

NOTICE OF INTENT

Department of Health and Hospitals
Office of the Secretary
Bureau of Health Services Financing

Vaccines for Children

The Department of Health and Hospitals, Bureau of Health Services Financing, is proposing to adopt the following rule in the Medical Assistance Program as authorized by R.S. 46:153 and pursuant to the Social Security Act. This proposed rule is in accordance with the Administrative Procedure Act, R.S. 49:950 et seq.

The Omnibus Budget Reconciliation Act of 1993, Public Law 103-66 Section 13631 created the Pediatric Vaccine Distribution Program (known as the Vaccines for Children Program) which became effective October 1, 1994. OBRA 1993 added a new Section 1928 to the Social Security Act which requires that states establish a program for the purchase and distribution of pediatric vaccines to providers qualified under and registered with the program for the purpose of immunizing children eligible under the act. One of the federally mandated groups of children who are entitled to receive immunizations without charge for the cost of vaccines to their parents/guardians are Medicaid eligible children. Therefore, the Medicaid Program is required to reimburse qualified and registered providers for the administration of the immunizations to Medicaid eligible children. The U.S. Health and Human Services' Center for Disease Control and the Office of Public Health within the Department of Health and Hospitals are responsible for the distribution of these vaccines to private providers who are registered and qualified under the federal requirements to receive and administer these vaccines. At this time the Office of Public Health is distributing these vaccines to its public health units, federally qualified health centers as well as to private providers.

An emergency rule was initially adopted on the Vaccines for Children Program on January 20, 1995 (*Louisiana Register*, Volume 21, Number 1) and re-adopted in May and September 1995 (*Louisiana Register*, Volume 21, Numbers 5 and 9) and in January and May 1996 (*Louisiana Register*, Volume 22, Numbers 1 and 5). This emergency rule was adopted to implement and continue the program in order to comply with federal law. The following proposed rule will provide for the rule under the Administrative Procedure Act.

Proposed Rule

The Department of Health and Hospitals, Bureau of Health Services Financing establishes policy for Medicaid reimbursement of Vaccines for Children Program services whereby the bureau will reimburse qualified and registered providers for only the administration of the pediatric vaccines. This program has been instituted through a phase-in process to allow for the distribution of these vaccines on a statewide basis to both public and private providers. Initial distribution was only to the Office of Public Health Units and Federally Qualified Health Centers; however, private providers have now been phased into the program. The Medicaid Program will no longer pay for the pediatric vaccines, only the administration of such vaccines, effective for dates of service April 1, 1996 and after. The following provisions govern the reimbursement of administration of pediatric vaccines under the Vaccines for Children Program.

1. A qualified and registered provider must:
 - a. be a licensed health care provider who has authority under Louisiana state law to administer pediatric vaccines;
 - b. be an enrolled Medicaid provider and an enrolled Vaccines for Children Program provider; and
 - c. not have been found by the Health Care Financing Administration or the State of Louisiana to have violated a provider agreement or other applicable requirements.
2. Medicaid reimbursement for the administration cost of the pediatric vaccines is \$9.45 for the first year and this rate may be inflated by the Medical—All Items line of the Consumer Price Index for each of the succeeding two years, and:
 - a. is provided only for Medicaid eligible children; and
 - b. shall be made only for the administration of vaccines in accordance with the immunization schedule adopted by the National Academy of Pediatrics as required by the KIDMED Program under the Medicaid Program.
3. There is no Medicaid reimbursement for the vaccines obtained through the Vaccines for Children Program.
4. The pediatric vaccines included under the Medicaid Vaccines for Children's Program include the following:
 - a. DTaP—Diphtheria, Tetanus and acellular Pertussis;
 - b. DTP—Diphtheria, Tetanus, Pertussis;
 - c. MMR—Measles, Mumps and Rubella;
 - d. Poliovirus;
 - e. Hep B—Hepatitis B;

- f. HIB—Hemophilus Influenza B;
- g. DT—Diphtheria and Tetanus;
- h. DTP—HIB combination vaccine.

Interested persons may submit written comments to Thomas D. Collins, Bureau of Health Services Financing, Box 91030, Baton Rouge, LA 70821-9030. He is responsible for responding to inquiries regarding the proposed rule. A public hearing on this proposed rule is scheduled for Wednesday, July 24, 1996 at 9:30 a.m. in the Department of Transportation and Development Auditorium, First Floor, 1201 Capitol Access Road, Baton Rouge, LA. At that time interested persons will be afforded an opportunity to submit data, views or arguments, orally or in writing. The deadline for the receipt of all written comments is 4:30 p.m. on the day following the public hearing.

Bobby Jindal
Secretary

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES
RULE TITLE: Vaccines for Children**

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

It is anticipated that implementation of this proposed rule will result in decreased state expenditures for the provision of vaccines to Medicaid-eligible children by approximately \$1,583,190 for SFY 1995-1996; \$4,944,464 for SFY 1996-1997; and \$5,142,236 for SFY 1997-1998.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

It is anticipated that federal revenue collections for the provision of vaccines will decrease by approximately \$1,150,188 for SFY 1995-1996; \$3,592,153 for SFY 1996-1997; and \$3,696,753 for SFY 1997-1998.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

It is anticipated that the physician providers of vaccines to Medicaid-eligible children will experience the state expenditure decreases shown above.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There is no known effect on competition and employment.

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