

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version CSSB 144(FIN)
 Fiscal Note Number 2
 (S) Publish Date 2/29/12

Identifier (file name) SB144CS(FIN)-DHSS-EPI-2-23-12 Dept. Affected Health and Social Services
 Title State Immunization Program Appropriation Public Health
 Allocation Epidemiology
 Sponsor Senator Giessel
 Requester Senate Finance Committee OMB Component Number 296

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
			FY14	FY15	FY16	FY17	FY18
OPERATING EXPENDITURES	FY13	FY13	FY14	FY15	FY16	FY17	FY18
Personal Services							
Travel							
Services							
Commodities	4,632.7	700.0	4,632.7	4,632.7			
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	4,632.7	700.0	4,632.7	4,632.7	0.0	0.0	0.0

FUND SOURCE		(Thousands of Dollars)					
1002	Federal Receipts		70.0				
1003	GF Match						
1004	GF	4,632.7	630.0	4,632.7	4,632.7		
1005	GF/Prgm (DGF)						
1037	GF/MH (UGF)						
1178	temp code (UGF)						
TOTAL		4,632.7	700.0	4,632.7	4,632.7	0.0	0.0

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							
--------------------	--	--	--	--	--	--	--

Estimated SUPPLEMENTAL (FY12) operating costs 0.0 (separate supplemental appropriation required,
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs 0.0 (separate capital appropriation required,
 (discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

The CS (FIN) version R amends Section 2, subsections (f) & (g). Sec. (f) (1) would include all children's vaccines required for school attendance, plus meningococcal, human papillomavirus (HPV) and rotavirus. The original bill included all recommended vaccines except for meningococcal and HPV. Sec. (f) (2) adds zoster (shingles) to the list of adult vaccines in the original bill. The original bill included influenza pneumococcal, and Tdap. Sec. (g) (1) allows the commissioner to add vaccines based on recommendations by the Advisory Committee on Immunization Practice and available funding. The original bill did not specify the agency making the recommendations. Sec. (g) (2) allows vaccines to be dropped only if the disease has been eradicated. The original bill allowed the commissioner to drop vaccines based on recommendations and available funding.

Prepared by Ward B. Hurlburt, M.D., MPH / Chief Medical Officer-Director
 Division Public Health
 Approved by Nancy Rolfzen, Assistant Commissioner
Finance & Management Services

Phone 259-6680
 Date/Time 2/23/12 7:00 PM
 Date 2/23/2012

FISCAL NOTE #2

STATE OF ALASKA
2012 LEGISLATIVE SESSION

BILL NO. CSSB 144(FIN)

Analysis

This CS (FIN) requires the Department of Health and Social Services to establish an immunization program that would purchase and distribute recommended vaccines to children and adults who do not have coverage elsewhere. The intent is to restore funding to the 2009 level before federal cuts were implemented. Limited vaccine funding for this population is available through Section 317 of the U.S. Public Health Service Act ("317") and administered by the Centers for Disease Control and Prevention. Funding has been cut 84% from \$4.3 million in 2010 to \$700 thousand in 2013. As a result, by January 2012, the Immunization Program has stopped supplying all adult vaccines and select childhood vaccines: influenza, pneumococcal, rotavirus, human papillomavirus (HPV), and meningococcal.

This CS (FIN) has an immediate effective date. It is assumed that the program is implemented on July 1, 2012. Currently the department has regulations in place to implement this program immediately. These are all vaccines the department has provided in the past and the infrastructure is still in place. This bill has a sunset date of June 30, 2015.

This CS (FIN) would provide vaccine to enrolled providers for an estimated 47,000 underinsured children under the age of 19 years and about 110,000 doses of vaccines to underinsured and uninsured adults. The CS (FIN) targets underinsured children under the age of 19 years and underinsured or uninsured adults age 19 years and older that reside in Alaska. Children would receive vaccines required for school attendance, plus meningococcal, human papillomavirus (HPV), and rotavirus. The pediatric vaccines would not automatically include other vaccines not needed for school entry such as pneumococcal and influenza vaccines. Adults would receive influenza, pneumococcal, tetanus/diphtheria/pertussis (Tdap), and zoster (shingles) vaccines. The Commissioner may add vaccines based on federal Advisory Committee on Immunization Practices' recommendations and available funding. Vaccines may be dropped only if the disease has been eradicated. There is no mechanism in the CS (FIN) to drop vaccines or further limit eligibility if the costs exceed available funding.

Including HPV is particularly open ended cost-wise because not only are large numbers of females ages 12 - 26 still eligible, it is now also recommended for every male from ages 11 to 26, virtually none of whom have received the vaccine. There would be an ongoing cost to immunize the annual cohort of 11-12 year olds and then many times that amount to "catch up" those between 12-13 and the maximum 18 years of age covered in this program. The fiscal note assumes 33% of those will "catch up" for each of the 3 years until the program sunsets.

The fiscal note takes into account funds the department assumes it will have to apply toward this vaccine program. The total cost to operate the program is estimated at \$6,032.7. The Division of Public Health's base budget for immunizations includes \$700.0 of the Federal "317" funds. The FY2013 Governor's Budget request also includes an increment for \$700.0 (\$630.0 GF, \$70.0 FF). The remaining \$4,632.7 GF is requested in this fiscal note.

Projected costs of selected vaccines for the total eligible population are based on the CDC's forecasting model and state and national immunization data. An 80% immunization rate is assumed for most vaccines (the recommended level to maintain immunity at the community level). The estimated annual cost of the vaccines (2013 prices) are below.

Vaccines required for school attendance: \$1,400.0; Rotavirus vaccine for infants: \$ 409.0;
Meningococcal vaccine for adolescents: \$207.0; HPV vaccine for girls and boys aged 11-12: \$566.0;
HPV vaccine to "catch up" 33% ages 13-18 years: \$1,120.7; Pnuemococcal for adults: \$250.0;
Influenza for adults: \$400.0; Tdap for adults: \$700.0;
Zoster for adults (4% immunization rate): \$980.0