



Department of Health and Social Services
William H. Hogan, MSW, Commissioner

Division of Public Health
Ward Hurlburt, MD, MPH, CMO/Director

Editor:
Joe McLaughlin, MD, MPH

3601 C Street, Suite 540
Anchorage, AK 99503 <http://www.epi.alaska.gov>

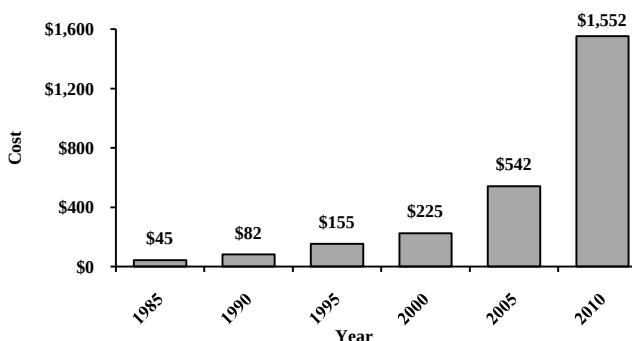
Local (907) 269-8000
24 Hour Emergency 1-800-478-0084

Bulletin No. 31 October 6, 2010

Only Pediatric/Adolescent Vaccines to be Supplied by State Beginning in 2011

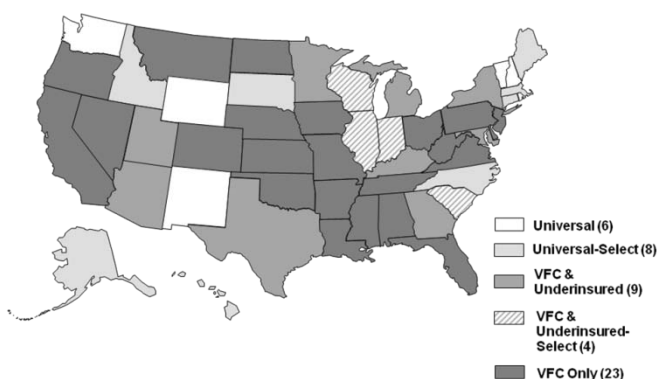
For over 30 years the Alaska Immunization Program maintained a "universal" vaccine program, distributing at no cost all Advisory Committee on Immunization Practices (ACIP)-recommended pediatric and selected adult vaccines to public and private providers in Alaska. This vaccine distribution has been supported almost entirely with two sources of federal funding. The *Vaccines for Children (VFC) Program* pays for vaccines for children who meet certain federal criteria. *Section 317 of the U.S. Public Health Service Act (317)* covers the cost of vaccines for the approximately one-third of Alaska children who are not VFC-eligible, as well as adult vaccines. As a federal entitlement program, VFC funding increases to support newly recommended vaccines for children; however, 317 funding has not kept pace with rapidly rising vaccine costs, which have risen almost seven-fold in the last 10 years (Figure 1).

Figure 1: Alaska Immunization Program Estimated Cost to Purchase Recommended Vaccines for One Child from their Year of Birth through Age 18 Years, for Selected Years from 1985 through 2010



The rising cost and growing number of recommended vaccines has made it increasingly challenging for Alaska to maintain its vaccine distribution policy; however, these challenges are not unique to Alaska. Almost one-half (23/50) of U.S. states supply vaccines only for VFC-eligible children, i.e., vaccines are not supplied for children who do not meet program eligibility criteria or for adults. Other state vaccine supply policies include *universal purchase* (all vaccines for all children), *universal purchase select* (vaccines for all children except selected expensive vaccines available for VFC-eligibles only), and *VFC and underinsured* and *VFC and underinsured select* (varying levels of coverage for underinsured children) (Figure 2).

