

The American Recovery and Reinvestment Act of 2009, Immunization

**National Vaccine Advisory
Committee**

June 3, 2009



**DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR DISEASE CONTROL AND PREVENTION**



SAFER · HEALTHIER · PEOPLE

American Recovery and Reinvestment Act

- **Signed into law February 17, 2009**
- **Emphasizes transparency and accountability**
- **Requires merit-based selection of recipients**
- **Funding over two fiscal years**
 - **Must be obligated by the Federal funding agency by Sept 30 2010**

ARRA-317

Prevention and Wellness Fund includes \$300 million for CDC's Section 317 Program

- **Reach more children and adults with recommended vaccines**
- **Explore innovative approaches to vaccination**
- **Augment communication and provider education efforts**
- **Strengthen the evidence base of immunization**

Financial Pressures on Section 317 Immunization Programs

- **Vaccine**
 - Increase in cost to vaccinate is causing programs to incompletely implement new vaccines for children
 - Affected vaccines vary across states
- **Operations**
 - Declining state budgets are leading to reductions in health department staff and clinic hours
 - Degree and impact varies substantially by state
- **Recovery Act funding will help augment public health staff and purchase vaccines for more children and adults**

Gaps in Vaccine Financing for Underinsured Children in the United States

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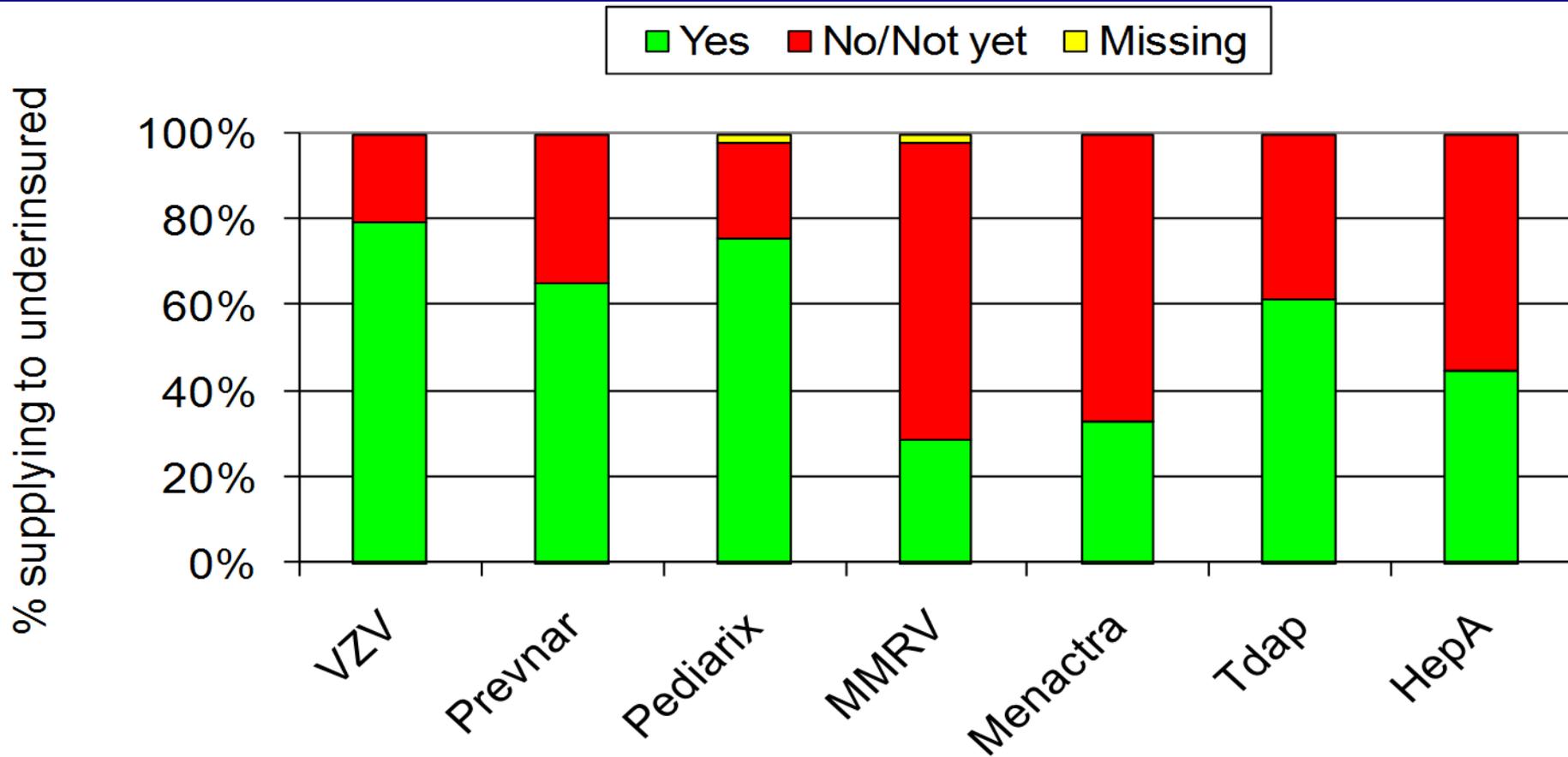
THE NUMBER AND COST OF NEW vaccines routinely recommended for children and adolescents has increased considerably since 2003. New or expanded

