

# **VACCINES FOR ALASKANS: ALASKA VACCINE ASSESSMENT PROGRAM**

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# Recent Examples of Vaccine Preventable Disease in Alaska

Vaccine Preventable Disease	Cases in Alaska
Measles	1 case in Alaskan waters in 2014
Mumps	1 case imported from Asia in 2014
Tetanus	1 case in Alaska in 2014 and 1 case in 2012
Pertussis	356 cases in 2012 309 cases in 2013 62 cases thus far in 2014
Varicella	50–64 cases/year during 2009–2013
Hepatitis A	1 case in Alaska in 2013
Flu	>1000 lab-confirmed cases 5 reported deaths in the 2013-14 season

**National, State, and Local Area Vaccination Coverage Among Children  
Aged 19–35 Months — United States, 2012**

Vaccination coverage varied by state, with coverage for the combined vaccine series ranging from 59.5% in Alaska to 80.2% in Hawaii (Table 3). Fifteen states had point estimates of

- 2012 adjusted rate (for 3 dose Hib) was 65.4%

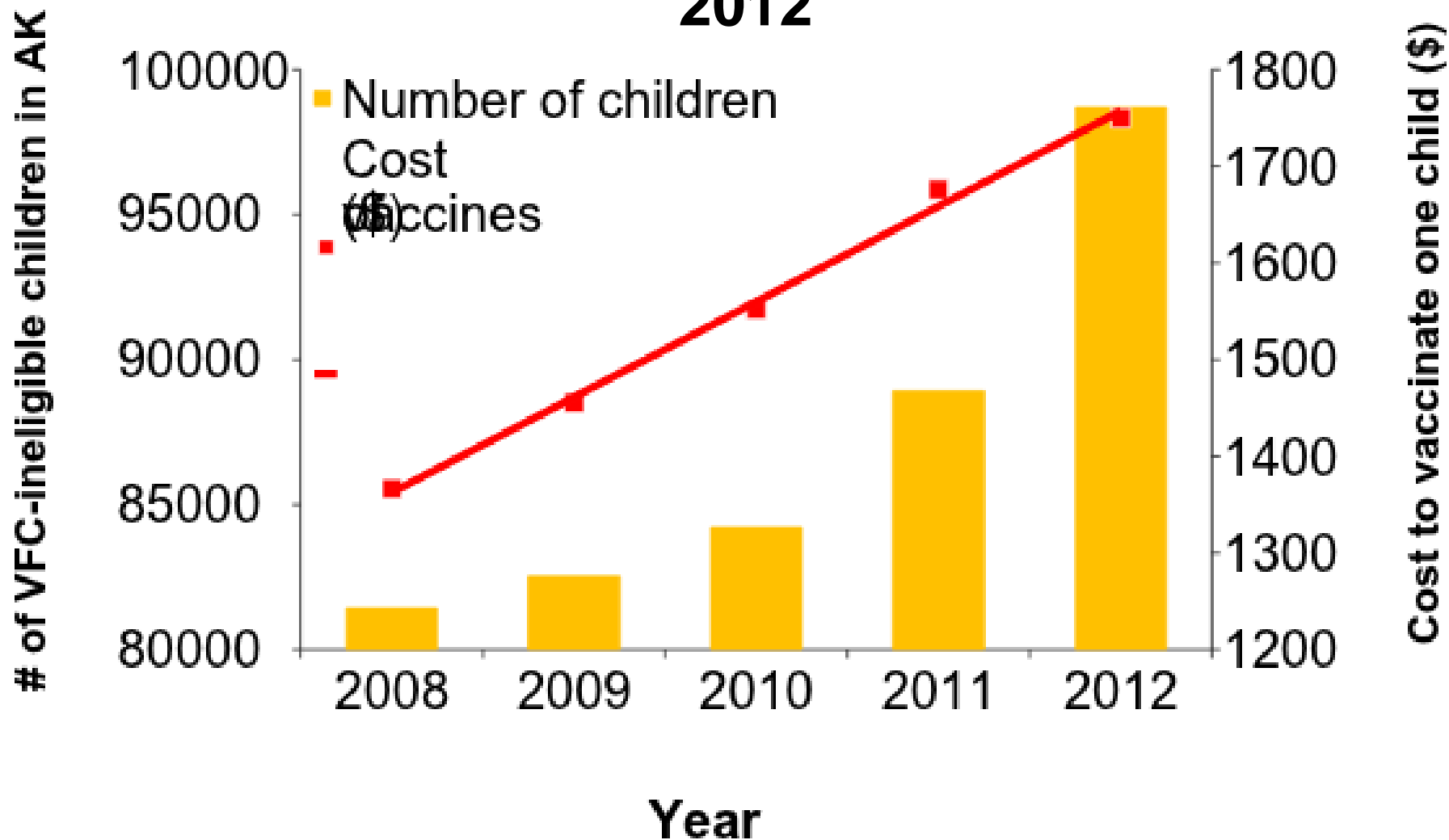
**National, State, and Selected Local Area Vaccination Coverage Among  
Children Aged 19–35 Months — United States, 2013**

