

Vaccine Financing and Availability Advisory Committee

October 17, 2014

8:00 a.m. – 10:00 a.m.

Members in attendance:

Daniel Aspery	Andrew Carroll	Phyllis Arthur	Erin Klug
Craig Newton	Kelly Ridgeway	Bob England	Chad Heinrich
Jessica Rigler	Amy Shoptaugh	Jennifer Tinney	Kim Elliott

Visitors in attendance:

Darla Kunze	Kelsey Pistotnik	Chris Vinyard	Jessie Hanna
Gaspar Laca	Rebecca Nevedale	Dana Goodloe	Kathi Beranek
Jeremy Browning	Patty Gast	Casey Baird	Rory Hays

- **Call to Order - - Welcome and Introductions**

The Vaccine Financing and Availability Advisory Committee convened at the Arizona Department of Health Services State Lab, 250 N. 17th Avenue, Phoenix, Arizona on October 17, 2014. Chairperson Rigler called the meeting to order at 8:06 a.m. Each committee member and visitor gave a brief introduction of themselves.

- **Minute Review/Approval of September 19, 2014**

Committee Member Aspery moved to approve the minutes. The motion was seconded by Committee Member Carroll. Minutes and draft notes will be posted to the website: <http://azdhs.gov/phs/immunization/financing-advisory-committee.php>

- **Review of HB 2491**

Chairperson Rigler reviewed the excerpt of HB 2491 with the committee to help develop the framework of the meetings topics of discussion.

Chairperson Rigler asked the committee to consider if all were in favor of moving forward with discussing and forming recommendations of the four core areas of cost, purchasing, payment and availability.

- Committee member Arthur suggested the committee include a page of definitions in the report including availability and medical home.
- Chairperson Rigler will be asking for volunteers in the committee to help draft sections of the report.
- Committee member Arthur will continue asking manufactures whether they will provide advanced notice of cost increases and their time management with the CDC.
 - o When does CDC become aware of cost increases that would allow the insurance plans to react to adjust to updated pricing if there is reimbursement of 123%?
 - o Are CDC price changes in real time or updated monthly?

- Committee member England proposed to include cost discussion in the writing of the report including recognition that immunization is a communal benefit to society in addition to an individual benefit. We are trying to finance a communal benefit through commodity purchasing system which has inherent issues involved in it. (It's like trying to finance the streets by charging the homeowner for the section in front of their house.)

- **Discussion of Recommendations:**

- a. Vaccine Cost**

- Committee member Arthur proposed a definition be captured in the report that includes where the cost centers are and explains what vaccine cost includes and what administration costs includes. Committee member Shoptaugh provided printed information on those costs.
 - Committee member Carroll expressed the need for a standardized list of vaccine pricing for all parties involved and recommended the CDC pricing be used.
 - Committee member Aspery explained how insurers need notice of at least a minimum of 60 days prior to the start of the calendar quarter to change pricing in their system.
 - Committee member Newton agreed that insurers need time to update their systems before the price change moves forward.
 - Committee members agreed on the following recommendations:
 - ✓ Insurers / Payers should be notified of a vaccine price change at least 60 days prior to the beginning of a quarter.
 - ✓ Allow extended time for physicians to purchase vaccine at old price in case the price change does not fall on a calendar quarter. At a minimum, physicians should receive an additional 30 or 60 days from notification of insurance companies to purchase vaccines at the old price.

- b. Vaccine Purchasing**

- Committee member Kim Elliot asked if the cost recommendations work, would purchasing recommendations be needed. Committee member Aspery answered yes and explained rural physicians or small practices are discontinuing provision of vaccines because they cannot afford it and are being charged higher prices.
 - The biggest problem with a buying group is that there is restriction on what types of vaccines to order. Not all group purchasing organizations require restrictions.
 - Committee member Arthur will ask the manufacturers' contracting contacts for a list of buying contracts that providers could leverage.
 - This would not be the optimal way to buy flu vaccine because of pre-book, but would work well for pediatric, adolescent, and maybe adults.
 - Include information about these options in Learn at Lunch. Typically these are office support staff, but TAPI might be able to do CME or dinner programs about

vaccine purchasing options. Committee member Shoptaugh suggested to include a teleconference option with TAPI and AAP.

