

**Thank you.**

*Andrew Gans, MPH*

*HIV, STD and Hepatitis Section Manager*

1190 St. Francis Drive, Room S-1302

Santa Fe, NM 87502

505-476-3624

[andrew.gans@state.nm.us](mailto:andrew.gans@state.nm.us)



# Vaccine Purchase Act

Department of Health (DOH) presentation to LHHS

October 20, 2015



## Vaccine Purchase Act – summary

- Purpose: expand access to vaccines, improve vaccine coverage rates, and facilitate providers getting vaccines.
- Non-reverting fund created - only for vaccine purchase (no administration expenses)
- DOH purchases vaccines for all NM children, invoices insurers and group health plans for the cost, and reports non-payment to Attorney General
- DOH estimates vaccine costs for all privately insured children, plus 10%
- Office of Superintendent of Insurance (OSI) requires insurers to report number of insured children
- DOH invoices insurers/health plans quarterly for their proportion of insured children



153

## ACCOMPLISHMENTS

- 1) DOH drafted regulations, held a hearing and finalized regulations. DOH's rules became effective on August 28, 2015. (NMAC 7.5.4.)
- 2) DOH met with officials at the Office of Superintendent of Insurance in April and again in October to coordinate and align regulations and procedures.
- 3) DOH estimated the cost of vaccines for all insured children for FY16, plus a 10% reserve, as required by statute.

Total cost estimate = \$20,226,256



154

## ACCOMPLISHMENTS

4) OSI set up a data collection survey to determine the number of covered children 0-18 for all insurers and employee health groups doing business in New Mexico

- Due date for reporting was July 15, 2015.
- Extensions were granted for companies that requested them.

5) DOH received data on August 7, 2015

- 871 self insured and 237 fully insured plans reported.
- 54,080 privately insured children were reported.
- Many problems with addresses, contacts, etc. were found and corrected.
- Number of covered childhood lives continue to be updated and reported.



155

## DOH INVOICED ALL COMPANIES WHO REPORTED

832 invoices sent out **September 1, 2015**, as required by statute.

**Total of \$5,056,564** was invoiced

Questions and complaints were received.

- Many issues were fixed - invoices were adjusted, and invoices for those who claimed no covered child lives were voided.
- Immunization Program Manager talked with many companies to address their questions.
- Additional meetings/conference calls held with BC/BS, Cigna and others
- Meeting held with OSI to discuss how to improve the process next year.



156

## PAYMENTS RECEIVED TO DATE

\$3,475,998 received out of \$5,056,564 = 68.7%

- Immunization Program is working on the receivables
- Due date has been moved back to October 31 due to start-up issues.

Major companies already paid include:

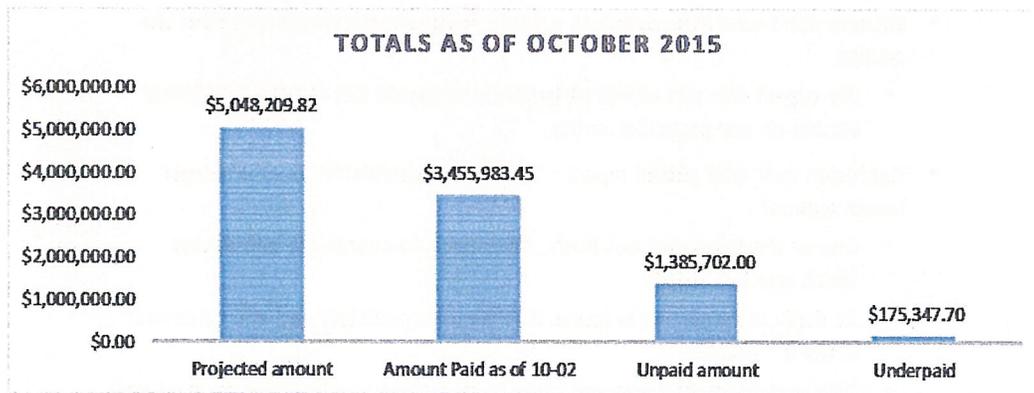
- Blue Cross Blue Shield
- United Healthcare Services
- Presbyterian Health Plan
- State of NM (partial)
- LANL Security
- Albuquerque Public Schools
- UNM

Still due: include Cigna; NM Public Schools Insurance Authority; United HC Insurance; and others.



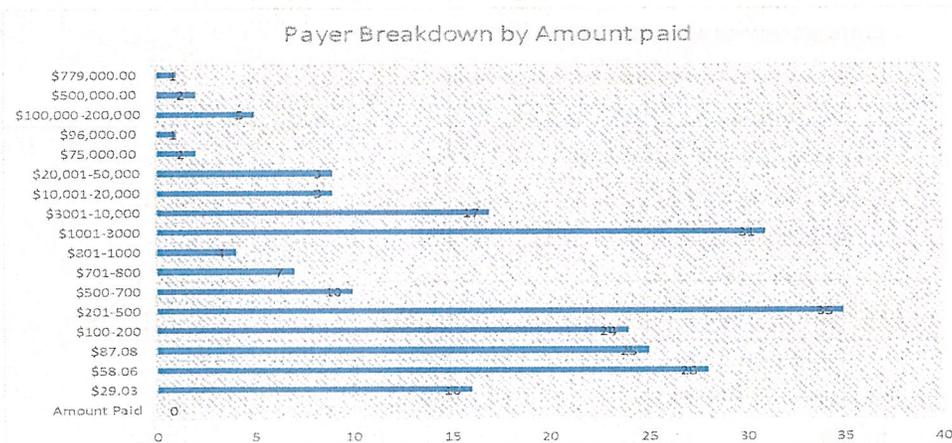
157

## PAYMENTS RECEIVED TO DATE



158

## PAYERS BY AMOUNT PAID



159

## ISSUES WITH REPORTING AND INVOICING

- Insurers don't have information to exclude Native American children from the counts.
  - We expect this will affect all payers and should not result in additional burden on any particular entity.
- Confusion over who should report - third party administrators or employer health groups?
  - One or the other, but not both. They need to coordinate and decide which one will report.
  - As duplicate reporting is found, it is fixed immediately and will be correct in the 2<sup>nd</sup> quarter.
  - DOH and OSI have discussed ways to give clearer instructions for next year to prevent confusion in reporting.
- The invoice had some errors, which will be corrected in the 2<sup>nd</sup> quarter



160

## ISSUES WITH SELF-INSURED PLANS

- A handful of self-insured plans are raising preemption issues, arguing that federal regulations preempt state regulation and laws, so they don't have to pay
- Other self-insured plans are paying the department and are not raising preemption
- DOH will work with OSI and the AG's office to evaluate this possible legal issue.



161

## NEXT STEPS

- Continue working with our sister agency, OSI, on streamlining the process and working out reporting issues.
- Continue working the receivables, addressing complaints, looking at possible duplicates.
- Determine which companies are refusing to pay vs. which simply haven't paid yet, or have questions.
- Evaluate process and procedures at the end of one year.



162