

FISCAL NOTE
Requested by Legislative Council
01/21/2009

Bill/Resolution No.: SB 2333

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				(\$19,400,000)		(\$19,400,000)
Expenditures			\$21,600,000	(\$19,400,000)	\$30,000,000	(\$19,400,000)
Appropriations			\$21,600,000	(\$19,400,000)	\$30,000,000	(\$1,940,000)

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill would provide state general fund dollars for the purchase of all recommended childhood vaccines for children with health insurance.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The bill requires the Department of Health to provide age-appropriate immunizations to children in North Dakota. The federal, Vaccines for Children Program (VFC) provides vaccines for children who are Medicaid-eligible, American Indian or Alaskan Native, uninsured, or underinsured (children who have health insurance, but it does not cover a particular vaccine). The fiscal impact of this bill would be to provide all vaccines to children with health insurance that covers immunizations. The needed funding was determined by doses administered to insured children in the North Dakota Immunization Information System (NDIIS) in 2008. Assumptions were made for influenza vaccine doses needed, as influenza is not routinely entered into the NDIIS. For influenza, the insured population, based on CDC estimates, was multiplied by the estimated immunization rates for influenza vaccination (40% for children <1, 10% for 1-2, 25% for 3 – 18 years of age). Every child is recommended to receive a dose each year. The type of vaccine is an educated guess based on talking to providers and what has been ordered from the state in the past. Data entry into the NDIIS is assumed to not be at 100%, so \$10,773,052 was rounded up to \$10.8 million.

For the 2011-2013 biennium, the assumptions (specifically) are a 5% price increase for all vaccines, new recommendations for HPV vaccine for boys (doubled the current doses administered for girls), and a new pneumococcal vaccine (estimated price of \$120/dose). The new pneumococcal vaccine will replace the current vaccine so the difference between the two was used.

The Department of Health also receives an allocation of vaccine through the federal, Direct Assistance, Section 317 Program. An advisory committee currently recommends to the Department of Health which vaccines to offer through this program. It is anticipated that North Dakota will be allocated \$1,548,121 worth of vaccine from section 317 in fiscal year 2009. The Centers for Disease Control and Prevention have been cutting Section 317 vaccine for North Dakota each year.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The department would be able to reduce \$19.4 million in special fund revenue as the vaccine would be covered through the state general fund purchase.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

2008 NDIIS Data
 Vaccine - Doses - Annual Cost

Hepatitis B - 17,829 doses - total cost of \$169,376
 DTaP-Hib-IPV - 21,626 doses - total cost of \$1,083,463
 Pneumococcal - 21,824 doses - total cost of \$1,449,987
 Rotavirus - 14,635 doses - total cost of \$837,122
 MMR - 10,709 doses - total cost of \$195,546
 Varicella (Chickenpox) - 17,024 doses - total cost of \$1,046,976
 Hepatitis A - 23,697 doses - total cost of \$290,288
 DTaP-IPV - 5,437 doses - total cost of \$175,343
 Tdap - 9,134 doses - total cost of \$280,870
 Meningococcal - 11,184 doses - total cost of \$853,898
 Human Papillomavirus - 9,753 doses - total cost of \$981,054
 Influenza (Preservative Free) - 10,955 doses - total cost of \$152,275
 Live Influenza Vaccine - 114,396 doses - total cost of \$2,116,326
 Influenza (with Preservative) - 114,396 doses - total cost \$1,140,528

Total annual cost - \$10,773,052

Biennial Total - \$21,600,000

For the 2011-2013 biennium, the assumptions (specifically) are a 5% price increase for all vaccines, new recommendations for HPV vaccine for boys (doubled the current doses administered for girls), and a new pneumococcal vaccine (estimated price of \$120/dose). The new pneumococcal vaccine will replace the current vaccine so the difference between the two was used.

The department would be able to reduce \$19.4 million in special fund expenditures as the vaccine would be covered through the state general fund purchase.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Funds for this project are not included in the department's appropriation bill (SB 2004). The department will need these funds appropriated to carry out this project. The department would be able to reduce \$19.4 million in special fund appropriation as the vaccine would be covered through the state general fund purchase.

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