

**First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 13-0605.01 Christy Chase x2008

SENATE BILL 13-222

SENATE SPONSORSHIP

Aguilar, Newell, Nicholson

HOUSE SPONSORSHIP

Pabon, Kraft-Tharp, Levy, May, Melton, Peniston, Rosenthal, Salazar, Singer, Tyler

Senate Committees

Health & Human Services
Appropriations

House Committees

Health, Insurance & Environment
Appropriations

A BILL FOR AN ACT

101 **CONCERNING IMPROVING ACCESS TO CHILDHOOD IMMUNIZATIONS,**
102 **AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Current law prohibits the department of public health and environment (department) from establishing a universal purchasing system for procuring vaccines for insured individuals in the state.

Section 2 of the bill removes the barrier to establishing a vaccine

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

Capital letters indicate new material to be added to existing statute.

Dashes through the words indicate deletions from existing statute.

HOUSE
2nd Reading Unamended
May 2, 2013

SENATE
3rd Reading Unamended
April 19, 2013

SENATE
Amended 2nd Reading
April 18, 2013

purchasing system. **Section 4** authorizes the department, for purposes of increasing access to immunizations, to examine mechanisms for statewide purchase of vaccines, including childhood immunizations, and options for the state to more effectively purchase and distribute vaccines for insured individuals in the state. Additionally, the department is to explore authorizing the department of health care policy and financing to purchase vaccines recommended by the federal advisory committee on immunization practices (ACIP). Section 3 also:

- ! Requires the department to convene a stakeholder task force to make recommendations regarding the financing and delivery of childhood immunizations, including through a vaccine purchasing system; and
- ! Authorizes the state board of health to adopt rules to implement the task force's recommendations.

Section 3 of the bill authorizes the department to expend moneys in the immunization fund to purchase vaccines through a vaccine purchasing system, if developed.

Section 5 of the bill permits the department of health care policy and financing to purchase vaccines recommended by the ACIP through a vaccine purchasing system, if developed, for children enrolled in the children's basic health plan.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 hereby finds that:

4 (a) Colorado's current system of financing and delivering
5 childhood immunizations is complicated and presents barriers for
6 providers, patients, and payers;

7 (b) The current fragmented system creates access issues because
8 some small and rural providers are unable to afford to stock and deliver
9 vaccine, thus forcing the patient to seek immunizations elsewhere and
10 eroding the medical home;

11 (c) Many of Colorado's primary care providers report that, in a
12 private office setting, the cost to purchase and deliver childhood
13 immunizations is second only to the cost of personnel, resulting in many

1 providers being unable to offer immunizations;

2 (d) Colorado's primary care providers are required to keep
3 different inventory and accounting systems for vaccine stock, based on
4 the insurance status of patients, resulting in a "two drawer" system;

5 (e) Recent changes in federal law prohibit local public health
6 agencies from providing federally funded immunizations to patients with
7 private insurance, including situations in which a primary care provider
8 is unable to offer immunizations and refers a patient to the local public
9 health agency;

10 (f) In the future, local public health agencies will only be able to
11 provide immunizations to insured children if the family is able to pay for
12 the cost of the vaccine or the agency implements a sophisticated billing
13 procedure with each private payer;

14 (g) Vaccines for children enrolled in the state's medicaid program
15 are received from the vaccines for children program, taking advantages
16 of economies of scale and bulk purchasing power;

17 (h) Vaccines for the children's basic health plan are purchased in
18 the commercial market, creating a fragmented funding system for the
19 state's public health programs;

20 (i) The current patchwork of conflicting vaccine financing and
21 requirement system makes it difficult to respond to disease outbreaks with
22 a statewide, systematic plan and response;

23 (j) In order to ease the administrative and financial burdens on the
24 state's primary care providers and thus expand access to vaccines for
25 Colorado children, the state needs to take a comprehensive look at the
26 current system of vaccine financing and delivery; ==

27 (k) Allowing provider choice in any purchasing system aids in the

1 most effective and efficient management of a patient's care and supports
2 stable vaccine supply for the community; and

3 (1) Colorado is in a unique position to examine existing models,
4 as well as proposed models, for vaccine financing and delivery in order
5 to create an efficient solution designed with cost savings and effective
6 administration in mind.