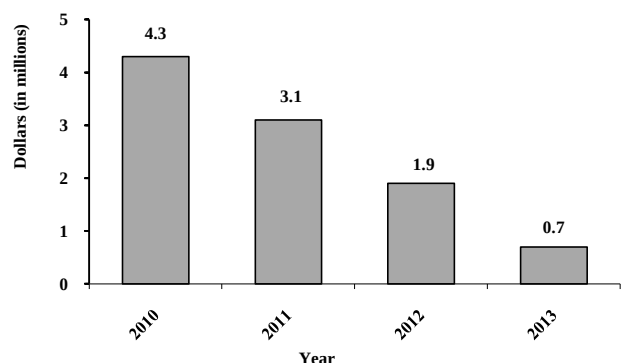
Figure 2: Public Purchase Pediatric Vaccine Supply Policy — United States, July 2010¹



Alaska's vaccine purchases are supported almost entirely with funding from the U.S. Centers for Disease Control and Prevention (CDC). In 2008, CDC informed Alaska that the state had been "significantly overfunded" relative to other state and local immunization programs for many years, and the agency could no longer support Alaska's universal immunization program. CDC agreed to maintain 317 funding at ~\$4.3 million through 2010, with the understanding that funding would decrease in subsequent years. To meet the challenges presented by increased vaccine costs and reduced funding, Alaska has taken incremental steps to reduce vaccine expenditures while trying to maintain maximum availability

of pediatric vaccines. In 2007, the Immunization Program discontinued shipments of adult influenza vaccine to private providers. In January 2009, the state limited the provision of human papillomavirus (HPV) and meningococcal conjugate vaccines to children who met the federal eligibility requirements of the Vaccines for Children (VFC) Program.² These program modifications helped trim vaccine costs by more than \$2 million per year. However, CDC has notified Alaska that, beginning in 2011, the state's 317 vaccine dollars will be reduced by ~\$1.2 million for each of the next 3 years, at which time Alaska's funding will be proportionate to that received by other immunization programs in the United States (Figure 3). Therefore, a change in Alaska's vaccine supply policy is necessary (Box).

Figure 3: Projected 317 Vaccine Funding for Alaska, 2010–2013



Box. The Alaska Immunization Program's 2011 Vaccine Supply Policy

Due to the increased cost of vaccines and federal 317 funding cuts, the following Alaska Immunization Program vaccine supply policy will become effective on **January 1, 2011**:

- All ACIP-recommended pediatric vaccines except HPV and MCV4 will continue to be supplied for all children through age 18 years. HPV and MCV4 will continue to be available for VFC-eligible children only.
- **Adult vaccines that historically have been provided by the Alaska Immunization Program (i.e., influenza, pneumococcal, tetanus/diphtheria) will no longer be supplied to public or private sector providers.**

Alternate Resources Available for Adult Vaccines

Private insurance policies and Medicare frequently support the cost of adult vaccines. Resource information related to Medicare billing and other potential funding sources is posted on the Section of Epidemiology website.³ Manufacturer contact information for vaccine ordering also is included.

Conclusion

Although the Alaska Immunization Program regrets this policy change for adult vaccines, we are pleased that we can continue to provide pediatric vaccines at the current level throughout 2011. As the state's 317 funding levels continue to decrease over the next 3 years, this pediatric policy may need to be reconsidered. We will also continue to monitor the implementation of the Patient Protection and Affordable Care Act to determine its potential impact on vaccine funding in the future. To the greatest extent possible, we will continue our commitment to eliminate vaccine-preventable diseases in Alaska's children.

References

1. Vaccine Financing/Supply Policy, University of Michigan Division of General Pediatrics, Child Health Evaluation and Research Unit and the Association of Immunization Managers, July 2010. Available at: <http://immunizationmanagers.org/about/VaxSupplyPolicyMapJuly2010.pdf>
2. Alaska Section of Epidemiology. Alaska to Initiate Federal Vaccines for Children Program for Human Papillomavirus and Meningococcal Vaccines. *Bulletin* No. 21, November 3, 2008. Available at: http://www.epi.hss.state.ak.us/bulletins/docs/b2008_21.pdf
3. Alaska Section of Epidemiology. Adult Vaccine Availability: A Resource Guide for Alaska Immunization Providers. Available at: <http://www.epi.alaska.gov/id/iz/AdultVaccineResources.pdf>