

## SB 169 Statewide Immunization Program Sectional Analysis (LS1219\H)

**Section 1.** Establishes a Statewide Immunization Program for children under 19 years of age with a State Vaccine Assessment Council; sets requirements for vaccine assessments, reporting and penalties for assessable entities and other program participants; and creates a vaccine assessment account.

**Section 2.** Amends the description of the program to remove the age restriction. (this makes it effective for adults and relates to the pilot program set out in Section 9)

**Section 3.** Definitions.

**Section 4.** Amends the definition of covered individual to remove the age restriction. (this means adults and relates to the pilot program set out in Section 9) This section is effective July 1, 2017.

**Section 5.** Amends Title 21 (Insurance) to require assessable entities to provide information and pay assessments.

**Section 6.** Adds the vaccine assessment account to the list of program receipts authorized in the budget.

**Section 7.** Repeals Ch. 24 SLA 2012. (repeals the state-funded program set up by HB 310/SB 144 in 2012)

**Section 8.** Redirects the unobligated funds from Ch. 24 SLA 2012 to be deposited into the vaccine assessment account. (the remaining funds from current program)

**Section 9.** Creates a pilot vaccine assessment program for adults that terminates June 30, 2017.

**Section 10.** Makes the effective date July 1, 2017 for Sections 2 and 4. (the sections that apply to adults in the pilot program)

**Section 11.** Makes the effective date July 1, 2014 except for Sections 2 and 4.

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**Section 1. Adds Article 1A Statewide Immunization Program to AS 18.09.**

Sec. 18.09.200(a). Establishes a statewide immunization program for children under 19 years of age in the Department for the purpose of monitoring, purchasing, and distributing vaccines to providers.

Sec. 18.09.200(b). The Department of Health and Social Services shall maintain a list of recommended vaccines for inclusion in the program; establish the 1<sup>st</sup> year's assessment & thereafter make annual assessments based on commission determinations; notify insurers and other program participants of the assessment amount; devise a method for crediting overpayments; coordinate the bulk purchase of vaccine; set procedures for distributing vaccines; and review appeals for errors.

Sec. 18.09.200(c). States that no funding is required from a source other than appropriations made from program receipts and deposits to the vaccine assessment account. (this is to assure that the intent is that no unrestricted general funds will be used to "fill a gap" or cover non payers)

Sec. 18.09.210. Establishes the State Vaccine Assessment Council within HSS for the purpose of determining the assessment amount. The commission has 8 members appointed by the Commissioner: the state's Chief Medical Officer or designee (chair); Division of Insurance Director; 3 health care insurers, one of whom must be a plan administrator; 2 health care providers, one of whom must be a pediatrician; and 1 representing a tribal or public health insurance plan who serve without compensation or reimbursement of expenses. Terms are 3 years with a 2- term limit. HSS will provide staff and other assistance to the commission. The commission establishes and implements a plan of operation, submits an annual financial report to the legislature each July 1<sup>st</sup>, and monitors compliance with the program.

Sec. 18.09.210(f)(1). The "plan of operation" must include the method for calculating the assessment amount for each covered individual; the method for determining proportional costs to assessable entities/participants; procedures for the collection and deposit of assessment fees; procedures for collecting data which includes at a minimum the number of covered individuals and vaccine usage; and a system for crediting overpayments.

Sec. 18.09.220(a). Requires the assessable entities/participants to pay the assessment to the department for each covered individual; provide information about number of covered individuals and actual usage; and provide audited financial statements upon request.

Sec. 18.09.220(b). Requires that the assessment include reasonable costs for overhead. The provider's fee for administration of the vaccine is excluded from the assessment.

Sec. 18.09.220(c). States that an assessment is a medical expense for the assessable entity/participant.

Sec. 18.09.220(d). Provides for a process to appeal the assessment determination to the commissioner.

Sec. 18.09.225. Allows health care providers to opt into the program to purchase vaccine.

Sec. 18.09.230. Creates a special account in the general fund for the purpose of purchasing vaccines. The legislature may appropriate program receipts from vaccine assessments, money from other sources, and interest earned. Appropriations do not lapse.

Sec. 18.09.240. Allows the commissioner to determine a monetary penalty for noncompliance.

**Section 2. Amends the program description in Sec. 1, AS 18.09.200(a), to remove the age restriction on the program. This section is effective July 1, 2017. (once the pilot program ends, then the program continues with both children and adults)**

**Section 3. 18.09.900. Defines the terms assessable entity, commissioner (Health & Social Services), council, covered individual, other program participant, program, provider, included vaccine, and vaccine.**

Sec. 18.09.900(3). An "assessable entity" means a health care insurer, the state health care plan, a public or private entity that offers a publicly funded plan (to the extent allowed by law), and third-party administrators.

Sec. 18.09.900(6). A "covered individual" means a child under 19 years of age residing in the state and who has insurance coverage by an assessable entity or a participating provider.

**Section 4. Amends the definition of covered individual in Sec. 1, AS 18.09.900(6), to remove the age restriction on the program. This section is effective July 1, 2017. (once the pilot program ends, then the program continues with both children and adults)**

**Section 5. Requires assessable entities to provide information to the department under (AS 21.09.242)**

**Section 6. Adds the vaccine assessment account to the list of special accounts for program receipts in (AS 37.05.146(c))**

- Section 7. Repeals Ch. 24, SLA 2012 (HB310/SB 144), a temporary statewide immunization program**
- Section 8. Redirects the remaining HB310 funds to be deposited to the vaccine account**
- Section 9. Creates a pilot vaccine assessment program for adults for three years, ending June 30, 2017, under the same provisions described in Section 1. The department must provide a report to the legislature on the costs and source of funds on or before January 1, 2017**
- Section 10. Makes Sections 2 and 4 effective July 1, 2017, removing the age restriction at the end of the pilot program. (with no action by the Legislature, the program will include children as well as adults)**
- Section 11. Makes the act effective July 1, 2014, except for Sections 2 and 4. Allows the children vaccine program and the pilot for adults to begin on this date**