7 **SECTION 2.** In Colorado Revised Statutes, 25-4-1705, **amend**
8 (9) (b) as follows:

9 **25-4-1705. Department of public health and environment -**
10 **powers and duties - rules.** (9) (b) The department or any person who
11 contracts with the department pursuant to subsection (7) of this section
12 ~~shall not~~ MAY establish a ~~universal~~ purchase system AS DESCRIBED IN
13 SECTION 25-4-2403 for the procurement of vaccines for privately insured
14 persons under federal government contracts.

15 **SECTION 3.** In Colorado Revised Statutes, 25-4-1708, **amend**
16 (1) as follows:

17 **25-4-1708. Fund created.** (1) (a) There is hereby established in
18 the state treasury a fund to be known as the immunization fund, which
19 fund ~~shall be~~ IS subject to annual appropriation BY THE GENERAL
20 ASSEMBLY to the department of public health and environment ~~by the~~
21 ~~general assembly~~ for the purposes of:

22 (I) Purchasing vaccines, INCLUDING PURCHASING VACCINES
23 THROUGH A VACCINE PURCHASING SYSTEM, IF SUCH A SYSTEM IS
24 DEVELOPED PURSUANT TO SECTION 25-4-2403 (1) AND (1.3), WHICH
25 SYSTEM MAY INCLUDE VACCINES FOR PRIVATELY INSURED INDIVIDUALS;

26 (II) Assisting users of the immunization tracking system
27 established in section 25-4-2403 to connect to the system;

1 (III) Utilizing the reminder and recall process of the immunization
2 tracking system; and

3 (IV) Implementing, developing, and operating immunization
4 programs.

5 (b) The fund ~~shall be credited with such appropriations as~~
6 CONSISTS OF:

7 (I) MONEYS APPROPRIATED BY the general assembly ~~may make~~
8 from the general fund for immunization programs;

9 (II) Any gifts, grants, or awards received pursuant to sections
10 25-4-1705 (6) and 25-4-2403 (9) (c) OR FOR PURPOSES OF EXPANDING
11 ACCESS TO CHILDHOOD IMMUNIZATIONS; and

12 (III) Moneys received from the state department of health care
13 policy and financing as reimbursement pursuant to section 25-4-1707.

14 (c) THE STATE TREASURER SHALL CREDIT TO THE FUND all income
15 from the investment of moneys in the fund. ~~shall be credited to the fund.~~

16 (d) THE DEPARTMENT SHALL USE THE MONEYS IN THE
17 IMMUNIZATION FUND TO PAY THE DEPARTMENT'S DIRECT AND INDIRECT
18 COSTS OF ADMINISTERING THE PROGRAMS DESCRIBED IN PARAGRAPH (a)
19 OF THIS SUBSECTION (1).

20 **SECTION 4.** In Colorado Revised Statutes, 25-4-2403, **amend**
21 (1) introductory portion, (1) (a), (1) (c), and (1) (f); and **add** (1.3) and
22 (13) as follows:

23 **25-4-2403. Department of public health and environment -**
24 **powers and duties - immunization tracking system.** (1) In order to
25 expand the immunization registry and increase access to immunizations,
26 the department of ~~public health and environment~~ may address:

27 (a) Mechanisms for:

1 (I) Maximizing federal funds to purchase, distribute, and deliver
2 vaccines for individuals in Colorado; ~~including, but not limited to,~~
3 ~~participation in a state purchasing and distribution cooperative and the~~
4 ~~mechanisms for~~

