee, such as in cases where the family has not met their deductible. In these cases, the provider may replace the privately purchased vaccine with VFC vaccine and bill Medicaid for the administration fee. The provider must document this replacement on the VFC borrowing form. (For more information, see Module 3 – Vaccine Management).

Providers should consider that this option may reimburse them a higher dollar amount if they:

- Administer privately purchased vaccine
- Bill both the vaccine and administration fee to the primary insurer.

Medicaid as Secondary Insurance and High-Deductible Plans

A child is considered underinsured and is VFC-eligible if the child:

- Has Medicaid as secondary insurance
- The primary insurance is a high-deductible insurance plan that requires the parent to pay out of pocket for vaccines.

The provider should administer VFC vaccines and bill the administration fee to Medicaid.

Underinsured

Underinsured means the child has health insurance, but the insurance policy either:

- Does not cover any ACIP-recommended vaccines
- Does not cover all ACIP-recommended vaccines (i.e., underinsured for vaccines not covered)
- Does not provide first dollar coverage (which includes copays, coinsurance, or deductibles) for ACIP- recommended vaccines
- Covers ACIP-recommended vaccines but has a fixed dollar limit (or cap) for payment. The child is considered underinsured once the family's policy reaches the fixed dollar amount

Before they administer a vaccine, providers must verify whether the child's health insurance plan covers ACIP-recommended vaccines. If the provider cannot verify vaccination coverage, then the child is considered insured for the purposes of the VFC program; the child is not eligible to receive VFC vaccines at that immunization encounter.

Note: The Affordable Care Act (ACA) requires insurance plans purchased through the Health Insurance Marketplace to cover ACIP-recommended vaccines (including seasonal flu vaccine) for children of all ages without:

- Charging a deductible or copayment or
- Billing coinsurance

Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs)

Underinsured children can only receive VFC vaccines at:

- Federally qualified health centers (FQHCs)
- Rural health clinics (RHCs) or
- Locations under an approved VFC deputization Memorandum of Understanding (MOU). (Award recipients may find a sample MOU and other resources related to VFC provider deputization in the VFC Cooperative Agreement Management Platform Knowledge Center)

FQHCs and RHCs provide health care to medically underserved areas and meet certain criteria under Medicare and Medicaid programs (see Module 6 – Program Operations).

What is an FQHC?

An FQHC is a health center designated by the Bureau of Primary Health Care of the Health Resources and Services Administration (HRSA) to provide health care to a medically underserved population.

FQHCs include:

- Community and migrant health centers
- Health centers within public housing and Indian health centers
- "Look-alikes" (which meet the qualifications but do not actually receive grant funds)
- Special health facilities (such as those for persons experiencing homelessness and persons with acquired immunodeficiency syndrome, or AIDS, who receive grants under the Public Health Service Act)

What is an RHC?

An RHC is a clinic located in a:

- Health Professional Shortage Area
- Medically Underserved Area
- Governor-Designated Shortage Area

RHCs must be staffed by physician assistants, nurse practitioners, or certified nurse midwives at least half of the time that the clinic is open.

Table: Quick View of VFC Eligibility and Insurance Situations		
Child's Insurance Status	**VFC-Eligible?**	**VFC Eligibility Category**
Enrolled in Medicaid	Yes	Medicaid
Has private health insurance plan with Medicaid as secondary insurance	Yes	Medicaid
Has health insurance covering all vaccines but either: • Does not include first dollar coverage • Patient has not yet met plan's deductible	Yes	Underinsured This applies even when the primary insurer would deny reimbursement for the cost of the vaccine and its administration because the family has not met the plan's deductible.
Has health insurance covering all vaccines and has Medicaid as secondary insurance, but: has not yet met plan's deductible	Yes	Medicaid
Has health insurance covering all vaccines, but the plan has a fixed dollar limit (or cap) on amount that it will cover	Yes	• Insured until the family meets the plan's fixed dollar limit • Underinsured after the family reaches the plan's fixed dollar limit
Has an insurance plan that does not cover all ACIP-recommended vaccines	Yes	Underinsured The child can only receive vaccines that are not covered by the plan.
Has health insurance, but plan does not cover any vaccines	Yes	Underinsured With the ACA in place, this situation should be rare.

Enrolled in a Health Care Sharing Ministry	Depends	• Uninsured unless the state insurance department recognizes the plan as insurance, regardless of the vaccine coverage that the plan provides
		• Insured if:
		  ○ The state insurance department recognizes the plan
		  ○ The plan covers vaccines
		• Underinsured if:
		  ○ The state insurance department recognizes the plan
		  ○ The plan does not cover all ACIP-recommended vaccines

Enrolled in a Medicaid-expansion Children's Health Insurance Program (CHIP)	Yes	Medicaid
Enrolled in a separate Children's Health Insurance Program (CHIP)	No	Insured The state CHIP program is responsible for vaccine payment for its members.
Has no health insurance coverage	Yes	Uninsured
Is AI/AN and has private health insurance that covers all vaccinations	Yes	AI/AN However, the provider should choose the eligibility category that is most cost-effective for the child's family.
Is AI/AN and has Medicaid	Yes	Medicaid or AI/AN The provider should use Medicaid for the administration fee. This poses the lowest out-of-pocket expense for the child's family.

Special Circumstances

The delivery location of vaccination services does not usually determine VFC eligibility. However, some locations and provider types require additional consideration when offering VFC vaccines.

Temporary, Mobile, Off-Site, or Satellite Clinics

Providers should not assume a child is VFC-eligible when vaccinating in temporary, mobile, off-site or satellite clinics. Providers must screen all children and document their VFC eligibility before administering VFC vaccines.

Bordering U.S. State

Some children may receive health care in a bordering state instead of their state of residency.

Award recipients should have MOUs in place with neighboring states to ensure that VFC-eligible children have access to VFC vaccines within their medical homes. Award recipients can find a sample MOU in the VFC CAMP Knowledge Center.

A provider may administer VFC vaccines to a Medicaid- and VFC-eligible child from a neighboring state. In these cases, the provider must be Medicaid-enrolled for the child's state of residency to receive reimbursement for the administration fee from that Medicaid program.