

SENATE No. 534

The Commonwealth of Massachusetts

PRESENTED BY:

Richard T. Moore

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act establishing the childhood vaccine program.

PETITION OF:

NAME:

Richard T. Moore

DISTRICT/ADDRESS:

Worcester and Norfolk

SENATE No. 534

By Mr. Richard T. Moore, a petition (accompanied by bill, Senate, No. 534) of Richard T. Moore for legislation to establish the childhood vaccine program. Health Care Financing.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE
□ SENATE
□ , NO. 2362 OF 2011-2012.]

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act establishing the childhood vaccine program.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. The General Laws are hereby amended by inserting after chapter 118H the
2 following chapter:-

3 Chapter 118I

4 Childhood Vaccine Program

5 Section 1. As used in this chapter the following words shall, unless the context clearly
6 requires otherwise, have the following meanings:

7 “Children”, individuals less than 19 years of age.

8 “Estimated vaccine cost”, the estimated cost over the course of a fiscal year for the
9 purchase, storage and distribution of vaccines for all children in the commonwealth.

10 “Payments Subject to Surcharge”, as defined in section 64 of chapter 118E.

11 “Routine childhood immunizations”, immunizations for children until their nineteenth
12 birthday including, but not limited to: (1) the immunizations recommended by the federal
13 Vaccines for Children Program; and (2) any immunizations recommended by the Advisory

14 Committee on Immunization Practices of the United States Department of Health and Human
15 Services.

16 “Surcharge payors”, those entities defined as surcharge payors under section 64 of
17 chapter 118E, who made payments subject to surcharge of \$1,000,000 or more during the most
18 recent period for which data is available on July 1 of the current fiscal year.

19 “Total non-federal program cost”, the estimated annual cost of vaccines needed for
20 routine childhood immunizations for children covered by surcharge payors in the commonwealth
21 less the amount of federal revenue available to the commonwealth for purchase, storage,
22 distribution and administration of such vaccines.

23 Section 2. There shall be established in the commonwealth a separate trust fund to be
24 known as the Vaccine Purchase Trust Fund to support a universal purchase system for childhood
25 vaccines in the commonwealth. The fund shall be expended to cover the costs to purchase, store
26 and distribute vaccines for routine childhood immunizations and to administer the fund and the
27 immunization registry, established under section 24M of chapter 111. The fund shall consist of
28 all monies paid to the commonwealth under section 4 and any interest earnings on such monies.
29 The fund shall be maintained by the commissioner of public health or a designee. The monies
30 shall be expended under the direction of the department of public health, without prior
31 appropriation, solely to cover total non-federal program costs; provided, however, that the
32 amount to be expended for storing and distributing vaccines for routine childhood
33 immunizations, if such costs are not covered by federal contribution, and for the costs of
34 administering the immunization registry, shall not exceed 10 per cent of the total amount of the
35 fund expended for the purchase of vaccines needed for routine childhood immunizations for all
36 children in the commonwealth. Any balance in the fund at the close of a fiscal year shall be
37 available for expenditure in subsequent fiscal years and shall not be transferred to any other fund
38 or revert to the General Fund. The commissioner of public health or a designee shall report
39 annually to the house and senate committees on ways and means and the house and senate chairs
40 of the joint committee on health care financing the amount of funds collected and any
41 expenditures made from the fund.

42 Section 3. There shall be a vaccine purchase advisory council consisting of the
43 commissioner of public health or a designee, who shall serve as chair; the medical director of the
44 universal immunization program of the department of public health established under section 24I
45 of chapter 111; the executive director for the center for health information and analysis or a
46 designee; the executive director of the commonwealth health insurance connector authority or a
47 designee; 3 persons to be appointed by the commissioner of insurance, each of whom shall be a
48 representative of 1 of the 3 health insurance companies having the most insured lives in the
49 commonwealth; and 8 persons to be appointed by the commissioner of public health, 1 of whom
50 shall be a representative of an employer that self-insures for health coverage who shall be
51 appointed from lists of nominees submitted by statewide associations of employers, 1 of whom

