

COVID-19 Vaccine Costs

Updated March 3, 2021

BACKGROUND

- Individuals are wary about unexpected costs for the COVID-19 vaccines, despite rules implemented to prevent individuals from cost-sharing (patients paying out of pocket). Over the pandemic, some insured patients have faced unexpected out-of-pocket costs for COVID-19 testing, while some uninsured patients have been left with large bills for COVID-19 treatment.
- All vaccines provided through the US government will be free of charge to all individuals, including those without insurance.
 - However, vaccination providers will be able to charge an administration fee. They can get this fee reimbursed by the patient's public or private insurance, or for uninsured patients, by the Health Resources and Services Administration's Provider Relief Fund.
- Federal funding for vaccine doses and administration may change when the current pandemic is no longer deemed a Public Health Emergency.

COSTS & REIMBURSEMENTS FOR ALL INSURANCE STATUSES

The US government purchased 100 million doses each of the Pfizer, Moderna, and Johnson & Johnson vaccines, with each vaccine costing approximately:

- Pfizer: \$39 for two-dose regimen
- Moderna: \$30 for two-doses regimen
- Johnson & Johnson: \$10 for one-dose regimen

Medicare Beneficiaries: COVID-19 vaccines are covered through Medicare Part B with no cost sharing, as opposed to the typical 20% coinsurance.

Medicaid and CHIP Beneficiaries: Vaccination does not have cost sharing. States can access temporary enhanced federal funding for Medicaid under the Families First Coronavirus Response Act.

- States must compensate Medicaid providers for an administration fee or office visit, even if the vaccine is provided free of charge.
- Those with limited Medicaid coverage (e.g. coverage for family planning benefits only) are not covered by this requirement and are instead considered to be uninsured for the purposes of COVID-19 vaccination.

Private Health Insurance: Plans will be required to cover all the costs of a COVID-19 vaccine even if an out-of-network provider administers it.

- Vaccine providers are not allowed to seek any reimbursement, including through balance billing, from a vaccine recipient.
- Patients are often concerned about vaccine costs due to previous experiences of unexpected fees from testing and treatment.

Uninsured Adults: Providers that participate in the CDC COVID-19 Vaccination Program contractually agree to administer a

COVID-19 vaccine regardless of an individual's ability to pay and regardless of their coverage status.

- Providers will be reimbursed for vaccine administration costs through the \$175 billion provider relief fund created by the CARES Act.

RECOMMENDATIONS

- Prioritize timely vaccinations for individuals who have Medicaid, who are under- or uninsured, who are undocumented, or who do not frequently interact with the health system, to ensure all reimbursements costs are covered by federal funding allocated for public health emergencies.
- Develop and deploy community messaging that proactively addresses common vaccine cost questions to reduce concerns about unexpected fees and access.
- Emphasize in all communication materials that the COVID-19 vaccine is currently free, even for those who do not have insurance.

SOURCES:

1. <https://www.hhs.gov/coronavirus/cares-act-provider-relief-fund/general-information/index.html>
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3. https://www.kff.org/health-costs/issue-brief/gaps-in-cost-sharing-protections-for-covid-19-testing-and-treatment-could-spark-public-concerns-about-covid-19-vaccine-costs/?utm_campaign=KFF-2020-Health-Costs&utm_medium=email&_hsmi=2&_hsenc=p2ANqtz--GrxQYyearqVVtriTAtweqoyNkvAVA6PViLy8jHzNXgZY - ezVp7Tgnvrbyk1u9vQZb04hojxcHl6bxOF99vVIm2vNdw&utm_content=2&utm_source=hs_email
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5. <https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-enrollment-data/report-highlights/index.html>
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