

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 9, 2007

TO: Honorable Jane Nelson, Chair, Senate Committee on Health & Human Services

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB110 by Van de Putte (Relating to immunization against human papilloma virus.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB110, As Introduced: a negative impact of (\$4,606,123) through the biennium ending August 31, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	(\$2,515,757)
2009	(\$2,090,366)
2010	(\$2,116,894)
2011	(\$2,131,813)
2012	(\$2,153,886)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>GENERAL REVENUE FUND</i> 1	Probable (Cost) from <i>FEDERAL FUNDS</i> 555
2008	(\$2,515,757)	(\$2,470,566)
2009	(\$2,090,366)	(\$2,480,195)
2010	(\$2,116,894)	(\$2,502,990)
2011	(\$2,131,813)	(\$2,526,985)
2012	(\$2,153,886)	(\$2,551,232)

Fiscal Analysis

The bill requires all female students enrolling in sixth grade, beginning with the 2007-2008 school year, to be immunized against human papillomavirus (HPV) unless requirements for exemption are met. The bill also requires the Texas Education Agency (TEA) to prescribe procedures by which school districts shall provide information to parents or guardians of female students relating to the connection between HPV and cervical cancer. The bill requires the Department of State Health Services (DSHS) to collect and disseminate information to parents, managing conservators, and guardians of female children relating to the connection between HPV and cervical cancer. DSHS must add a statement to the immunization exemption affidavit form indicating that information on the connection between HPV and cervical cancer was received. The bill requires the Department of Family and Protective Services (DFPS) to require that each female child in a child-care facility regulated by the department be immunized against HPV at an appropriate age.

Methodology

It is assumed that 95 percent of females entering the sixth grade would receive the vaccination series with the remaining 5 percent receiving an exemption. If fewer exemptions were granted costs would increase and if more exemptions were granted costs would decrease. It is likely that some females would be vaccinated even if it were not mandatory, which would decrease the cost of mandatory vaccination; however, the number of children who would have received voluntary vaccination cannot be estimated so all costs associated with vaccinating 95 percent of females are included. It is assumed that vaccinations for the 2007-2008 school year would occur during fiscal year 2008 and so on; many of the costs for vaccination for a particular school year could actually occur in the prior fiscal year due to school beginning in August and a fiscal year beginning in September.

The projected number of females entering sixth grade is 164,366 in the 2007-2008 school year, increasing each year to 170,766 in the 2011-2012 school year. Based on 2006 rates of insurance coverage, it is assumed that approximately 32.6 percent of vaccinated females would be Medicaid-eligible, 5.9 percent would be enrolled in the Children's Health Insurance Program (CHIP), 41.9 percent would be privately insured, and 19.5 percent would be uninsured. DSHS estimates that historically they have provided 5 percent of the vaccines for privately insured children, funded entirely with General Revenue Funds; it is assumed this will hold for HPV vaccine as well.

Medicaid: It is assumed that 50,935 children would be vaccinated through the Medicaid program in fiscal year 2008, increasing each year to 52,918 in fiscal year 2012. Children enrolled in Medicaid are eligible for federally-funded vaccination through the Vaccines for Children (VFC) program. Costs to administer the vaccine would be covered by the Medicaid program. The estimated value of vaccines provided to this population through VFC is \$14.7 million in fiscal year 2008 increasing to \$15.2 million by fiscal year 2012. Estimated cost to the Medicaid program for vaccine administration is \$0.7 million All Funds, including \$0.3 million in General Revenue Funds, in fiscal year 2008 increasing to \$0.8 million All Funds, including \$0.3 million in General Revenue Funds, by fiscal year 2012.

CHIP: It is assumed that 9,216 children would be vaccinated through CHIP in fiscal year 2008, increasing each year to 9,575 in fiscal year 2012. Both the vaccine and vaccine administration costs would be provided through the CHIP program at an estimated cost of \$2.8 million All Funds, including \$0.8 million in General Revenue Funds, in fiscal year 2008 increasing to \$2.9 million All Funds, including \$0.8 million in General Revenue Funds, in fiscal year 2012.

Uninsured: It is assumed that 30,501 uninsured children would be vaccinated through the VFC program in fiscal year 2008, increasing to 31,689 children by fiscal year 2012. The estimated value of vaccines provided to this population through VFC is \$8.8 million in fiscal year 2008 increasing to \$9.1 million by fiscal year 2012.

Privately Insured: It is assumed that DSHS will provide vaccine for 3,275 privately insured children in fiscal year 2008, increasing to 3,402 children by fiscal year 2012. The estimated cost to provide vaccine to these children is \$0.9 million in General Revenue Funds in fiscal year 2008 increasing to \$1.0 million in General Revenue Funds by fiscal year 2012.

Informational Brochure: It is assumed that all female children ages 9-18 would be provided with a brochure in fiscal year 2008 with all 9 year olds receiving a brochure in future years. DSHS estimates a cost of 29.5 cents to produce and distribute one brochure. The total estimated cost to produce and distribute brochures is estimated to be \$0.5 million in General Revenue Funds in fiscal year 2008 and approximately \$50,000 each following fiscal year.

TEA and DFPS both indicate that any costs to those agencies can be absorbed within available resources. There could be costs to the Employees Retirement System to vaccinate dependent children but those costs cannot be estimated; it is likely that those costs could reasonably be absorbed within available resources.

Total estimated cost is \$5.0 million All Funds, including \$2.5 million in General Revenue Funds, in fiscal year 2008; \$4.6 million All Funds, including \$2.1 million in General Revenue Funds, in fiscal

years 2009 and 2010; \$4.7 million All Funds, including \$2.1 million in General Revenue Funds in fiscal year 2011; and \$4.7 million All Funds, including \$2.2 million in General Revenue Funds, in fiscal year 2012. The total value of additional vaccine to be provided through VFC is estimated to be \$23.5 million in fiscal year 2008 increasing each year to \$24.4 million by fiscal year 2012.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission, 530 Family and Protective Services, Department of, 537 State Health Services, Department of, 701 Central Education Agency

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