5 (II) Statewide purchase, distribution, and prioritization ~~to include,~~
6 ~~but not be limited to~~ OF VACCINES, INCLUDING CHILDHOOD
7 IMMUNIZATIONS AND the seasonal influenza vaccine;

8 (c) Options for Colorado to more effectively purchase, distribute,
9 and deliver vaccines to INSURED, underinsured, and uninsured individuals;

10 (f) ~~Methods for implementing the findings addressed in~~
11 ~~paragraphs (a) to (d) of~~ THE ABILITY OF THE DEPARTMENT OF HEALTH
12 CARE POLICY AND FINANCING TO PURCHASE VACCINES RECOMMENDED BY
13 ACIP THROUGH A PURCHASING SYSTEM, IF DEVELOPED PURSUANT TO this
14 subsection (1) AND SUBSECTION (1.3) OF THIS SECTION, FOR CHILDREN
15 WHO ARE ENROLLED IN THE CHILDREN'S BASIC HEALTH PLAN CREATED IN
16 ARTICLE 8 OF TITLE 25.5, C.R.S.

17 (1.3) (a) THE DEPARTMENT SHALL CONVENE A TASK FORCE OF
18 INTERESTED STAKEHOLDERS TO CONSIDER THE ISSUES IDENTIFIED IN
19 SUBSECTION (1) OF THIS SECTION. THE TASK FORCE MUST CONSIST OF AT
20 LEAST THE FOLLOWING PERSONS OR GROUPS:

21 (I) PRIMARY CARE PROVIDERS, INCLUDING ESSENTIAL COMMUNITY
22 PROVIDERS, PEDIATRICIANS, FAMILY PHYSICIANS, MID-LEVEL PROVIDERS,
23 AND PRACTICE MANAGERS;

24 (II) PHARMACISTS FROM BOTH INDEPENDENT AND CHAIN
25 PHARMACIES;

26 (III) LOCAL PUBLIC HEALTH PROVIDERS;

27 (IV) CHILD HEALTH ADVOCATES;

1 (V) HEALTH INSURERS AND OTHER PERSONS WHO PAY FOR HEALTH
2 CARE SERVICES;

3 (VI) A REPRESENTATIVE FROM A COLORADO-BASED INNOVATIVE
4 VACCINE COMPANY;

5 (VII) PHARMACEUTICAL MANUFACTURERS; AND

6 (VIII) REPRESENTATIVES FROM THE DEPARTMENTS OF PUBLIC
7 HEALTH AND ENVIRONMENT AND HEALTH CARE POLICY AND FINANCING.

8 (b) THE TASK FORCE SHALL MAKE RECOMMENDATIONS TO THE
9 DEPARTMENT AND THE BOARD ON THE FINANCING, ORDERING, AND
10 DELIVERY OF CHILDHOOD IMMUNIZATIONS, INCLUDING THROUGH ANY OF
11 THE FOLLOWING METHODS:

12 (I) A PUBLIC-PRIVATE MODEL OF VACCINE PURCHASE AND
13 DELIVERY;

14 (II) JUST-IN-TIME DELIVERY;

15 (III) INVENTORY MANAGEMENT, INCLUDING VACCINE CHOICES,
16 COMBINATION VACCINES, AND EQUIVALENT VACCINES;

17 (IV) OUTBREAK RESPONSE;

18 (V) LINKAGE BETWEEN THE IMMUNIZATION TRACKING SYSTEM
19 ESTABLISHED PURSUANT TO SUBSECTION (2) OF THIS SECTION AND
20 VACCINE INVENTORY;

21 (VI) VACCINE SHORTAGE RESPONSE;

22 (VII) PRESERVATION OF VACCINE DELIVERY IN A MEDICAL HOME
23 MODEL OF CARE;

24 (VIII) MECHANISMS FOR LOCAL PUBLIC HEALTH ENTITIES TO BILL
25 HEALTH INSURANCE CARRIERS; AND

26 (IX) CONTINUATION AND PRESERVATION OF CURRENT MODELS OF
27 VACCINE PURCHASE, FINANCING, AND DELIVERY AND THE ABILITY OF

1 HEALTH CARE PROVIDERS TO USE THOSE CURRENT MODELS OR ANY NEW
2 MODELS THAT MAY BE DEVELOPED PURSUANT TO THIS SUBSECTION (1.3)
3 AND SUBSECTION (1) OF THIS SECTION.

