

Department of Planning and Budget

2020 Fiscal Impact Statement

1. **Bill Number:** HB1090H1

House of Origin	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. **Patron:** Hope

3. **Committee:** Health, Welfare and Institutions

4. **Title:** Required immunizations.

5. **Summary:** Provides that the Board of Health's Regulations for the Immunization of School Children shall be consistent with the Immunization Schedule developed and published by the Centers for Disease Control and Prevention, the Advisory Committee on Immunization Practices, the American Academy of Pediatrics, and the American Academy of Family Physicians with the exception of the seasonal influenza vaccine.

6. **Budget Amendment Necessary:** Yes, item 299 and item 302.

7. **Fiscal Impact Estimates:** Preliminary, see item 8.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2021	\$934,921	01000
2021	\$134,442	02050
2022	\$949,241	01000
2022	\$134,442	02050
2023	\$963,804	01000
2023	\$134,442	02050
2024	\$978,615	01000
2024	\$134,442	02050
2025	\$993,678	01000
2025	\$134,442	02050

7b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2021	\$134,442	02050
2022	\$134,442	02050
2023	\$134,442	02050
2024	\$134,442	02050
2025	\$134,442	02050

- 8. Fiscal Implications:** This bill would have a fiscal impact on the Commonwealth. Section 32.1-46 of the Code of Virginia requires the Virginia Department of Health (VDH) to administer vaccines required by the State Board of Health Regulations for the Immunization of School Children without charge to the parent or guardian if the child is eligible for certain programs, such as, the Virginia Vaccines for Children program (VFC), Medicaid, Medicare, CHIP, and CHAMPUS. For children who are covered by insurance, VDH seeks reimbursement for allowable costs associated with the administration of vaccine. VDH procures vaccines through federal contracts that afford discounted pricing and prohibit seeking reimbursement for the cost of the vaccine product itself. VDH seeks reimbursement from third party payers for the administration costs (staff time and supplies) of the vaccine only.

VDH indicates that in order to meet the provisions of the bill, general fund dollars will be needed to purchase the vaccine. Current vaccination coverage rates were used to estimate the population that would need to be vaccinated as a direct result of this bill.

Approximately 14 percent of vaccinations occur at a health department, thus expenditure and revenue estimates are based on this percentage. If more children are vaccinated at a health department than estimated this could potentially affect expenditure and revenue estimates. 77 percent of children who receive vaccinations at a health department are eligible for free vaccines through the federal Virginia Vaccines for Children (VFC) program. Those doses will be purchased using federal VFC funding. The remaining 23 percent of children who receive vaccines at a local health department are not eligible for this program, therefore those doses will be purchased using general fund dollars. Future years assume approximately a 1.7% increase in expenditure for vaccines due to inflation. The revenue estimate reflects the revenue generated from reimbursement of claims for administration fees from third-party payers for children who received general fund vaccine. The administration fee reimbursement revenue does not fully cover the costs associated with administering the vaccine.

Additionally, any other vaccines that may be added to the Immunization Schedule developed and published by the Centers for Disease Control and Prevention, the Advisory Committee on Immunization Practices, the American Academy of Pediatrics, and the American Academy of Family Physicians will likely have an additional fiscal impact.

Passage of this legislation will not have a fiscal impact on the Department of Social Services. DSS would need to update regulations. The agency indicates the cost of these updates can be absorbed.

This bill would not have a fiscal impact on the Department of Medical Assistance Services as all the immunizations included in this bill are currently covered by Medicaid.

- 9. Specific Agency or Political Subdivisions Affected:** Department of Health and the Department of Social Services.

- 10. Technical Amendment Necessary:** No.

11. Other Comments: None.