- 2013 – Alaska's reported immunization rate is 63.9% -
- Adjusted rate was 65.8%, 42<sup>nd</sup> out of 50 states

# **Background: State-Supplied Vaccine**

- **The Alaska Immunization Program provided universal vaccine coverage for over 30 years**
- **In 2009, Alaska became “universal select” due to**
  - **Rising costs to vaccinate a child thru 18 yrs**
    - **\$45 in 1985**
    - **\$1,700 in 2012**
  - **Growing VFC-ineligible pediatric population**

# Number of VFC-Ineligible Children and Estimated Cost of Recommended Vaccines for One Child from 0–18 Years — Alaska, 2008–2012



# Background

- **Further decline in state-supplied vaccine availability occurred after 2010 due to decreased federal Section 317 Program funds**
  - **The 317 Program is a discretionary federal grant program to all states that provides vaccines to underinsured children not served by the VFC program, and as funding permits to uninsured and underinsured adults**

# Federal 317 Program Funding — Alaska, 2010–2013



# Universal Select Actions Taken

- **2009: pediatric HPV and MCV4 vaccines discontinued for VFC-ineligibles**
- **2011: adult vaccines discontinued**
- **2012: pediatric influenza, PCV13, and rotavirus vaccines discontinued for VFC-ineligibles**