Context The number of new vaccines recommended for children and adolescents has nearly doubled during the past 5 years, and the cost of fully vaccinating a child has increased dramatically in the past decade. Anecdotal reports from state policy makers and clinicians suggest that new gaps have arisen in financial coverage of vaccines for children who are underinsured (ie, have private insurance that does not cover all recommended vaccines). In 2000, approximately 14% of children were underinsured for vaccines in the United States.

Objectives To describe variation among states in the provision of new vaccines to underinsured children and to identify barriers to state purchase and distribution of new vaccines.

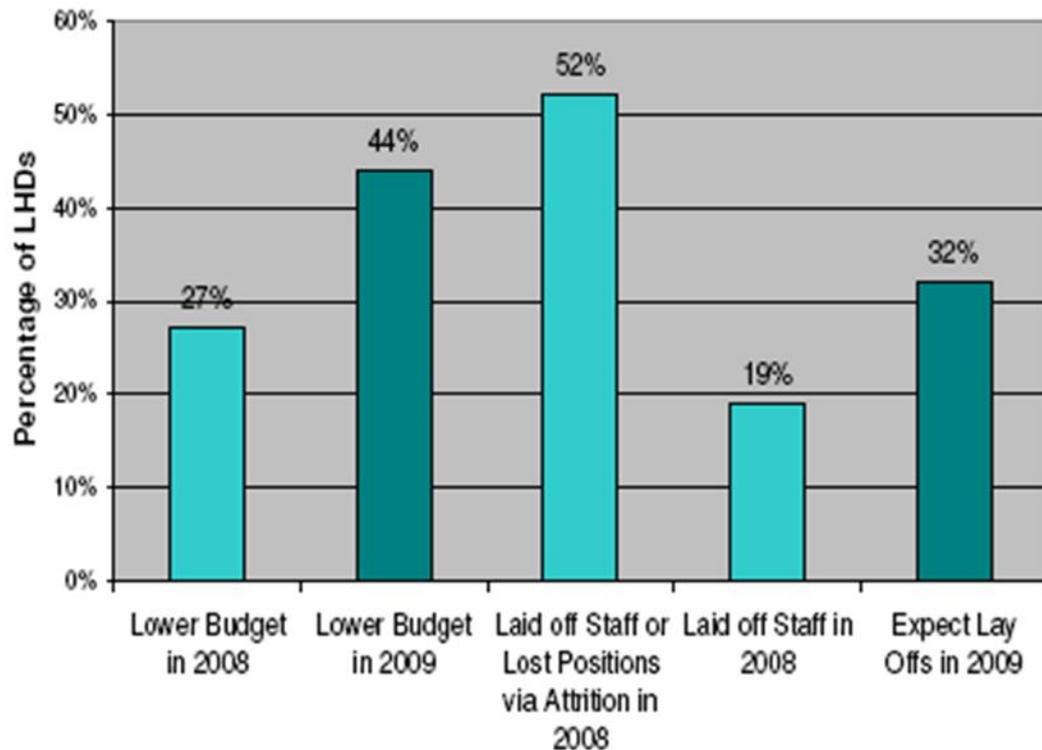
Design, Setting, and Participants A 2-phase mixed-methods study of state immunization program managers in the United States. The first phase included 1-hour qualitative telephone interviews conducted from November to December 2005 with 9 program managers chosen to represent different state vaccine financing policies. The second phase incorporated findings from phase 1 to develop a national telephone and paper-based survey of state immunization program managers that was conducted from January to June 2006.

