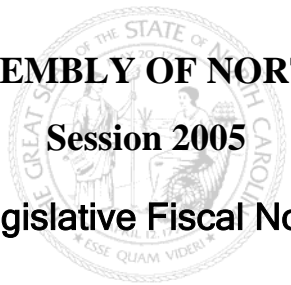


GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2005

Legislative Fiscal Note

BILL NUMBER: House Bill 1364 (First Edition)

SHORT TITLE: Pediatric Vaccines/No Thimerosal.

SPONSOR(S): Representatives Goforth and Dollar

	FISCAL IMPACT				
	Yes (x)	No ()	No Estimate Available ()		
	<u>FY 2005-06</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>	<u>FY 2008-09</u>	<u>FY 2009-10</u>
REVENUES:	0	0	0	0	0
EXPENDITURES:	\$297,353	\$629,916	\$674,010	\$721,191	\$771,674
POSITIONS (cumulative):	0	0	0	0	0
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Health and Human Services, Division of Public Health					
EFFECTIVE DATE: January 1, 2006					

Description

Amends GS 130A-152 to prohibit administration of vaccines containing thimerosal to pregnant women and children under age 8 unless vaccine contains only trace amounts of thimerosal and no alternative is available or in times of emergency or epidemic as determined by State Health Director. Enacts new GS 130A-152.1 requiring Division of Public Health to develop a brochure of information on thimerosal in vaccines for physicians administering vaccines to display in their offices. Effective January 1, 2006

ASSUMPTIONS AND METHODOLOGY:

- There are two vaccines affected by this proposed legislation, the flu vaccine and Hepatitis B vaccine. The flu vaccine contains more than a trace amount of the thimerosal (for adults and children) and Hepatitis B Pediatric vaccine has only a trace amount of thimerosal; however, there is an alternative which is thimerosal-free and the cost to switch is included in this analysis.
- There are approximately 256,503 doses of flu vaccine administered annually to children and pregnant women. The cost per dose for children two years old and under is \$12.02 for

the thimerosal-free vaccines and the thimerosal-containing vaccines. There is no additional cost to purchase only the thimerosal-free flu vaccine for children. There are approximately 161,508 doses needed for these children annually.

- The cost per dose for the adult flu thimerosal-containing vaccine, including children three years of age and over is \$9.71; the cost for the thimerosal-free is \$14.00 a difference of \$4.29 per dose. The total additional cost to administer the thimerosal-free flu vaccine for older children and adults is \$407,529. There are 94,995 doses within this category.
- It is expected that approximately 172,551 children will receive the Hepatitis B vaccine in FY2005-2006. The cost to purchase the thimerosal-free vaccination is \$.35 cents per dose higher than the thimerosal-containing vaccine and the children receive three doses. The total additional cost for the Hepatitis B thimerosal-free vaccine is \$181,179.
- The cost estimates are based on the Centers for Disease Control current contract pricing for vaccines, as of April 2005.
- There is approximately 7% inflation on vaccines annually.
- FY2005-2006 contains the additional funding needed for six months, based on the effective date of January 1, 2006. For FY2006-2007, the amount is annualized and inflation added to the FY2005-2006 amount.
- The bill also requires a brochure to be prepared with information on thimerosal. The Division of Public Health currently prepares brochures on vaccines in which pediatricians display and/or distribute to families. This information on thimerosal would be added to current brochures and will require an approximate \$5,000 for development in FY2005-2006.
- No additional federal funds will be available to offset the cost of the thimerosal-free vaccines.

SOURCES OF DATA:

Division of Public Health

TECHNICAL CONSIDERATIONS:

Currently flu manufacturers develop most of the flu vaccine with thimerosal. Flu manufacturers produce approximately 13% of total supply as thimerosal-free. North Carolina would not likely have accessibility to purchase enough thimerosal-free vaccine for all children under age eight and pregnant women needing flu vaccine within the state.

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DATE: June 21, 2005

Signed Copy Located in the NCGA Principal Clerk's Offices