# **Problems with Stopping State-supplied Vaccine for Insured Children**

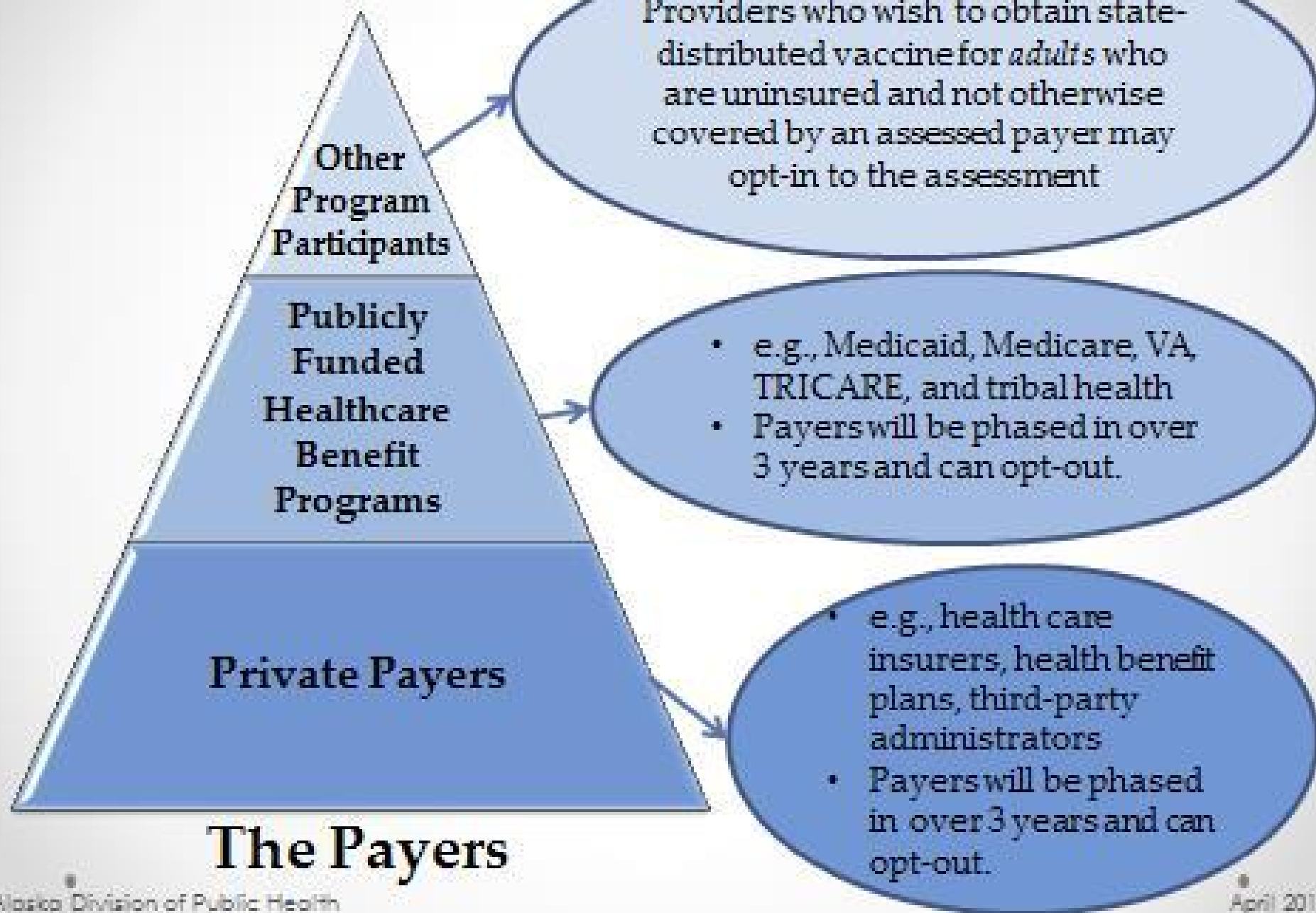
- **Burden on health care providers**
  - **Vaccine management is complex and onerous**
  - **Administrative costs**
  - **Vaccine wastage costs**
  - **Storage issues (separating vaccines)**
- **Possible decrease in IZ coverage**
  - **Some smaller-scale providers might decide not to vaccinate**

