WASHINGTON VACCINE ASSOCIATION

Influenza Vaccine Task Force Meeting Minutes

October 20, 2010, 3:00 - 5:00 PM Location: Law Office of Ellis, Li & McKinstry

I. **Attendance** The following individuals participated in all or part of the meeting. Participants attended in person unless telephone participation is indicated by (T).

Present:
Tammy Blair
Jan Hicks-Thomson (T)
Margaret Lane
Laura McKenna (T)
Chad Murphy
Anthony Marfin
Heidi Prillwitz
Dorothy Teeter

II. **Summary of Actions Recommended:**

1. Jan Hicks-Thomson will build flow chart of the assessment model.
2. Chad Murphy and Margaret Lane will begin filling in the Vaccine Committee presentation outline prior to the next meeting.

III. **Minutes:**

At 3:05 PM, the Influenza Vaccine Committee Formation Task Force ("Task Force") Meeting was called to order.

The meeting was opened with discussion concerning the survey to be distributed to payers. The survey asks for historical and current data regarding how much influenza vaccine was and is privately reimbursed. The purpose of the survey is to find out how much vaccine has been privately purchased in order to understand the gap between federally funded influenza vaccines and what is needed. The criteria were developed and influenza vaccine codes were identified by Chad Murphy. The survey is to be distributed the morning of Thursday, October 21, 2010 and requested to be sent back prior to the next Task Force meeting. Jan Hicks-Thomson recommended getting both the numerator and denominator, not just the percentage of influenza vaccine privately reimbursed; the denominator is the total vaccine distributed to children under 19. It was also suggested to add to the survey a question regarding how many vaccines were distributed through MD offices and how many through other facilities such as pharmacies and grocery stores. Diagram 1 below was used as an illustration to show the need to understand the privately purchased amount.

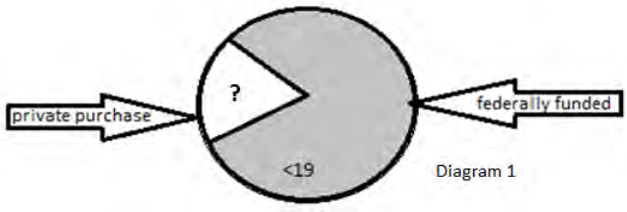


Diagram 1

Chad reported his findings after calling pharmacies in the Seattle metro area to inquire as to the frequency of childhood influenza immunizations administered. He found that Walgreens has a more advanced immunization center and does not vaccinate children under the age of nine. Of all their vaccinations only five to ten percent are administered to children and mostly with the influenza vaccination. Rite Aid mainly administers the influenza vaccine and of all the vaccines, only two to five percent are given to children. Katterman's Sand Point Pharmacy does a significant amount of pediatric vaccinations consisting primarily of the influenza vaccine. The pharmacies see the influenza vaccine as a growth market as they are able to reach a population that may not otherwise be reached for vaccinations. It was briefly mentioned that the Washington State Pharmacy Association (WSPA) has been inquiring about the WVA.

DOH Perspective and Timing

Jan Hicks-Thomson presented on the perspective of the Department of Health (DOH) regarding the influenza vaccine. It is anticipated that the federal funding through 317 D will remain flat. By law, 317 funds must be used to purchase vaccines for children in state sponsored health plans. Remaining 317 funds can be used at the discretion of the Department. The Department has traditionally made the remaining funds available for influenza vaccine purchasing. For the 2010 – 2011 season, the amount was $1.2 million. Because providers privately purchase some influenza vaccine for children, and do not get all childhood influenza vaccine from the state, there was a gap between the amount of influenza vaccine available from the state and the need for the childhood population. It was estimated, for the 2010-11 season, that 650,000 doses would be needed in the state of Washington. Initially 480,000 doses of state supplied influenza vaccine were pre-booked, and ultimately over 530,000 doses made available to providers enrolled in the childhood vaccine program.

Influenza vaccine need estimates are developed based on the childhood population in Washington and then applying a published immunization rate and dose requirements based on age. Seventy to eighty percent of these doses have been approved by the CDC for funding through VFC. The remaining twenty to thirty percent has been met through 317 funds and provider private purchase of vaccines. The issue at hand is to determine what the need is, and how to finance the non-federal portion of the vaccine.

