

Department of Planning and Budget 2006 Fiscal Impact Statement

1. Bill Number SB117

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Howell

3. Committee Education and Health

4. Title Immunization of patients against certain diseases.

5. Summary/Purpose: Immunization of patients against certain diseases. Adds the requirement of a booster dose of Tdap in accordance with the board's regulations, which requires that prior to entering sixth grade, a child must have another booster dose of Tdap if more than five years have elapsed since the last dose.

6. Fiscal Impact Estimates are: Preliminary.

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2005-06	\$0	0	N/A
2006-07	\$273,289	0	0100
	\$819,826	0	1000
2007-08	\$280,110	0	0100
	\$840,288	0	1000
2008-09	\$284,955	0	0100
	\$854,867	0	1000
2009-10	\$299,340	0	0100
	\$898,021	0	1000
2010-11	\$309,792	0	0100
	\$929,421	0	1000

6b. Revenue Impact: None.

7. Budget amendment necessary: Yes, 289 - Communicable Disease Prevention and Control (40500).

8. Fiscal implications: The fiscal impact anticipated from this bill is due to the introduction of a requirement that a booster dose of 'Tdap' vaccine (tetanus/diphtheria/pertussis) be administered prior to entry into sixth grade. Tdap vaccine has replaced Td (tetanus/diphtheria) vaccine as the recommended vaccine for booster doses among middle school aged children. The fiscal impact is attributed to the cost of purchasing and administering vaccine to all unvaccinated children prior to entry into the 6th grade.

A small number of children, 1%, are expected to have received a Td or Tdap booster in the five years prior to entry into 6th grade. Approximately 30% of the unvaccinated children can expect to be vaccinated at local health departments; the remaining 70% will be vaccinated at private physician offices. The expense for doses administered in the private sector will be incurred by private insurers,

out-of-pocket payees, and the federally supported Vaccines For Children program. Of those vaccinated at local health departments, approximately 75%, will be Vaccine For Children (VFC) program-eligible and will receive federally procured vaccine. The remaining 25% of children will receive state purchased vaccine. The price for each dose of vaccine is currently \$29.75. This is expected to rise 3% each year based on existing immunization program experience. An \$11.00 administration cost is necessary to account for needles, syringes, and other necessary materials.

The current cost of administering Td vaccine at local health departments for children entering 6th grade is subtracted from each year's expenditure calculation since Tdap is replacing Td vaccine in this age group. Td vaccine currently costs \$15.90 per dose. Only a small number of children aged 11 years (700) are vaccinated each year at local health departments since booster doses of Td are not currently required for school entry. Of the 700 children currently vaccinated with Td, 25% (175) are expected not to be VFC eligible, while the remaining 75% (525) are expected to be VFC eligible. With an \$11.00 administration fee, the expected cost incurred for Td vaccine and administration is \$4,708 per year for the non-VFC children vs. \$14,123 for the VFC eligible children. (700 doses x 25% = 175 doses; 175 doses x \$15.90 per dose = \$2,783; 175 doses x \$11.00 administration per dose = \$1,925 for a total of \$4,708) and (700 doses x 75% = 525 doses; 525 doses x \$15.90 per dose = \$8,348 + 525 doses x \$11.00 administration per dose = \$5,775 for a total of \$14,123).

Fiscal Year 2006-07

Current vaccine price per dose = \$29.75

General Fund:

91,871 students x 99% unvaccinated = 90,952 students needing vaccine

90,952 x 30% = 27,286 students to be vaccinated at health departments

27,286 x 25% = 6,822 students vaccinated with state funds

cost of vaccine = \$202,955 cost of administration = \$75,042 Tdap total = \$277,997

\$277,997 Tdap total – \$4,708 Td costs = **\$273,289 GF total**

Non-General Fund:

27,286 x 75% = 20,465 students vaccinated with VFC funds

cost of vaccine = \$608,834 cost of administration = \$225,115 Tdap total = \$833,949

\$833,949 Tdap total – \$14,123 Td costs = **\$819,826 NGF total**

General fund for the first year has been appropriated.

Fiscal Year 2007-08

Expected vaccine price per dose = \$30.64

General Fund:

92,115 students x 99% unvaccinated = 91,194 students needing vaccine

91,194 x 30% = 27,358 students to be vaccinated at health departments

27,358 x 25% = 6,840 students vaccinated with state funds

cost of vaccine = \$209,578 cost of administration = \$75,240 Tdap total = \$284,818

\$284,818 Tdap total – \$4,708 Td costs = **\$280,110 GF total**

Non-General Fund:

27,358 x 75% = 20,519 students vaccinated with VFC funds

cost of vaccine = \$628,702 cost of administration = \$225,709 Tdap total = \$854,411

\$854,411 Tdap total – \$14,123 Td costs = **\$840,288 NGF total**

Fiscal Year 2008-09

Expected vaccine price per dose = \$31.56

General Fund:

91,664 students x 99% unvaccinated = 90,747 students needing vaccine

90,747 x 30% = 27,224 students to be vaccinated at health departments

27,224 x 25% = 6,806 students vaccinated with state funds

cost of vaccine = \$214,797 cost of administration = \$74,866 Tdap total = \$289,663

\$289,663 Tdap total – \$4,708 Td costs = **\$284,955 GF total**

Non-General Fund:

27,224 x 75% = 20,418 students vaccinated with VFC funds

cost of vaccine = \$644,392 cost of administration = \$224,598 Tdap total = \$868,990

\$868,990 Tdap total – \$14,123 Td costs = **\$854,867 NGF total**

Fiscal Year 2009-10

Expected vaccine price per dose = \$32.51

General Fund:

94,114 students x 99% unvaccinated = 93,173 students needing vaccine

93,173 x 30% = 27,952 students to be vaccinated at health departments

27,952 x 25% = 6,988 students vaccinated with state funds

cost of vaccine = \$227,180 cost of administration = \$76,868 Tdap total = \$304,048

\$304,048 Tdap total – \$4,708 Td costs = **\$299,340 GF total**

Non-General Fund:

27,952 x 75% = 20,964 students vaccinated with VFC funds

cost of vaccine = \$681,540 cost of administration = \$230,604 Tdap total = \$912,144

\$912,144 Tdap total – \$14,123 Td costs = **\$898,021 NGF total**

Fiscal Year 2010-11

Expected vaccine price per dose = \$33.49

General Fund:

95,207 students x 99% unvaccinated = 94,255 students needing vaccine

94,255 x 30% = 28,277 students to be vaccinated at health departments

28,277 x 25% = 7,069 students vaccinated with state funds

cost of vaccine = \$236,741 cost of administration = \$77,759 Tdap total = \$314,500

\$314,500 Tdap total – \$4,708 Td costs = **\$309,792 GF total**

Non-General Fund:

28,277 x 75% = 21,208 students vaccinated with VFC funds

cost of vaccine = \$710,256 cost of administration = \$233,288 Tdap total = \$943,544

\$943,544 Tdap total – \$14,123 Td costs = **\$929,421 NGF total**

This bill may have a minimal fiscal impact on the Department of Medical Assistance Services. Fiscal impact cannot be determined at this time.

- 9. Specific agency or political subdivisions affected:** Virginia Department of Health, Virginia Department of Education, Department of Social Services, and Department of Medical Assistance Services. Key stakeholders include the Virginia Chapter American Academy of Pediatrics, Pediatric Society, the Virginia Academy of Family Physicians, Medical Society of Virginia.

- 10. Technical amendment necessary:** No.

- 11. Other comments:** The fiscal impact of this bill is identical to the fiscal impact of SB 116.

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cc: Secretary of Health and Human Resources