# State Funding for Vaccines

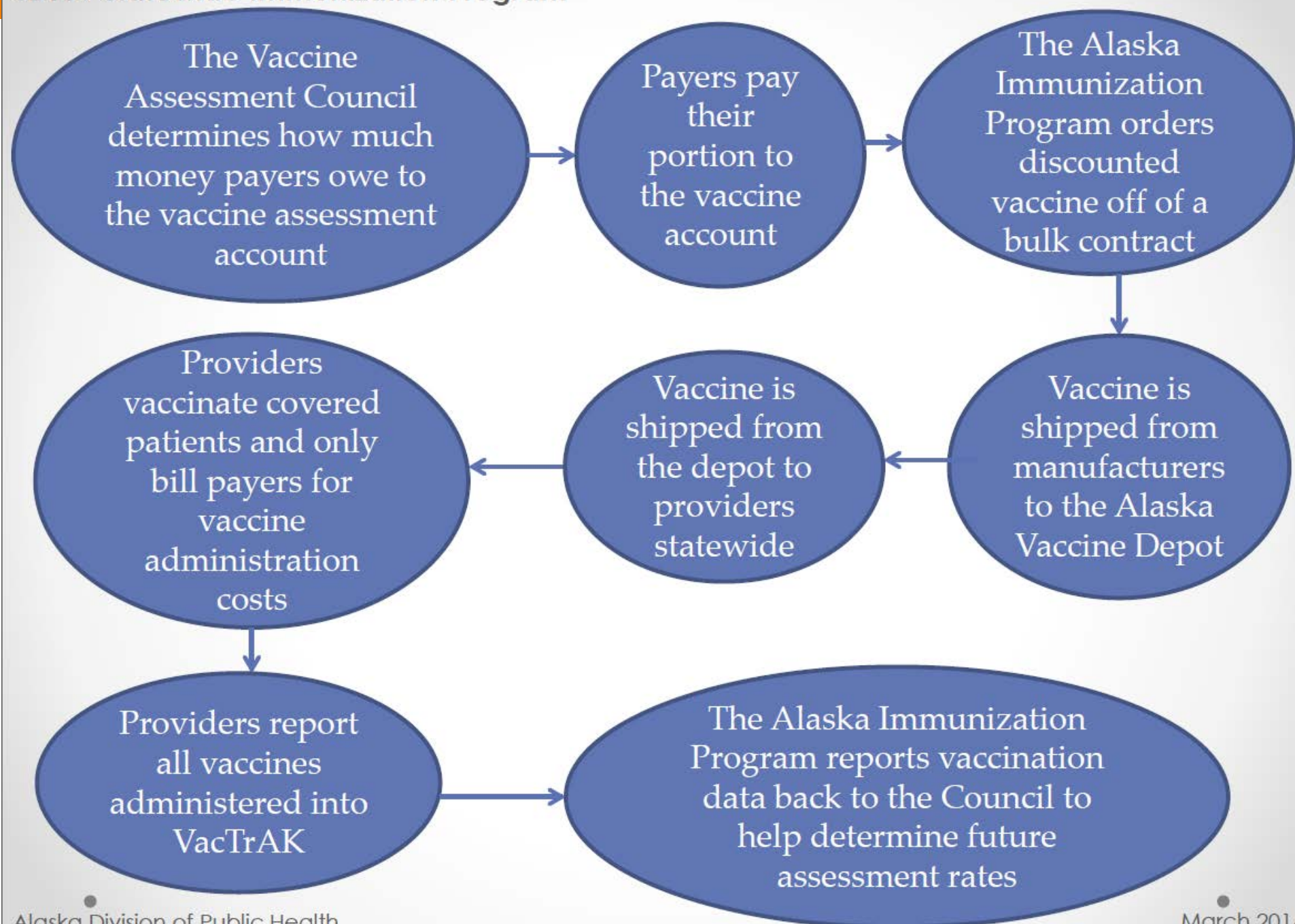
- **In 2012, \$5.2 M was added in the FY13 budget to support immunization purchase**
  - **\$700.0/year in Governor's budget for vaccines**
  - **\$4.5 million/year from HB 310**
    - **ACIP-recommended vaccines to underinsured kids**
    - **Select vaccines for un/underinsured adults**
    - **3-year stopgap measure to provide vaccine until a long-term vaccine financing solution could be created, as had already been done in 9 states**

# **Alaska's Solution: A Vaccine Assessment Account**

- **In June 2014, Senate Bill 169 was signed into law, authorizing the formation of an Alaska Vaccine Assessment Account**
  - **To be funded by health care insurers and other payers, who will be assessed based on their proportionate share of the overall vaccine costs**
  - **An independent vaccine assessment council, appointed by the DHSS Commissioner, will determine assessments and oversee programmatic activities**
  - **Account funds will be remitted to the Alaska Immunization Program to purchase vaccine off the CDC federal contract or another negotiated contract**



