



STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH

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House Bill 5512 - An Act Establishing a Bulk Purchasing Influenza Vaccine Pilot Program

The Department of Public Health provides the following information with regard to House Bill 5512.

House Bill 5512 proposes that physicians collectively order influenza vaccine through DPH rather than individually through commercial distributors, creating a single large bulk order of vaccine. The bill is being introduced as a possible way to overcome influenza vaccine distribution problems in recent years in which there was a perception that large bulk purchasers of vaccine received their vaccine from the manufacturer sooner than physicians and local health departments with smaller orders. This placed physician's offices in an awkward position: many patients who were anxious to get vaccinated as soon as possible went to bulk purchasing grocery stores and pharmacies instead of their physician, leaving physicians who got their vaccine later with unused vaccine. Similar problems happened with local health departments.

Although DPH could establish a bulk order program, it would take considerable resources and it could fail to solve the perceived problems. To establish a bulk purchase program, DPH would have to take advance orders from clinicians and place a single bulk order with one or more manufacturers. Unless there were a mechanism to collect money up front from physicians, this would require DPH to purchase vaccine first and seek subsequent reimbursement from physicians after they received or administered the vaccine. The budget needed for vaccine purchase could range from as little as \$2.4million (200,000 doses) to as much as \$12 million per year, depending on how many physicians used the system. A contract would be established with one or more vaccine manufacturers for purchase and direct delivery of the vaccine to either a middle distributor or directly to physicians. Once the vaccine season began, monthly orders would be taken by DPH staff and placed with the distributor for delivery, similar to what happens with the childhood vaccine delivery system. Assuming DPH knew how much vaccine would be available each month and the amount available to order were less than the sum of the orders, vaccine could be given to each provider in proportion to the size of their order. This could assure that every provider received at least some vaccine. Ultimately, invoices would be sent to providers for the cost of the vaccine ordered. We estimate that it could take 2 full time equivalent positions to enroll physicians, take orders, send invoices, etc. In addition, the system would work best if there were funding for a contract with a distributor for shipping of vaccine.

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A second issue is that such a program might not entirely solve the problem. First, the manufacturers claim they do not give priority to filling bulk orders. If this is true, nothing would change. Second, vaccine can only be manufactured at a specific rate. Some of the problems this past year were in a mismatch between when patients and providers were ready for vaccine (October) and when the bulk of the supply became available (November and December). If planning for vaccination was coordinated and did not begin until November, it is likely all parties could have as much vaccine as they could use at the time they initiated vaccination efforts. By planning for vaccination visits and clinics earlier than the vaccine can be anticipated to be available, a false, temporary situation in which demand exceeds supply is produced. However, the eventual vaccine supply is likely to more than match demand. Furthermore, anyone doing vaccine ordering cannot afford to purchase all vaccine from a single manufacturer. Because any given manufacturer can have glitches and delays in production, it is strongly recommended that ordering be done from multiple sources, so that at least some of the vaccine will come through. Such a strategy will reduce the size of a bulk order and, if size is relevant, make it less competitive.

Finally, it is important to recognize that recommendations for annual influenza vaccination are expanding. Already, it is recommended that approximately two-thirds of the population get vaccinated annually, and this is likely to be expanded to everyone. To vaccinate most of the population over a 2 month period each year is a massive undertaking that will need the full participation of physicians, local health departments and clinics run out of chain stores. We do not want to discourage any of these venues by favoring one over the other. It will also require recognition of all involved that vaccination efforts must be coordinated with supply, not the opposite. We need to develop a coordinated approach, not a frantic competitive one, to avoid an annual preventable crisis.

Thank you for your consideration of the Department's views on this bill.