- Committee member Tinney suggested use of the volume of county health departments to drive prices of manufacturers and include small and rural providers.
- There is a need to identify funding sources to increase educational offerings. Vaccine manufacturers could support this, multifactorial: insurers, public health.
- Committee members agreed on the following recommendations:
 - ✓ TAPI and AAP to create a list of buying groups using the national contacts for manufacturer contracting and provide training on these to providers offices (through multiple provider groups, internal medicine, AAFP, pediatrics, OB/GYN, Osteopaths). Include in the training educating providers on best practices for giving vaccines.
 - ✓ Explore volume buying discounts through a purchasing group with County Health Departments.

c. Payment

- Committee member Aspery explained that payment is defined as what goes into the doctor's pocket. Insurer's use "reimbursement" as similar terminology. Insurers need to use a formula that targets the 123% CDC retail list price as payment to providers.
- Committee member Shoptaugh summarized it would be difficult to mandate a percentage but best practice would be for insurers to use CDC private sector list pricing as a reference.
- Committee member Shoptaugh proposed the recommendation that insurance companies pay the same regardless of practice size. Committee member Newton explained it runs counter to ACOs and giving different benefits. Committee member England added that the public perception is that the ACA already covers this subject.
- Committee members agreed on the following recommendations:
 - ✓ Insurance companies encouraged to use CDC list prices as the reference for provider payment.
 - ✓ Insurance companies encouraged to pay same amount for vaccines regardless of practice size due to the community benefit from vaccines.
 - ✓ Concerning commercial vaccine, insurers encouraged to pay, at a minimum, 123% of CDC retail list price to providers plus administrative fees (with Medicare-based RVU or RVS as a reference for a minimum administrative fee).
 - ✓ Develop a floor for public plans congruent with Medicare-based RVU or RVS as a reference for a minimum administrative fee and exclude federal programs (ie, TriCare) that would require congressional approval.
 - ✓ Insurance companies encourage employers to buy plans that reimburse adequately for vaccines. Non-grandfathered plans would need to be recommended.
 - ✓ Encourage employers to review immunization benefits in their plan based on community benefit, including self-insured plans in other states.

- ✓ TAPI to produce an educational tool geared toward employers to identify the value, cost, and trend of physician provision of vaccines with proposed solutions.

d. Vaccine Availability and Access

- Committee member Shoptaugh expressed the challenge for providers to identify patient vaccine history, especially if they get the vaccine outside of the medical home. The need for bidirectional exchange in ASIIS or consistent ASIIS entry from all providers should be a requirement.
- Discussion about limiting payment for required vaccines to only private providers and public health (not allowing urgent care and minute clinics). Limiting 6 years and under reimbursement to only medical home.
 - Consider other reasons children cannot get into provider offices for vaccines (recently moved, no provider established, provider is booked, insurance change).
- Committee member England stressed that limiting or adding restrictions to the availability of vaccines is a threat to the priority of herd immunity.
- Committee member Ridgeway echoed the concern of the committee making restrictive recommendations that would decrease access and go against what the committee is trying to accomplish. Pharmacies can help emphasize the importance of maintaining wellness visits and the medical home but should not be done at the vaccine expense.
- Committee member England suggested the recommendation that any out of medical home vaccinator question what the medical home is and refer the person/parent back.
- Committee members agreed on the following recommendations:
 - ✓ All vaccines must be entered into ASIIS.
 - ✓ Encourage public and private plans to utilize other immunization sources so there are not missed opportunities for vaccination which opens up the availability, but medical notes must get back to medical home. There must be emphasis on the importance of the medical home, interoperability between the medical home and alternative vaccination sites so the referral goes back to the medical home.
 - ✓ Maintain under 6 years of age vaccination is given in medical home and over 6 years of age needs a prescription from the doctor.
 - ✓ Educate and stress importance to the vaccination alternates of medical home and referring children back to medical home.
- **Other Report Elements**
 - The committee agreed that this is a report for the legislature, but that recommendations discussed are more for manufacturers and insurers. This committee is putting together recommendations and a future committee could review implementation
 - Discussion centered on the consensus that the committee does not want to recommend mandates – a way to avoid that is to encourage stakeholders to implement the recommendations.

- The committee would request that the report is distributed to self-insured groups in other states as well, since they cover some Arizona lives.
- Chairperson Rigler proposed pulling the report elements into a draft and have the committee review and comment on the draft in the next meeting. All committee members agreed.

- **Report Authorship**

Chairperson Rigler would like a draft of the report to review one week prior to the November meeting date and called for volunteers to help write portions of the draft. Committee members Tinney and Elliot volunteered.

- **Future Meetings**

The next meeting is November 21, 2014
Location and time to be announced.

- **Call To The Public**

Rebecca Nevedale, American Academy of Pediatrics, suggested to the committee to also consider payment recommendations of new vaccines entering the market. Rebecca also recommended to the committee to add a good definition of medical home or medical neighborhood to the report glossary.

Committee member Shoptaugh added there should be an adequate retro payment to new vaccines unless notification of release is agreed on.

- **Adjourn**

The meeting adjourned at 10:05 a.m