Department of Legislative Services 2010 Session

FISCAL AND POLICY NOTE Revised

House Bill 294

(Delegate Nathan-Pulliam, et al.)

Ways and Means

Education - Immunizations - Children Entering Seventh Grade or Higher

This bill requires that regulations regarding childhood immunizations adopted by the Department of Health and Mental Hygiene (DHMH) include a requirement that parents and guardians ensure that their children are immunized for diphtheria, tetanus (lockjaw) toxoids, and acellular pertussis (whooping cough) before entering seventh grade. The regulations must also require that children transferring into the State at or after the seventh grade be immunized.

The bill takes effect July 1, 2010.

Fiscal Summary

State Effect: General fund and federal fund expenditures increase by an estimated \$1.1 million in FY 2011 to purchase the required vaccinations for children who are expected to go to local health departments to get the immunizations. Federal funds will cover approximately \$435,200; the remaining \$652,700 will be paid for with general funds. Future year estimates reflect fewer students going to the local health department to receive the Tdap booster.

(in dollars)	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
FF Revenue	\$435,200	\$435,200	\$435,200	\$435,200	\$435,200
GF Expenditure	\$652,700	\$435,200	\$435,200	\$435,200	\$435,200
FF Expenditure	\$435,200	\$435,200	\$435,200	\$435,200	\$435,200
Net Effect	(\$652,700)	(\$435,200)	(\$435,200)	(\$435,200)	(\$435,200)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: To the extent parents and guardians use local health departments to obtain the required vaccination for their children, local health department expenditures may increase.

Small Business Effect: Minimal.

Analysis

Current Law: Children enrolled in a public or private school must receive age-appropriate immunizations according to the schedule of immunizations recommended by the Subcommittee on Immunizations and Infectious Diseases of the Medical and Chirurgical Faculty of Maryland and the Secretary of Health and Mental Hygiene. Children must be immunized against a variety of diseases including diphtheria, polio, measles, mumps, and Hepatitis B. A parent or guardian must provide a physician's certificate of immunization so that the child may be admitted to school. This does not apply to a student who presents a written statement from a licensed physician or a health officer indicating that immunization against any of these diseases is considered not in the best interest of the child's health. In addition, a parent or guardian who objects to immunizations on the grounds of bona fide religious beliefs and practices is not required to present a physician's certificate of immunization so that the child may be admitted to school.

By regulation, a public or private school or a preschool must temporarily admit a student without required immunizations if the student is homeless. A student may also be temporarily admitted if the student's parent or guardian presents evidence of the student's appointment with a health care provider or local health department. The appointment must be within 20 days for the student to be admitted. The appointment may be to receive the required immunizations; reconstruct a lost record; or acquire evidence of age-appropriate immunity. The school must exclude from school a temporarily admitted student on the next school day following the appointment date if the student's parent or guardian fails to provide evidence of required immunizations.

A student may have an immunization administered by the student's personal physician. If a parent or guardian cannot obtain the service of a private physician, the parent or guardian of the student may take the student to the local health department for the immunizations.

Regulations require four doses of diphtheria immunization vaccine for a student younger than age seven, and three doses for a student older than seven. Four doses of tetanus immunization vaccine are required for a student younger than age seven and three doses for a student older than seven. For a student age seven or older, four doses of pertussis immunization vaccine are required. **Background:** Diphtheria is a serious illness that can cause breathing difficulties, heart problems, nerve damage, pneumonia, and possibly death. The risk of serious complications is greater in very young children and the elderly. Tetanus (also known as lockjaw) is a very serious illness that causes seizures and severe muscle spasms that can be strong enough to cause bone fractures of the spine. The disease continues to occur almost exclusively among people who are not vaccinated or do not have enough protection from previous vaccines. Pertussis (also known as whooping cough) is a serious disease that causes severe spells of coughing that can interfere with breathing. Pertussis can also cause pneumonia, long-lasting bronchitis, seizures, brain damage, and death.

The federal Centers for Disease Control and Prevention (CDC) recommends five combined tetanus, diphtheria, and pertussis (Tdap) shots for maximum protection for young children. The first four are given before the child is age two; the fifth shot is given when a child enters school between the ages of four and six. On June 30, 2005, the Advisory Committee on Immunization Practices at CDC voted to recommend the routine use of the Tdap vaccine in adolescents ages 11 to 18 in place of the tetanus and diphtheria toxioids (Td) vaccines. This booster vaccine should be administered at age 11 or 12 for those who have completed the recommended childhood DTP/Tdap vaccination series and have not received a Td booster dose. A five-year interval from the last Td dose is encouraged when Tdap is used as a booster dose; however, a shorter interval may be used if pertussis immunity is needed. Some other states including Virginia and North Carolina require a Tdap booster shot before entering the sixth grade.