4 (c) THE BOARD MAY ADOPT RULES AS NECESSARY TO IMPLEMENT
5 THE RECOMMENDATIONS OF THE TASK FORCE.

6 (d) NO HEALTH CARE PROVIDER IS COMPELLED TO PARTICIPATE IN
7 A VACCINE PURCHASING SYSTEM, IF SUCH SYSTEM IS DEVELOPED
8 PURSUANT TO THIS SECTION.

9 (13) AS USED IN THIS SECTION:

10 (a) "ACIP" MEANS THE ADVISORY COMMITTEE ON IMMUNIZATION
11 PRACTICES TO THE CENTERS FOR DISEASE CONTROL AND PREVENTION IN
12 THE FEDERAL DEPARTMENT OF HEALTH AND HUMAN SERVICES, OR ITS
13 SUCCESSOR ENTITY.

14 (b) "BOARD" MEANS THE STATE BOARD OF HEALTH CREATED IN
15 SECTION 25-1-103.

16 (c) "DEPARTMENT" MEANS THE DEPARTMENT OF PUBLIC HEALTH
17 AND ENVIRONMENT CREATED IN SECTION 25-1-102.

18 (d) "EQUIVALENT VACCINES" MEANS TWO OR MORE VACCINES
19 THAT:

20 (I) PROTECT A RECIPIENT OF THE VACCINE AGAINST THE SAME
21 INFECTION;

22 (II) HAVE SIMILAR SAFETY AND EFFICACY PROFILES; AND

23 (III) ARE RECOMMENDED FOR COMPARABLE POPULATIONS BY THE
24 FEDERAL CENTERS FOR DISEASE CONTROL AND PREVENTION.

25 **SECTION 5.** In Colorado Revised Statutes, 25.5-8-107, **add** (5)
26 as follows:

27 **25.5-8-107. Duties of the department - schedule of services -**

1 **premiums - copayments - subsidies - purchase of childhood**
2 **immunizations.** (5) THE DEPARTMENT MAY PURCHASE VACCINES
3 RECOMMENDED BY THE ADVISORY COMMITTEE ON IMMUNIZATION
4 PRACTICES TO THE CENTERS FOR DISEASE CONTROL AND PREVENTION IN
5 THE FEDERAL DEPARTMENT OF HEALTH AND HUMAN SERVICES, OR ITS
6 SUCCESSOR ENTITY, THROUGH A VACCINE PURCHASING SYSTEM, IF SUCH
7 A SYSTEM IS DEVELOPED PURSUANT TO SECTION 25-4-2403 (1), C.R.S.,
8 FOR CHILDREN ENROLLED IN THE CHILDREN'S BASIC HEALTH PLAN.

9 **SECTION 6. Appropriation.** In addition to any other
10 appropriation, there is hereby appropriated, out of any moneys in the
11 general fund, not otherwise appropriated, to the department of public
12 health and environment, for the fiscal year beginning July 1, 2013, the
13 sum of \$68,054 and 1.0 FTE, or so much thereof as may be necessary, to
14 be allocated to the disease control and environmental epidemiology
15 division for the implementation of this act as follows:

16	<u>Immunization Personal Services</u>	<u>\$62,401 and 1.0 FTE</u>
17	<u>Immunization Operating Expenses</u>	<u>\$5,653.</u>

18 **SECTION 7. Safety clause.** The general assembly hereby finds,
19 determines, and declares that this act is necessary for the immediate
20 preservation of the public peace, health, and safety.