Grantees Provision of Vaccines to Underinsured Children, 2006 (N=49)



Source: Grace Lee et al; JAMA 2007; 298:638-643

Figure 1. Budget and Staff Cuts of LHDs: 2008 and 2009



NVAC Vaccine Financing Recommendations Relevant to ARRA 317 Funding

- **Recommendation #14.** Congress should request an annual report on CDC's professional judgment of the size and scope of the Section 317 program appropriation needed for vaccine purchase, vaccination infrastructure, and vaccine administration. Congress should ensure that Section 317 funding is provided at levels specified in CDC's annual report to Congress.
- **Recommendation #19:** Congress should expand Section 317 funding to support the additional national, state and local public health infrastructure (e.g., widespread and effective education and promotion for healthcare providers, adolescents, and their parents; coordination of complementary and alternative venues for adolescent vaccinations; record keeping and immunization information systems; vaccine safety surveillance; disease surveillance) needed for adolescent vaccination programs as well as childhood vaccination programs for new recommendations such as universal influenza vaccination.
- **Recommendation #22.** States and localities should develop mechanisms for billing insured children and adolescents served in the public sector. CDC should provide support to states and localities by disseminating best practices and providing technical assistance to develop these billing mechanisms.

Foundation for the ARRA-Immunization Spend Plan: Section 317 Report to Congress

- **Annual estimate for “optimum State and local operations funding, as well as CDC operations ... to conduct and support childhood, adolescent and adult [immunization] programs.”**
- **Beginning in FY 2007 and each subsequent fiscal year**
- **FY 09**
 - **Appropriation \$557.4 million**
 - **Estimated need \$1,315.6 million (vaccine purchase and operations)**
 - **Funding gap: \$758.2 million**

Section 317 Immunization Program ARRA Spend Plan

- **Reaching more children and adults: \$250 million**
 - Vaccine purchase and program operations
 - Flexible funding
- **Innovative initiatives: \$18 million**
 - Improving reimbursement practices
 - Vaccination in schools and the community
- **National communication campaign and provider education and strengthening the evidence base for vaccination: \$30.5 million**

Reaching More Children and Adults

Awardee activities can include increasing:

- **Proportion of young children who receive all recommended vaccines**
- **Number of children who are vaccinated with influenza vaccine**
- **Routine and catch-up vaccination coverage levels of adolescents**
- **Number of adults over age 60 vaccinated with zoster vaccine**
- **Vaccination of adults with all recommended vaccines**
- **Hepatitis B vaccine coverage among high-risk groups**
- **Recommended vaccinations of healthcare workers**
- **Vaccinations in colleges and universities**
- **Perinatal hepatitis B case management**

Improving Reimbursement Innovative Initiative: Rationale

- **HDCs mainly serve VFC-eligible with VFC vaccine or underinsured children with Section 317 or state vaccine**
- **Fully insured children are also seen in HDCs**
 - **No provider or provider that doesn't offer a needed vaccine**
 - **Back to school rush makes appt. not timely enough**
- **70% of HDCs do not bill private insurance and use Section 317 vaccine**
- **Oregon started billing project that reduced Section 317 vaccine use by 30%**
 - **Savings used to immunize more children and adults**

Improving Reimbursement in Public Health Department Clinics

- **Purpose: Enable grantees to develop the capacity for billing health insurance plans for services provided to health plan members by health department clinics**
 - **Provide a final plan that includes a description of appropriate mechanisms to bill private health insurance for immunization services provided to plan members**
- **Competitive award**

National communication campaign and provider education and strengthening the evidence base for vaccination

- **“It takes more than vaccine to fully vaccinate a population” (317 Report)**
- **Efforts to reach more children and adults would be incomplete without communication and education components**
- **Post licensure surveillance critical to vaccination policy and program monitoring and evaluation**
 - **Vaccine coverage and safety**
 - **Vaccine effectiveness and impact evaluations**
 - **Focus on recently recommended and implemented vaccines across the life span**

Historic Opportunity to Leverage Section 317 Immunization Investments

Section 317 Immunization Discretionary Funding Levels, FY 2009 Omnibus and ARRA – Immunization			
	FY 2009 Omnibus	ARRA Immunization, FY 2009 - FY2010	Percentage Increase Over Two Years
317 Grant Program: Vaccine Purchase State Operations /Infrastructure	262 M	200 M	38%
	234 M	68 M	30%
Program Operations/ Prevention Activities	57 M[†]	32M[‡]	28%
TOTAL	553 M	300 M [‡]	27%

[†] Includes: Vaccine Safety \$17 M annually and PHS Evaluation transfers for National Immunization Survey over \$12.7 M annually. Does not include Vaccine Tracking (formerly Sparx), funded annually at approximately \$4.7 M. Vaccine Tracking project and funding is administered by CDC's National Center of Public Health Informatics.

[‡] Includes the .5% for Administrative and Management