During the 2007-2008 school year, when vaccinations for chickenpox and Hepatitis B were required, more than 2,600 students in Prince George's County and 900 students in Baltimore City were banned from school because they lacked the vaccinations or documentation of the vaccinations. To increase compliance, Prince George's County officials sought to make it easy to get the vaccinations by offering free vaccination clinics on Saturdays, in the early morning, and in schools. In addition, officials sent out multiple letters, made telephone calls, and visited the homes of students out of compliance. Parents and guardians were even threatened with a \$50 per day fine and up to 10 days in jail if they refused to get their children vaccinated. Even with these efforts, by the end of the school year, approximately 900 Prince George's County students and 400 Baltimore City students still had not met the vaccination requirement.

The State receives funds through the federal vaccines for children program (VFC) to provide vaccines at no cost to children who are eligible for Medicaid. In fiscal 2009, the State was appropriated \$4.5 million in VFC funding. The State distributes the funds and vaccinations to local health departments and other VFC providers.

State Fiscal Effect: General fund and federal fund expenditures increase by an estimated \$1.1 million in fiscal 2011 to purchase Tdap boosters for an estimated 46,575 children who are expected to go to local health departments to get the immunizations. Federal funds will cover approximately \$435,166; the remaining \$652,749 will be paid for with general funds. This estimate is based on the following information and assumptions.

- Each Tdap booster dose costs \$28.03.
- Approximately 70,000 students per year enter seventh grade in Maryland public and private schools.
- According to the last CDC survey, an estimated 46,575 seventh graders in Maryland have not received a Tdap booster (or the equivalent).
- DHMH estimates that approximately one-third of seventh graders (or about 15,525 children) who have not received a Tdap booster are uninsured or are on Medicaid. VFC, a federal entitlement program, will pay for the Tdap vaccine for these children, at a federal cost of approximately \$435,166 per year.
- DHMH estimates of the remaining two-thirds of unvaccinated seventh graders (or about 31,050 children), about 75% (or approximately 23,288 children) will go to the local health department to receive their Tdap vaccine. This estimate is based on the short period of time period between the July 1, 2010 effective date of the bill and a new class of seventh graders entering school in September 2010 as well as from DHMH's previous experience with requiring vaccinations for middle school students.
- Local health departments must provide the required vaccinations free of charge, although they may request voluntary reimbursement. DHMH reports that very few individuals provide reimbursement. The State is required to bear the full cost of providing vaccinations to local health departments. Therefore, the cost to the State for children receiving vaccines who are not eligible for VFC will be approximately \$652,749 in fiscal 2011.

Future years assume a relatively stable population of students entering seventh grade, that the Tdap booster continues to cost \$28.03 per dose, and that the percentage of children not eligible for VFC who go to local health departments to receive their Tdap vaccination will drop to approximately 50% in out-years due to parents and medical professionals being more aware of the requirement and having a longer time to schedule appointments.

To the extent that individuals go to their private health care providers for vaccines or reimburse local health departments for vaccines, general fund expenditures may be lower. However, additional expenditures may be necessary for an education campaign to alert parents and students of the new requirement. Requiring seventh graders to obtain a Tdap booster may reduce health care costs associated with treating diphtheria, tetanus, and acellular pertussis; however, these savings cannot be reliably quantified.

Local Fiscal Effect: In light of past difficulties with vaccination compliance, DHMH estimates that local health departments may need as much as \$1.7 million in the first year to support their night and weekend vaccination clinics in order to vaccinate seventh graders without access to private doctors within the short timeframe under the bill. DHMH estimates that a significant number of students who are eligible for the federal VFC program will go to their local health department for their vaccinations. Local health departments are provided the vaccines for free through VFC to immunize children who are not insured or are on Medicaid. In future years, the impact may be mitigated by the longer timeframe for vaccination and more students accessing the vaccination through other providers.

Montgomery County estimates that in fiscal 2011 it will need to hire an additional community health nurse and an additional nurse's aid to handle the additional vaccinations required within the short timeframe.

Small Business Effect: Private doctors' revenues may increase to the extent parents and guardians may make additional visits to get their children the required vaccinations. Many private doctors are also VFC providers.

Additional Information

Prior Introductions: SB 699 of 2009 was withdrawn after a hearing in the Senate Education, Health, and Environmental Affairs Committee.

Cross File: SB 659 (Senator Klausmeier, *et al.*) – Education, Health, and Environmental Affairs.

Information Source(s): Maryland State Department of Education, Department of Health and Mental Hygiene, Montgomery County, Department of Legislative Services

Fiscal Note History:	First Reader - March 1, 2010
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