# SB169 Statewide Immunization Program



# Benefits of the Account

- **Patients**
  - Increased access to vaccines
- **HCPs**
  - Less burdensome, decreased administrative costs
  - Decreased financial liability
  - No need to maintain separate stocks of vaccines
  - Less paperwork
- **Carriers**
  - Lower vaccine costs if procured under CDC's Federal Contract
    - ~\$80/child/year
    - ~20–30% cost savings
- **DHSS**
  - Consistent with mission to protect and promote health
  - Minimal added burden/cost once operationalized
    - 1–3% surcharge pays for administrative costs of running the vaccine association



# Alaska is not Alone



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Nine other states have developed public private partnerships to fund vaccines



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## Welcome

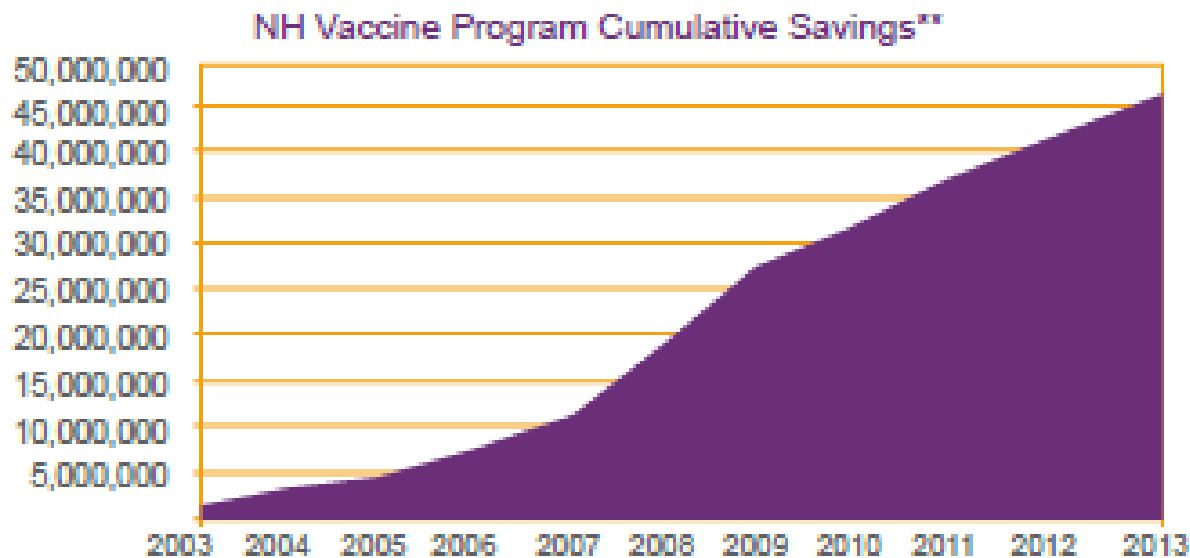
to the Vermont Vaccine Purchasing Program

VVPP facilitates the universal purchase of vaccines in Vermont. It provides funding for all vaccines federally recommended for children and for certain adult vaccines selected by the Vermont Department of Health. By collecting payments from health plans, insurers, and other

# Vaccine Assessments can Lower Costs

## How does the Universal Purchase Program lower health care costs?

As a universal purchase state, New Hampshire is able to purchase vaccines at substantially discounted federal contract rates. State and federal dollars fund vaccines for low-income and other federally-eligible children, while NHVA covers vaccine costs for privately insured children through assessments collected from insurance carriers. This approach allows 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 during emergencies or vaccine shortages.



States with assessment programs have realized a 20-30% savings for payers.



