

OFFICE OF FISCAL ANALYSIS

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sHB-6423

AN ACT CONCERNING IMMUNIZATIONS.

As Amended by House "A" (LCO 7076), House "G" (LCO 7009)

House Calendar No.: 323

Senate Calendar No.: 320

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
State Comptroller - Fringe Benefits ¹	GF - Potential Cost	See Below	See Below
Public Health, Dept.	IF - Cost	Less than 58,000	Less than 58,000
Board of Regents for Higher Education	Various - Potential Revenue Loss	Less than 1.4 million	Less than 1.4 million

Note: GF=General Fund; IF=Insurance Fund; Various=Various

Municipal Impact:

Municipalities	Effect	FY 22 \$	FY 23 \$
Various Municipalities	Potential Cost	See Below	See Below

Explanation

This bill is anticipated to result in a cost to the Department of Public Health (DPH) of less than \$58,000 annually to purchase vaccines for privately insured children who would not have been vaccinated in the

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 41.3% of payroll in FY 22 and FY 23.

absence of the passage of the bill.²

The bill grandfathers in individuals enrolled in grades K - 12 or higher who submitted a religious exemption prior to the bill's passage. Under the bill, individuals with prior religious exemptions who are enrolled in prekindergarten generally must comply with immunization requirements.

The maximum annual DPH cost projection assumes, based on national 2018 Census data, that 67% of school enterers with religious exemptions have private insurance. There were 683 religious exemptions in Connecticut for the 2020 school year enrolled in prekindergarten. Assuming the same number of religious exemptions in each of FY 22 and FY 23, the maximum number of privately insured individuals that could be vaccinated due to the bill is approximately 458. Currently, the cost to fully vaccinate an insured Connecticut child 0-18 years of age with all recommended vaccines is approximately \$2,400 per child (an average of \$126 annually). The cost to DPH will vary based on several factors, including: (1) the number of privately insured individuals that would have procured a religious exemption that chooses to receive DPH-recommended vaccinations, rather than leave the state or become homeschooled, (2) the number of these individuals that are already vaccinated to some extent and for which preventable childhood diseases, (3) the utilization rate of combination vaccines, (4) the types of combination vaccines used, (5) the timing of vaccine administration, and (6) the price of vaccines.³

The bill is also anticipated to result in a potential revenue loss to the Board of Regents due to possible reduced enrollment, should prospective students who previously would have utilized a religious exemption continue to choose not to vaccinate themselves and,

² Funding to vaccinate children that are Medicaid-eligible, uninsured, underinsured, and/or American Indian or Alaska Native is provided by the Federal Vaccines for Children program.

³ DPH purchases vaccines through the Centers for Disease Control and Prevention contract that is negotiated between the vaccine manufacturers and the federal government each year.

therefore, are unable to enroll.

The revenue loss to the Board of Regents for Higher Education is potential because it is possible that most, or all, of such prospective new students, will choose to receive vaccinations to enroll. The potential revenue loss may reach \$1.4 million annually, beginning in FY 22, if few such prospective students choose to comply with the vaccination requirements. However, if many comply, the potential revenue loss will be minimal.

Of the potential Board of Regents revenue loss, up to \$900,000 is associated with the possible total impact to the 12 community colleges, while up to \$435,000 is associated with potential total impact to the four Connecticut State Universities. The Connecticut State Universities may experience reduced tuition and fees revenue (up to approximately \$260,000) as well as auxiliary revenue for room and board (up to an estimated \$175,000). These estimates are based on: (1) recent data on the number of new students enrolled who have a religious exemption from vaccination requirements, (2) FY 22 tuition and fees rates, and (3) the anticipated FY 22 percent of first-year Connecticut State Universities students who plan to live on-campus and therefore will pay the FY 22 average room and board rate of \$13,548.

There is a potential cost to the state employee and retiree health plan, the Partnership Plan, and fully-insured municipalities resulting from the bill, which requires that health care providers give consultations to patients related to the administration of vaccines. To the extent that providing such consultations results in additional claims submitted by providers to insurers, there is a cost that will be reflected in premiums for plan years starting on or after January 1, 2022.

Pursuant to federal law, self-insured plans are exempt from state coverage mandates. However, state plans have traditionally adopted such mandates.

House "A" grandfathers in individuals enrolled in grades K - 12 or higher who submitted a religious exemption prior to the bill's passage. House "A" strikes the original bill and its associated fiscal impact, thus becoming the bill with the above referenced fiscal impact.

House "G" continues to grandfather these students if they transfer to another public or private school in the state. House "G" has no fiscal impact.

The Out Years

The annualized ongoing cost to DPH identified above would continue into the future subject to: (1) the number of privately insured individuals that would have procured a religious exemption that choose to receive DPH-recommended vaccinations, rather than leave the state or become homeschooled, (2) the number of these individuals that are already vaccinated to some extent and for which preventable childhood diseases, (3) the utilization rate of combination vaccines, (4) the types of combination vaccines used, (5) the timing of vaccine administration, and (6) the price of vaccines. The potential revenue loss to the community colleges and the Connecticut State Universities will continue into the out years, dependent on the number of prospective students who choose not to vaccinate themselves that would have previously obtained a religious exemption, and any changes in the tuition, fees, room, and board rates.