

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 16, 2007

TO: Honorable David Dewhurst, Lieutenant Governor, Senate

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

IN RE: SB811 by Janek (Relating to requiring the Department of State Health Services to allow health care providers to use certain vaccines in the vaccines for children program.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill requires the Department of State Health Services (DSHS) to allow each health care provider participating in the Vaccines for Children program to select influenza vaccines from the list of all those approved by the United States Food and Drug Administration, recommended by the Advisory Committee on Immunization Practices, and either within the limits of the vaccines annually allocated to DSHS for the Vaccines for Children Program by the Centers for Disease Control and Prevention (CDC) or not offered in the annual allocation but available from the CDC with additional funding from the CDC. Additionally, DSHS would be required to allow these health care providers to use both inactivated influenza vaccines and live, attenuated influenza vaccines. Currently, vaccine for the Vaccines for Children program is allocated to DSHS by the CDC. Information is not available on how vaccine will be allocated in future years. It is assumed that the CDC's allocation would be sufficient to meet the requests of a majority of providers. If providers requested any type of vaccine in excess of the amount allocated by the CDC and additional funding was not made available to the department by the CDC, DSHS would be unable to meet the requests of all providers. No significant fiscal impact to the state is anticipated from allowing providers to select influenza vaccines from the CDC's annual allocation.

The bill also requires DSHS to procure an equal supply of vaccine for the Vaccines for Children program from each manufacturer when two or more manufacturers produce equivalent vaccines; influenza vaccine is excluded from the definition of equivalent vaccines. An equivalent vaccine must be approved by the United States Food and Drug Administration, recommended by the Advisory Committee on Immunization Practices, and made available to DSHS by the CDC. DSHS is required to procure an equal supply of equivalent vaccines only if the cost to the department of providing each equivalent vaccine is at most 110 percent of the lowest-priced equivalent vaccine. Vaccines for those children eligible for the Vaccines for Children program are provided to the state at no cost. According to DSHS, for vaccines other than influenza the agency is able to order any vaccine available at no cost to the state; it is assumed that sufficient amounts of each equivalent vaccine would be manufactured to meet the requirements of the bill. No significant fiscal impact to the state is anticipated from procuring equal amounts of equivalent vaccines.

It is assumed that any additional administrative costs to implement the bill could be absorbed within available resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 537 State Health Services, Department of

LBB Staff: JOB, CL, PP, LR