# Restrictions can Decrease Vaccine Use

Washington State -  
Cost and complexity  
were reasons they  
chose a Vaccine  
Association

Without state-supplied vaccines for privately insured patients, the average pediatric practice would have to spend \$50,000 to \$100,000 per month to buy vaccines, negotiate new contracts with health plans, and potentially settle for less than full reimbursement. In addition, practices would need to add refrigerators, separate vaccine storage for publicly and privately insured children, and find a way to track their vaccine stock. The degree of administrative complexity, as well as the financial burden this entails would have discouraged many providers from offering vaccinations to children; lacking access to vaccines in their medical home, many parents would

Alaska – problems  
with vaccine access  
in small communities  
based on beneficiary  
status

- **insured children have difficulty accessing vaccines in small communities**
- **Some providers don't carry all vaccines**

# Vaccine Assessment States Improved Immunization Rates

- **New Hampshire has had a vaccine association for over 10 years, and it has consistently been a leader in childhood immunizations. New Hampshire had the 2<sup>nd</sup> highest childhood rate.**
- **Maine lost its universal status and saw a decrease in immunization coverage. However, it re-gained universal status and between 2010 and 2012, it jumped from 41<sup>st</sup> to 14<sup>th</sup> in the nation.**
- **Washington also saw a jump in immunization rates. It went from 45<sup>th</sup> in 2005, to 29<sup>th</sup> in 2010, to 18<sup>th</sup> in 2012**

***Note – the assessment program is one tool to facilitate increase in coverage rates – reminder recall and outreach and education are other tools.***

# **More Info on the Alaska Vaccine Assessment Program**

- **Governed by an 8-member voluntary council made up of providers, insurers, and representatives from tribal and public health, and the Division of Insurance**
- **Payer assessments are based on payers' reported "covered lives" under age 19, and are paid quarterly**

# Important DHSS Tasks

- ✓ **Pass legislation that establishes a vaccine association and requires payers to contribute**
- ✓ **Create regulations to flesh-out details of the statutes**
- ✓ **Determine where the vaccine association will be situated**
- ✓ **Determine the ideal vaccine assessment model for AK**
  - **Dosage-based vs. covered lives**
  - **Year-one vs. beyond**
- ✓ **Acquire seed money**
- ✓ **Determine approximate year-one costs**
- ✓ **Contract with a vaccine association administrator to help**
  - **Prepare for year-one**
  - **Operationalize year-one**
- ✓ **Operationalize year-one**

# Accomplishments

- **Outreach to stakeholders**
  - Teleconferences before, during and after legislation with providers and insurance representatives
  - FAQ and Epi Bulletin
  - Payer teleconference for insurance representatives Oct 1
  - Provider teleconference planned for late October
- **Contracted with Kidsvax.org to administer the program and assessments - information will be available at [www.AKvaccine.org](http://www.AKvaccine.org)**
- **Received potential Council nominees**

# Additional Challenges Ahead

- **Adult Vaccine Coverage**
  - Adults who are covered by an assessed payer will be able to obtain state-supplied vaccines
  - Providers who care for uninsured adults should consider paying into the assessment to buy discounted vaccine for these adults
    - Medicaid
    - Medicare
- **Payers can opt-out the first 3 years**
  - While we anticipate all insurance companies to participate, it will take more work to engage companies with fewer covered lives and the self-insured.
  - We will need to work with Tricare – they have agreed to participate in WA

# Vaccine Assessment Program

## Timeline

Date (range)	Activity
October 1	Payer Teleconference
October	Payer online training at Akvaccine.org
Late October	Provider Teleconference
October 31	Council nominations due
November 15	Payer Online Survey of Covered Lives Due
November	First year vaccine assessment published
November	Council members determined
November – December	Providers serving uninsured can opt-in to be assessed for uninsured patients
Late December-Jan	Provider Online annual enrollment VacTrAK/State Distribution Program
January	Providers order vaccine through Alaska Immunization Program
January	Council starts meeting

# What Providers Need to Do

- **Enroll online in the Assessment Program at the time of the regular Alaska Vaccine Distribution Program/ VacTrAK renewal in Dec/Jan**
- **Make a plan with the Immunization Program to transition vaccine stock to Vaccine Assessment Program**
- **Providers who treat uninsured adults - Decide whether to opt-in to pay an assessment so that you can purchase adult vaccine (for your uninsured adult patients) through the Program**
- **Report vaccine administration information into VacTrAK**
  - **7AAC27.650(a): “Not later than 14 days after administering an immunization, a health care provider shall report information concerning the patient and the immunization in accordance with this section to the immunization information system maintained by the department.”**
- **Purchase flu vaccine privately in year 1 of Program**