52 shall be a representative of the pharmaceutical manufacturing industry with expertise in
53 researching, developing and manufacturing vaccines, 1 of whom shall be a member of the
54 Massachusetts Medical Society, 1 of whom shall be a member of the Massachusetts chapter of
55 the American Academy of Pediatrics, 1 of whom shall be a member of the Massachusetts
56 Academy of Family Physicians, and 3 of whom shall be physicians licensed to practice in the
57 commonwealth and who shall have expertise in the area of childhood vaccines. The council shall
58 recommend the types of vaccines to be purchased based on a list of routine childhood
59 immunizations and shall take into account provider preference, cost, availability and other
60 factors as determined by the council. The council shall recommend the amount of funding
61 needed each fiscal year by calculating the total non-federal program cost. The commissioner of
62 public health shall determine the final vaccines to be purchased.

63 Section 4. Under regulations adopted by the commissioner of public health, each
64 surcharge payor in the commonwealth shall pay to the commissioner of public health, for deposit
65 in the Vaccine Purchase Trust Fund, a routine childhood immunizations surcharge assessed by
66 the commissioner. By January 1 of each year, the commissioner of public health shall determine
67 the total amount of such surcharge for the following fiscal year by determining the final amount
68 required to be included in the Vaccine Purchase Trust Fund for the following fiscal year to cover
69 the estimated costs to purchase, store and distribute vaccines for routine childhood
70 immunizations and to administer the fund and the immunization registry, established under
71 section 24M of chapter 111. Such amount shall exclude any costs anticipated to be covered by
72 federal contribution, shall take into consideration the limitations on expenditures described in
73 Section 2, and shall take into account any anticipated surplus or deficit in the trust fund. Such
74 amount shall not be more than 4 per cent greater than the surcharge amount for the prior fiscal
75 year unless the commissioner of public health submits a detailed report to the legislature
76 explaining the need for such increase. If the reason for such increase is due to the purchase of
77 new vaccines, as recommended by the vaccine purchase advisory council, such report shall
78 include an analysis of cost savings generated by use of the state vaccine purchasing discount.

79 The commissioner shall annually provide surcharge payors notice of the assessment
80 amount for the trust fund year not later than March 1. Surcharge payors shall pay the surcharge
81 on a schedule determined by regulation, provided that such schedule shall ensure sufficient funds
82 for the trust fund to fulfill the purposes described in section 2. Each surcharge payor shall pay a
83 portion of the total amount of the surcharge proportional to their payments subject to surcharge
84 during the most recent period for which data is available, as further defined in regulation.

85 Section 5. The department of public health may adopt rules and regulations as necessary
86 to implement the universal purchase and distribution system under this chapter and other
87 applicable state and federal laws. The rules and regulations shall establish the system by which
88 vaccines are distributed for children in the commonwealth.

89 Section 6. Every surcharge payor, to the extent not preempted by federal law, shall
90 provide benefits for: (i) routine childhood immunizations for residents of the commonwealth;
91 and (ii) immunizations for residents of the commonwealth who are 19 years of age and older
92 according to the most recent schedules recommended by the Advisory Committee on
93 Immunization Practices of the United States Department of Health and Human Services. These
94 benefits shall be exempt from any copayment, coinsurance, deductible or dollar limit provisions
95 in the health insurance policy or contract.

96 SECTION 7. Notwithstanding any general or special law to the contrary, in fiscal year
97 2014, the commissioner of public health shall not increase the total amount of the routine
98 childhood immunizations surcharge more than 7 per cent over item 4580-1000 in the fiscal year
99 2013 general appropriations act, plus any supplemental fiscal year 2013 funding to said item
100 4580-1000, unless the commissioner of public health submits a detailed report to the legislature
101 explaining the need for such increase; and provided further, that in state fiscal year 2015, the
102 commissioner of public health shall not increase the total amount of the surcharge more than 7
103 per cent over the fiscal year 2014 surcharge amount unless the commissioner of public health
104 submits a detailed report to the legislature explaining the need for such increase.

105 SECTION 8. The routine childhood immunizations surcharge assessment required under
106 section 4 of chapter 118I of the General Laws shall take effect on July 1, 2013.