

Alaska State Legislature Re: Support for Senate Bill 169

March 10, 2014

I wish to thank the distinguished members of the Alaska state legislature for affording me the opportunity to express my support for the bill to preserve universal access to state-supplied vaccines in Alaska.

My name is Dr. Everett Lamm, and I am an American Board of Pediatrics Certified, New Hampshire State-licensed Pediatrician and a Fellow of the American Academy of Pediatrics. I am employed by Exeter, NH's Core Pediatrics where I have been practicing community-based pediatrics for the past 12 years on New Hampshire's Seacoast. I also recently joined the Board of the New Hampshire Vaccine Association (NHVA), a not-for-profit corporation that assesses insurers and other payers to fund New Hampshire's universal childhood vaccine purchasing program.

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I understand that in the past, Alaska had a universal vaccine program funded with federal and state dollars, and that the recently-introduced Senate Bill 169 would establish a self-sustaining vaccine financing solution similar to the one implemented in New Hampshire. I also understand that questions have been raised regarding the benefits of such a program, both for health care providers and for the children of Alaska. I am writing to share my experience as a pediatrician practicing under such a program and to share with you the beneficial impacts that this program has had on the children and physicians in my state.

In its approximately 11 years of operation, the NHVA has produced over \$45 million dollars in health care cost savings. Not only has the program saved our state significant sums of money, but it has also contributed to New Hampshire's consistently high rankings for childhood immunization. Currently, we rank second in the nation with an 80.1% childhood immunization rate. The NHVA represents a highly successful, cost-saving, joint public-private venture, whose achievements have been made possible through bipartisan legislative sensibility, medical ingenuity and corporate compassion.

Much of NHVA's success is due to the fact that the program makes it possible for the state to distribute vaccines to providers free of charge, thus making it possible for all providers to offer immunization services. With the advent and technological advancement of childhood vaccines, there is considerably less work for pediatricians. Quite literally, pediatricians are vaccinating

ourselves out of jobs. Years ago, treating infectious disease was the mainstay or "bread and butter" of pediatrics. These illnesses have not mysteriously disappeared; rather our population has grown healthier by receiving immunity through vaccination. As a result of childhood vaccination, pediatric hospitalizations and office visits are at an all-time low. Vaccination is by no means a get-rich-quick scheme for doctors. In fact, there are significant financial and administrative burdens on providers who offer immunization services.

In states without universal vaccine purchasing programs, providers must pay the up-front costs for vaccines out of their own pockets and await reimbursement from insurers, often at reduced rates. Additionally, even in universal purchase states, every provider bears the burden and expense of managing their vaccine inventory, cold storage through costly closely-monitored refrigerators and freezers, state-of-the-art thermometers, syringes, needles, alcohol wipes, electricity which includes the need for back-up generators (because there are penalties for losses due to weather, power outages, equipment failure, etc.), and emergency kits which include datesensitive, expensive medications which are available in the unlikely event of any rare adverse reactions. Additional costs are incurred through shipping, medical record updating and office staffing which is required to maintain, inventory and administer the supply. These supplies and costs are independent of the physical space and the considerable time needed to provide federally-mandated vaccine information, address questions, obtain appropriate consents, then ensure safe and proper vaccine administration, all-the-while meticulously documenting and accounting for each and every one given. For many providers, especially those in small practices, these burdens are just too great, forcing the difficult decision to stop offering immunization services.

Physicians across the country experience these challenges. One of my colleagues, formerly a busy solo-practice pediatrician, was forced to close her practice in a neighboring state due to financial hardship. The cost of maintaining vaccines for her patients was overwhelming and insurmountable. She attempted to maintain an office-based vaccine supply, but was unable to as a result of the expense of the vaccines and their associated costs. In order to continue practicing in a manner consistent with her high standards, she relocated to New Hampshire, where she could access recommended vaccines for children without facing these burdens.

In New Hampshire, we are fortunate that the universal vaccine purchasing program funded by the NHVA allows our state to purchase vaccines at substantially discounted rates and distribute them to providers free of charge, ensuring that all children have access to critical vaccines regardless of insurance coverage or income. This approach also permits state health officials to manage the supply of vaccines, thereby lowering providers' administrative costs and ensuring that the state can quickly supply vaccines to vulnerable patient groups, particularly during emergencies or vaccine shortages.

We know that offering all recommended childhood vaccines in all medical provider offices throughout the state, regardless of office size and location and provider ability to up-front the cost of vaccines, keeps our entire population healthier. There may be questions related to school necessary vaccines; in my state, these serve as minimal guidelines as New Hampshire is not a

state where mandates are well tolerated. I have heard that Alaskans share this independent mindset. State-supplied vaccines benefit all children and everyone in and out of our school systems, particularly those who are immunocompromised and unable to receive vaccines themselves. Additionally, when vaccines are managed by the state, there is no concern for patient's or their family's ability to pay for them.

If states stop offering all recommended childhood vaccines, we must then prepare for the return of previously seen widespread diseases that infected millions of people in our own country and still cause widespread morbidity and mortality in under-developed and medically under-served parts of our globally interdependent world. You would be asking my colleagues and me to diagnose and treat devastatingly infectious diseases, such as Haemophilus, poliovirus and diphtheria to name a few, which I have fortunately never seen in my combined 7 years of medical training and 12 additional years of pediatric practice.

While there is no denying that there are considerable financial costs associated with immunizing our population, the overall medical expense and societal effects of not immunizing children will far exceed the current expenditures should Alaska limit its vaccine program. As noted above, New Hampshire's program has produced short and long-term savings of millions of dollars and at the minimum, hundreds of lives in the state over the past decade. Via the New Hampshire Vaccine Association, this has been made possible due to the collaborative efforts of insurers, healthcare providers and the NH Departments of Insurance and Health & Human Services. Our system for immunization funding and distribution is safe, cost-effective and efficient, and it ultimately keeps the children of our state among the healthiest in the nation. Our methods are not secrets; the NHVA Board is devoted to transparency, fairness and integrity through its adherence to right to know principles and responsible governance. This organization strives to make every bit of information from minutes, agendas, financials, etc. easily accessible to anyone who is interested, from legislators to laymen alike. As you carefully consider the vaccine legislation before you, I urge you to evaluate the success of a similar state program in New Hampshire.

It is a privilege for me, as a pediatrician, to serve and collaborate with dedicated and committed individuals who scrupulously tend to the governance of the New Hampshire Vaccine Association. I take tremendous pride, both personally and professionally, in knowing that our actions and hard work positively and directly impact the health of our children.

Again, I thank you for allowing me this time to express my support for the bill to preserve universal access to state-supplied vaccines in Alaska. Please accept my best wishes toward your continued efforts to protect the health and safety of Alaska's children.

Regards.

Everett Lamm, MD, FAAP