

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7012

BILL NUMBER: SB 327

NOTE PREPARED: Apr 20, 2007

BILL AMENDED: Apr 2, 2007

SUBJECT: Immunization for School-Age Girls.

FIRST AUTHOR: Sen. Lawson C

FIRST SPONSOR: Rep. Mays

BILL STATUS: Enrolled

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires a school to: (1) provide information to each parent of a female child entering Grade 6 concerning the link between cervical cancer and the human papillomavirus (HPV) infection and of the availability of an immunization; (2) collect written statements from the parent indicating whether the child received the immunization or chooses not to provide the information; and (3) file a written report with the State Department of Health (ISDH) stating the number of Grade 6 female students who have or will receive the immunization, the number of female students who have not received the immunization, and the number of students who have not provided the information.

The bill requires the Department to provide a school with the information on cervical cancer and HPV and prescribe the format for the written statement.

The bill provides that a student may not be prohibited from enrolling, attending, or graduating from school for not providing the written statement to the school.

Effective Date: July 1, 2007.

Explanation of State Expenditures: *Summary:* The state fiscal impact of advising parents of the availability of HPV immunization will depend on the number of girls entering Grade 6 in Indiana who would subsequently present to local health departments for the immunization and on the availability of the vaccine at the local health departments. The bill does not require the children be immunized nor does it require the local health departments to provide the immunizations. The cost to cover all girls entering Grade 6 who would be projected to seek immunizations from local health departments is believed to be approximately \$2.67 M for HPV vaccine only.

Reporting Requirements: Local school corporations are required to distribute information regarding the availability of the HPV vaccine to parents of girls entering the 6th grade. The school is to collect signed statements from parents regarding the immunization status of the girls; whether the parent has decided not to have the child immunized; or if the parent chooses not to provide any information. The reported information is to be compiled by the school and reported to the State Department of Health. The bill requires the ISDH to develop the information regarding the HPV vaccine that is distributed to the parents and the format for the report required to be signed by the parent and returned to the school. Both requirements should be accomplished within the current level of resources available to the Department and to school corporations.

Local Health Departments/Federal 317 Funds: Local health departments administer immunizations to approximately 21% of the state's children. This population consists of uninsured or underinsured children who are referred to local health departments by schools and doctors. The ISDH has reported that supplying HPV immunizations could have a state fiscal impact for this group due to the price of the vaccine and the number of doses required. Vaccines necessary for other state-required immunizations administered by the local health departments have been purchased with federal "317 Program" funds in the past. However, federal funding for the 317 Program has been limited for several years, and the Department reports there are insufficient grant funds available to buy additional vaccines. The HPV vaccine costs the State Department of Health \$96.00 per dose under contracts negotiated by the Centers for Disease Control and Prevention (CDC).

There are approximately 44,100 12-year-old girls in the state, of which 21% are estimated to present to the local health department clinics for immunization services. This results in an estimated 9,261 girls that may request 3 doses of HPV vaccine to be fully immunized. This could result in a total cost of \$2.67 M for vaccine. This money would provide for only those girls who may request the vaccine due to being made aware of the availability of the immunization; it would not include older girls requesting to receive HPV immunizations from county health departments.

The Department has also estimated a cost of \$40 for the administration of 3 doses of the vaccine resulting in an additional cost of \$370,000 if all families of girls entering 6th grade request immunizations. Local health departments may or may not charge an administration fee for immunization services. The state has not provided financial assistance in the past to the local health departments for the administration of additional or new vaccines, such as varicella. HPV vaccine can be given at the same time as some of the other vaccines recommended or required for this age group. The impact this bill would have on the necessary local resources to administer additional doses of vaccine is not known.

Medicaid: Girls eligible for Medicaid are entitled to the HPV vaccine through the federal Vaccines for Children program (VFC) by virtue of the Advisory Committee on Immunization Practices (ACIP) recommendation for the VFC program. Immunizations covered under the Early and Periodic Screening, Diagnostic, and Treatment benefit (EPSDT) follow the ACIP recommended schedule. There is no cost to Medicaid for the vaccine itself. The cost of the administration of the vaccine for Medicaid-eligible children is a required cost under the EPSDT program. Adding the requirement of HPV immunization for girls entering the sixth grade has no impact on Medicaid costs.

Children's Health Insurance Program (CHIP): The Department of Health also purchases vaccines for children covered by Package C of Hoosier Healthwise (CHIP). These children are considered to have health insurance and therefore are not covered by the VFC entitlement. It is less costly for the Department to purchase the vaccines used for CHIP children than it would cost to buy the products on the open market. This mechanism also makes the provision of immunization services within the Hoosier Healthwise program

appear seamless to patients and providers. CHIP children's vaccines are purchased at the lowest price available to the state, and the state pays approximately 26% of the total cost. If providers are following the ACIP schedule of recommended childhood immunizations, this bill should have no impact on the CHIP program.

Federal Vaccines For Children Program (VFC): Another segment of the population is eligible for the federally funded Vaccines for Children (VFC) program or is privately insured. The VFC entitlement program provides federally purchased vaccines for children from birth to age 18 who are enrolled in Medicaid, uninsured, or who are Native Americans. Children who have insurance that does not cover immunizations may receive VFC benefits at Federally Qualified Health Care Centers or Rural Health Clinics. Private providers may also enroll in the VFC Program and administer vaccines to eligible children.

State Employees Health Benefits: State employee health benefits cover immunizations. The status of the coverage for HPV vaccine is not known at this time. [This information will be updated when the information becomes available.]

Funding information: CHIP is jointly funded by the state and federal governments. The state share of program expenditures is approximately 26%. CHIP medical services are matched by the federal match rate (FMAP) in Indiana at approximately 74%. Administrative expenditures are generally matched at 50%. Unlike Medicaid, federal CHIP program funding is capped.

Explanation of State Revenues:

Explanation of Local Expenditures: Local health department clinics may have three additional immunizations required for administration depending on the availability of the vaccine. The impact this requirement would have on the necessary local resources is unknown.

Local government and schools could see an impact in health insurance costs.

Explanation of Local Revenues:

State Agencies Affected: State Department of Health; Children's Health Insurance Program and Office of Medicaid Policy and Planning, Family and Social Services Administration.

Local Agencies Affected: Local health departments; School corporations; Local governments.

Information Sources: Charlene Graves, M.D., Indiana State Department of Health; National Immunization Program, Vaccines for Children (VFC), Website at: <http://www.cdc.gov/nip/vfc/about.htm>; CHIP, Office of Medicaid Policy and Planning, Family and Social Services Administration.

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