



November 6, 2020

David Cripe  
Divisional Vice President, Network Management  
Blue Cross and Blue Shield  
1001 E. Lookout Dr.  
Richardson, TX 75082

Leslie Weisberg, MD  
Market Chief Medical Officer  
Blue Cross and Blue Shield  
1001 E. Lookout Dr.  
Richardson, TX 75082

*Re: Updating FDA vaccine prices in a timely manner*

Dear Mr. Cripe and Dr. Weisberg:

On behalf of our more than 53,000 Texas physician and medical student members, the Texas Medical Association, the Texas Academy of Family Physicians, and the Texas Pediatric Society write urging your prompt attention on a matter of urgent concern to primary care physicians and their patients.

It has come to our attention that Blue Cross and Blue Shield's (BCBS') process for adding FluZone vaccine, among others, to its pharmacy benefit payment system takes considerably longer than other health plans, resulting in delayed patient care and unpaid costs to physician practices. In July 2020, the Food and Drug Administration (FDA) approved the vaccine, but practices had to wait until September to obtain and be paid for it on behalf of BCBS members. However, other payers anticipated FDA's approval of FluZone and are able to update their vaccine benefits in a timely manner. **Thus, TMA and the undersigned specialty societies urge BCBS to update its schedule in a much timelier manner.**

This problem should be systemically addressed for all vaccines, not just FluZone. As has been previously conveyed to the BCBSTX leadership, the plan's sluggish mechanism to update its pharmacy benefit system results in new vaccines potentially not being available to its members as well as delayed or denied payments to physicians.

BCBSTX has indicated it takes 60 days from the date FDA approves a new vaccine to update its pricing. However, the Centers for Disease Control and Prevention (CDC) publishes its Private Sector List Price three months prior to the anticipated FDA vaccine approval, giving the plan sufficient notice on vaccine pricing. For example, CDC published the HPV Prevnar13 vaccine pricing in March even though FDA didn't grant final approval until July. By adopting the CDC published list price as soon as FDA approves a new vaccine, BCBS could expedite addition of new vaccines to its formulary, eliminating a major payment loss and hassle for physicians who administer flu vaccines prior to September. We believe that with BCBSTX's size and resources, it should be able to considerably shorten the timeframe for adding appropriately priced vaccines to its formulary.

Furthermore, we request that BCBS backdate the National Drug Code (NDC) directory updates. Based on numerous and ongoing anecdotal reports from our members, BCBS' timeframe for uploading newly approved influenza NDC numbers significantly lags that of other payers. As a result, during this period

payment defaults to payment below practice cost, yet physicians cannot consistently get corrected payments later. This system inefficiency results in underpayments to physicians and administrative hassles for both physicians and BCBS.

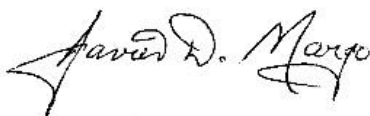
Our organizations strongly urge BCBS to expeditiously adopt changes to improve, streamline, and modernize its vaccine pricing schedule. We have suggestions for how to do that and request an opportunity to meet with BCBS further. We also encourage the plan to consult its physician advisory group.

If you have any questions, please do not hesitate to contact Robert Bennett, Texas Medical Association vice president for medical economics, at [Robert.Bennett@texmed.org](mailto:Robert.Bennett@texmed.org). Otherwise, we appreciate your prompt response.

Sincerely,

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Diana L. Fite, MD  
President  
Texas Medical Association

A handwritten signature in black ink, appearing to read "Jake Margo". The signature is cursive and includes the letters "MD" at the end.

Jake Margo, MD  
President  
Texas Academy of Family Physicians

A handwritten signature in black ink, appearing to read "Seth D. Kaplan MD FAAP". The signature is cursive and includes the letters "MD FAAP" at the end.

Seth Kaplan, MD, FAAP  
President  
Texas Pediatric Society