A provider survey, similar to an influenza pre-book survey will help the WVA understand the vaccine need. This information can then be used to determining the best funding strategy based on the availability of VFC, 317 and other funding sources (WVA purchase or private purchase) to ensure vaccine availability to children less than 19 years of age served through providers enrolled in the State Childhood Vaccine Program.

Public Health wants ensure that as much of the population as possible is immunized. Most children are vaccinated in doctors' offices, but as noted earlier, some pharmacies see a children as well. Very few pharmacy organizations (2) currently participate in the childhood vaccine program. The WVA is responsible only for facilitating the financing of vaccines delivered through participants in the State Childhood Vaccine Program. It was noted that narrowing childhood influenza vaccines to provider offices may have negative effects on vaccination rates for children.

Given the difference between the amount of influenza vaccine that can be purchased using federal funds, and the total need for all children the question of how to cover the gap in was posed. The question was raised about when the gap would lead to an assessment on the

influenza vaccine through WVA? Thoughts on this included that an assessment would be considered if the 317 funding decreased or ended completely. If the vaccination rate increases, as it is hoped, the gap will also increase, necessitating an assessment. The conversation moved to discuss the desire to be proactive and develop an assessment at the time of pre-book.

From the perspective of the plans, it was noted that the health plans would be hard pressed to do a prepayment for the influenza vaccine in order to pre-book. Jan Hicks-Thomson suggested that in order to build a reserve for the influenza vaccine, the vaccine would be assessed a year ahead of time (while federal funds are used to purchase the vaccine) so that the following year, the vaccine could be purchased during the pre-book season.

The provider survey will be used to understand how much influenza vaccine and which type is preferred by providers based on the age of the child and how many children they vaccinate each season. It can be used as a baseline to figure out how much can be covered by federal funds and what the remaining need is. This survey is to be ready as soon as possible, which, according to Jan, may be two to three weeks away with revisions and web uploading. The survey is web based with a preceding blast fax to direct provider offices to the web. DOH will partner with the Washington Chapter AAP to get the notice about the survey out to providers. The cover letter will also specify that the office manager should answer the questions and stress that this survey should not set expectations for providers to receive their preferences.

Doses of each brand and type of influenza vaccine on the CDC contract have, in the past, been ordered to avoid concerns that DOH was showing a preference or excluding any particular manufacturer. If a product is to be excluded from those ordered by the State, a provider must be the initiator to explain exclusion. History has shown that providers like consistency and simple vaccines: vaccines that cannot be given to everyone are not considered simple.

Scenario Planning

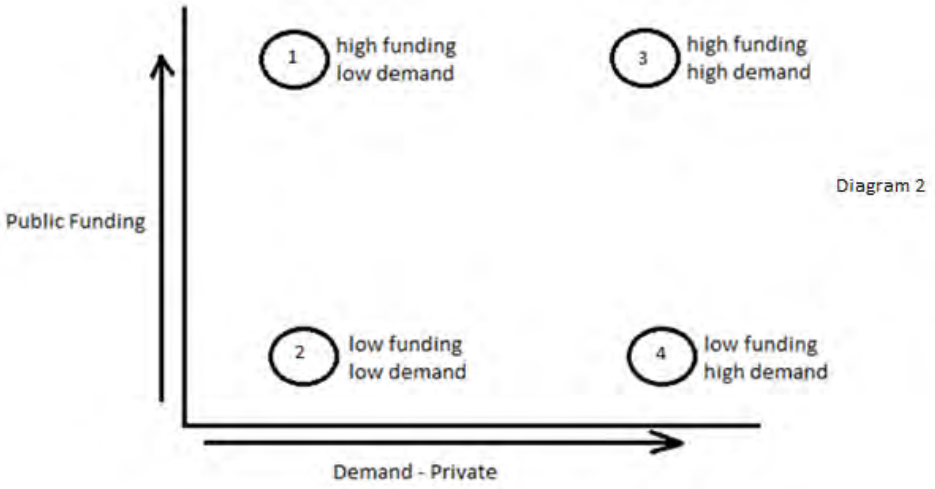
Three scenarios were presented for discussion in order to aid planning for alternative influenza vaccine purchasing. They were: vaccination rate increase, increase in population receiving vaccinations at provider office alternatives (pharmacies, grocery stores, etc.) and the end of 317 funding. In each of these scenarios, the gap between the federally funded vaccine and the vaccine need grows.

