

AMENDED IN SENATE APRIL 25, 2001

SENATE BILL

No. 1038

Introduced by Senator Polanco

February 23, 2001

An act to add Section 12693.625 to the Insurance Code, relating to immunizations.

LEGISLATIVE COUNSEL'S DIGEST

SB 1038, as amended, Polanco. Immunizations: Healthy Families Program.

Existing law establishes the Healthy Families Program, administered by the Managed Risk Medical Insurance Board, to arrange for the provision of health, dental, and vision services to eligible children pursuant to a federal program entitled the State Children's Health Insurance Program.

This bill would enact the California Healthy Families Vaccine Purchase Act. The bill would authorize the board to allocate sufficient funds out of moneys appropriated for purposes of the Healthy Families Program to the State Department of Health Services for the purchase of covered vaccines, as defined, and for their free-of-charge distribution to qualifying practitioners.

The bill would require practitioners to provide vaccines to eligible children without charge, except that the provider would receive an administrative fee for the provision of the vaccine from a health plan contracting to provide Healthy Families Program services.

The bill would authorize the board to share information regarding immunization data obtained from qualifying practitioners with the contracting health plan for purposes of quality monitoring and improvement activities.

This bill would provide that its provisions would not be implemented in any fiscal year unless funds have been specifically designated in the Budget Act for that fiscal year for implementation of the bill. *The bill would require that implementation be consistent with federal regulations.*

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. This act shall be known, and may be cited, as the
2 California Healthy Families Vaccine Purchase Act.

3 SEC. 2. The Legislature finds and declares all of the
4 following:

5 (a) Childhood communicable diseases constitute a serious
6 threat to the public health of the people of this state.

7 (b) Approximately one quarter of California’s toddlers remain
8 unimmunized, thus jeopardizing their individual health, as well as
9 the health of those with whom they come in contact.

10 (c) The effectiveness of childhood vaccines to save lives and
11 prevent debilitating diseases has been well documented.

12 (d) Vaccines are among the most cost-effective components of
13 preventive medical care. For every dollar spent on childhood
14 immunization, an average of ten dollars (\$10) is saved through the
15 prevention of future medical costs.

16 (e) Due to increasing numbers of approved life-saving
17 vaccines, as well as increasing prices, childhood vaccine purchase
18 costs have increased dramatically in recent years, nearly
19 twenty-fold since 1982.

20 (f) All federal Advisory Committee on Immunization
21 Practices-recommended vaccines must be covered benefits under
22 the Healthy Families Program, pursuant to requirements in the
23 federal State Children’s Health Insurance Program, created by the
24 Balanced Budget Amendment Act of 1997.

25 (g) California has the option to immediately and significantly
26 lower vaccine costs under the Healthy Families Program by
27 utilizing a federal option to purchase vaccines for the program at
28 a federally discounted price. The federally discounted price for all
29 recommended vaccines for a child five years of age and under is
30 more than two hundred dollars (\$200) less than the corresponding



1 commercial retail price. These savings will become even greater
2 with the expected addition during the 2000 calendar year of a
3 costly four-dose heptavelant pneumococcal vaccine to the
4 recommended schedule.

5 (h) Utilizing this reduced price to purchase vaccines for
6 children under the Healthy Families Program will serve the dual
7 purpose of maximizing opportunities to immunize children and
8 reduce public health risks, while at the same time saving taxpayer
9 dollars.

10 SEC. 3. Section 12693.625 is added to the Insurance Code, to
11 read:

12 12693.625. (a) As used in this section:

13 (1) "Covered vaccine" means all vaccines that are
14 recommended by the guidelines of the federal Advisory
15 Committee on Immunization Practices, the American Academy of
16 Pediatrics, and the American Academy of Family Physicians, in
17 their joint schedule for children 21 years of age and younger.

18 (2) "Department" means the State Department of Health
19 Services.

20 (3) "Practitioner" means a physician, a doctor of osteopathy,
21 or any other person who, acting within the scope of his or her
22 practice *and who is part of a Healthy Families Program provider*
23 *network*, is permitted to administer vaccines under state law.

24 (b) The board shall allocate to the department, out of funds
25 appropriated for purposes of this part, sufficient funds to do all of
26 the following:

27 (1) Purchase all covered vaccines in sufficient quantities to
28 implement this section.

29 (2) Secure and maintain such facilities as may be necessary for
30 the safe and adequate preservation of covered vaccines.

31 (3) Distribute, free of charge, including the costs of handling
32 and shipping, covered vaccines to practitioners qualifying for the
33 receipt of vaccines pursuant to subdivision (c).

34 (c) In order to receive covered vaccines for administration to
35 children pursuant to this section *and who are enrolled in the*
36 *Healthy Families Program*, a practitioner shall agree to both of the
37 following requirements:

38 (1) A practitioner shall not impose a charge for the provision
39 of any vaccine against the recipient child, his or her parents or legal
40 guardian, a third-party payor, or any other person.



- 1 (2) The practitioner shall provide documentation to the
2 department detailing each vaccine administered by the
3 practitioner, the date of administration, and the name and date of
4 birth of the child to whom the vaccine was administered. *The*
5 *department may provide this information to the board which may*
6 *share this information with the contracting health plan for*
7 *purposes of quality monitoring and improvement activities.*
- 8 (d) A health plan contracting under this part shall pay the
9 practitioner an administrative fee on a per-shot basis for every
10 vaccine provided under this section that is not less than the per-shot
11 administrative fee paid under the Medi-Cal program.
- 12 (e) This section shall not be implemented in any fiscal year
13 unless funds have been specifically designated in the Budget Act
14 for that fiscal year for implementation of this section.
- 15 (f) *Implementation of this section shall be consistent with*
16 *federal regulations.*

