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FISCAL IMPACT REPORT

ORIGINAL DATE 02/16/09

SPONSOR Park LAST UPDATED _____ HM 20

SHORT TITLE Use of Certain Vaccines for Children SB _____

ANALYST Hanika-Ortiz

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY09	FY10	FY11	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$0.1			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)

Children, Youth & Families Department (CYFD)

Health Policy Commission (HPC)

SUMMARY

Synopsis of Bill

House Memorial 20 requests the DOH to consider whether the pneumococcal conjugate vaccine and the meningococcal conjugate vaccine should be required for children.

The bill resolves the following:

- The Immunization Act requires DOH to promulgate regulations governing the required immunizations of children attending school and further requires that the required immunizations shall conform to recommendations of the Advisory Committee on Immunization Practices (committee) of the United States Department of Health and Human services and the American Academy of Pediatrics;
- DOH in conformance with those recommendations, requires children who are not exempted to receive the following vaccinations prior to enrolling in child care, preschool or school: diphtheria, tetanus, pertussis, polio, measles, mumps, rubella, Haemophilus influenzae type B, hepatitis A, hepatitis B and varicella;

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- The committee recommended that children younger than two years old receive the pneumococcal conjugate vaccine, but DOH has not yet required that vaccination prior to enrollment in child care;
- The committee also recommends that children receive the meningococcal conjugate vaccine at ages eleven years and twelve years, but DOH has not yet required that vaccination prior to enrollment in school;
- Invasive pneumococcal disease is a group of lifethreatening infections caused by the bacterium *Streptococcus Pneumoniae* and includes bacterial meningitis, bacteremia, sepsis and bacteremic pneumonia;
- Pneumococcal disease accounts for more deaths than any other vaccine-preventable disease, and meningococcal disease is the leading cause of bacterial meningitis in children ages two years through eighteen years, infecting between one thousand and two thousand six hundred people of all ages in the United States each year and killing about ten percent of those infected; and
- Vaccines remain the best defense available today against infectious diseases, including pneumococcal disease and meningococcal disease.

FISCAL IMPLICATIONS

Any fiscal impact to add new required vaccines will need to be balanced against the state's interest in maintaining the public health.

The DOH Immunization Program Provider Information website provides the following:

The Omnibus Budget Reconciliation Act (OBRA) created the Vaccines for Children (VFC) program as Section 1928 of the Social Security Act on August 10, 1993. The VFC program, which began October 1, 1994, provides vaccines recommended by the Advisory Committee on Immunization Practices free of charge to VFC-eligible children through public and private providers. Because the State of New Mexico supplements the federal VFC allocation, all children from birth through 18 in New Mexico are eligible for vaccines through the VFC program. Providers may charge administration fees up to the cap (\$10 per shot in NM) established by the Health Care Financing Administration (HCFA). However, if a patient is unable to pay their administration fee, a provider may not deny them the vaccine. If the patient is on Medicaid, a provider may still submit claims for the administration fee as allowed by the Medicaid/Salud Program.

Administrative costs will incur as DOH will need to assign personnel to study the issue of making pneumococcal conjugate and meningococcal conjugate vaccines a school requirement.

SIGNIFICANT ISSUES

HM 20 requests DOH assess and determine whether the pneumococcal and meningococcal conjugate vaccines should be included in the schedule of required vaccines for children.

The New Mexico Immunization Act requires DOH to promulgate regulations that govern the required immunizations of children attending school and mandates the required immunizations to reflect the recommendation from the Advisory Committee on Immunization Practices of the U.S. Department of Health and Human Services and the American Academy of Pediatrics.

PERFORMANCE IMPLICATIONS

DOH reports that the issue of school entry requirements and vaccine policies for children are the ongoing responsibility of the New Mexico Vaccine Advisory Committee. The Federal Advisory Committee on Immunization Practices recommends that children under 2 years of age receive the pneumococcal conjugate vaccine, and children aged 11 and 12 years receive the meningococcal conjugate vaccines.

ADMINISTRATIVE IMPLICATIONS

DOH will be required to prepare a report for the interim Legislative Health and Human Services Committee by October 2009.

OTHER SUBSTANTIVE ISSUES

HPC reports that pneumococcal disease accounts for more deaths than any other vaccine-preventable disease. In healthy infants and children aged 11 months and younger, three or four doses of pneumococcal conjugate vaccine are required, depending upon the age the first dose was given. Children 12 to 23 months of age require two doses of vaccine. Healthy children 24 to 59 months of age require one dose of vaccine.

HPC further reports that meningococcal disease is the leading cause of bacterial meningitis in children two through eighteen years and kills about 10 percent of those infected. There are two vaccines against bacterial meningitis that are available in the United States. Meningococcal conjugate vaccine was the most recently licensed (2005). However, meningococcal vaccines cannot prevent all types of the disease.

On October 1, 1988, the National Childhood Vaccine Injury Act of 1986 (Public Law 99-660) created the National Vaccine Injury Compensation Program (VICP). The VICP was established to ensure an adequate supply of vaccines, stabilize vaccine costs, and establish and maintain an accessible and efficient forum for individuals found to be injured by certain vaccines. The VICP is a no-fault alternative to the traditional tort system for resolving vaccine injury claims that provides compensation to people found to be injured by certain vaccines. The U. S. Court of Federal Claims decides who will be paid. Three Federal government offices have a role in the VICP; the U.S. Department of Health and Human Services; the U.S. Department of Justice (DOJ); and the U.S. Court of Federal Claims (the Court).

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Children in New Mexico may be exposed to pneumococcal and meningococcal disease.

AHO/svb