The vaccination rate has increased at a steady rate in the past few years, with a spiked increase during last year's H1N1 season. It is anticipated that vaccination rates for the influenza vaccine will steadily increase. It was noted that the difficulty with flat funding is that if it did decrease for some reason, the increase in demand would make the difference between what is covered by the federal funding and what is needed to cover the full vaccine need for all children.

Jan suggested that rather than letting the scenarios drive the strategy, the Task Force should create a model that fits within the current practices of the WVA for financing vaccines. This would mean considering what percentage of the vaccine is given to privately insured children and figuring out how the WVA would finance the vaccine for that group. This alternative can be aligned with the current WVA Dosage Based Assessment Process and creates a stable basis for determining the funding need and the ability to use the grid to adjust financing based on the assessment amount. This model addresses the issue of the instability of the federal discretionary funding, and allows the assessment grid to be used to control the amount of funding gathered each influenza season for the coming year. By setting up a process that allows funding to be generated via the assessment process for the following year, funds can be placed in escrow at the WVA similar to an escrow account for a house. The focus was brought to

discussing how to cover all children, those with private insurance and those funded through Vaccines for Children (VFC). Building a model based on flat funding was suggested to cause volatility that is not likely to be able to meet the full need. Instead, the focus should be on how the public and private financing can work together to meet the need. If the gap is covered through private purchase reimbursement and the gap increases, in the long term, it would have been better to develop a model for assessing the influenza vaccine first.

Four Scenarios for Influenza Vaccine Demand and Funding



In Diagram 2, above, it was noted that the assessment is built for scenario four, in which there would be low funding and high demand.

Next Steps

There will be two phases to the WVA influenza vaccine decision. The Task Force will initiate the influenza vaccine purchase with Phase One. Based on the data from the provider and payer surveys, the Task Force will make a recommendation to the Vaccine Committee regarding type and quantity of influenza vaccine to purchase for the 2011-12 influenza vaccine. The funding will most likely cover most of the majority of the need for the next season, but begin the process to develop an assessment in order to cover the pre-book for 2012-13 season. This process has the likelihood of producing implications and disadvantages that will need to be mitigated. For that reason, Chad and Margaret will begin working on the shell of the presentation to the Vaccine Committee.

Upcoming meeting schedule:

Nov. 4, 2 – 4 pm	Task Force meeting at WVA office – Complete Presentation
Nov. 11, 12-2pm [new meeting]	Task Force meeting at WVA office – Review Provider & Payer data & confirm recommendation
[Nov. 18	Vaccine Committee meets]

WASHINGTON VACCINE ASSOCIATION

What:	Influenza Vaccine Task Force Meeting
Date and Time:	October 20, 2010 / 3:00 – 5:00 PM
Place of Meeting:	Law office of Ellis, Li & McKinstry, PLLC, Market Place Tower, PH-A, 2025 First Avenue, Seattle
Call in Numbers:	(local) 206.925.3583; (long distance/toll-free) 877.826.6967; Part code: 1981457183#

AGENDA for Influenza Vaccine Task Force

Approximate Time	Topic/Anticipated Action	Presented by
3:00 – 3:05	1. Welcome / Introduction	D. Teeter
3:05 – 3:20	2. Review of Influenza Vaccine Data Requests a. Criteria / timing for insurers' claims data requests b. Data from pharmacy chains	C. Murphy
3:20 – 3:45	3. DOH Perspective and Timing a. Current thinking on federal funding for 2011-2012 i. Amount likely available for privately insured kids ii. Timing b. Provider survey overview and sample questions	J. Hicks-Thomson
3:45 – 4:15	4. Scenario Planning a. Identify three possible scenarios b. Discuss WVA alternative responses	M. Lane
4:15 – 4:35	5. High-level Presentation Overview a. What are the expectations of the Vaccine Committee b. Identify report sections and make assignments	C. Murphy
4:35 – 4:50	6. Next Steps a. Survey of other matters from Committee members and interested parties b. Review deliverables for next Task Force meeting and alignment with WVA Vaccine Committee c. Meeting close	D. Teeter