# Frequently Asked Provider Questions: Transitioning Vaccine Stock

- **How will I transition my vaccine stock?**
  - Estimate your child vaccine usage with addition of insured children and adjust your order
  - Similar process with adult but Medicare and Tricare will not be covered
- **Will insurers reimburse me for vaccine I have purchased privately?**
  - Yes, insurers will reimburse you for vaccine you have purchased
  - In the future, payers will seek a way to reimburse at the assessment rate

# What vaccines will be included in AVAP?

- Children:
  - All ACIP-recommended vaccines currently supplied
- Adults:
  - PPV23
  - Td/ Tdap
  - Zoster – possibly limited age-group
  - PCV13 – decision pending

State-Supplied Pediatric Vaccines	Brand Name®
DT (Diphtheria/ Tetanus)	No trade name
DTaP (Diphtheria/ Tetanus/ acellular Pertussis)	INFANRIX
DTaP/ Hepatitis B/ IPV	PEDIARIX
DTaP/ IPV	KINRIX
Hepatitis A	HAVRIX
Hepatitis B	Recombivax HB
Hib ( <i>Haemophilus influenzae type b</i> )	PedvaxHIB
HPV4 (Human papillomavirus)	Gardasil
Influenza	Varies each season
IPV (Inactivated poliovirus)	IPOLE
MCV4 (Meningococcal conjugate)	Menactra
MMR (Measles/ Mumps/ Rubella)	M-M-R II
PCV13 (Pneumococcal conjugate)	Prennar 13
PPSV23 (Pneumococcal polysaccharide)	Pneumovax 23
RV5 (Rotavirus)	RotaTeq
Td (Tetanus/ Diphtheria)	Tenivac
Tdap (Tetanus/ Diphtheria/ acellular Pertussis)	BOOSTRIX
Varicella (chickenpox)	Varivax

State-Supplied Adult Vaccines	Brand Name®
Influenza	Varies each season
PCV13 (Pneumococcal conjugate)	Prennar 13
PPSV23 (Pneumococcal polysaccharide)	Pneumovax 23
Td (Tetanus/ Diphtheria)	Tenivac
Tdap (Tetanus/ Diphtheria/ acellular Pertussis)	BOOSTRIX
Zoster (shingles)	Zostavax

# Future Announcements

- **Provider calls and meetings will continue, including meetings with Tribal and Primary Care Associations**
- **Payer meetings start in October, payer reporting of covered lives begins Nov. 15, 2014**
- **Final decision on Council members at the end of November**
- **First assessment due from payers: Feb. 15, 2015**
- **Website will be live in mid-October:**  
[www.AKvaccine.org](http://www.AKvaccine.org)

# Additional Resources

- **Alaska Immunization Program**
  - Immunization Helpline
  - Phone: 269-8088 (in Anchorage) or 888-430-4321 (toll free)
  - Email: [immune@alaska.gov](mailto:immune@alaska.gov)
  - Immunization Program Website  
[www.epi.hss.state.ak.us/id/immune.stm](http://www.epi.hss.state.ak.us/id/immune.stm)
- **Vaccine Assessment FAQs**
  - <http://www.epi.alaska.gov/id/iz/VaccineAssessmentAccountFAQ.pdf>
- **Vaccine Assessment Bulletin**
  - [http://www.epi.alaska.gov/bulletins/docs/b2014\\_14.pdf](http://www.epi.alaska.gov/bulletins/docs/b2014_14.pdf)
- **Future Vaccine Assessment Website**
  - [www.AKvaccine.org](http://www.AKvaccine.org)

**Questions??**

**Comments??**