

GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2007

Legislative Fiscal Note

BILL NUMBER: House Bill 431 (First Edition)

SHORT TITLE: Phase-Out Mercury in Childhood Vaccines.

SPONSOR(S): Representatives Goforth and Dollar

<b>FISCAL IMPACT</b>					
	<b>Yes (X)</b>	<b>No ( )</b>	<b>No Estimate Available ( )</b>		
	<b><u>FY 2007-08</u></b>	<b><u>FY 2008-09</u></b>	<b><u>FY 2009-10</u></b>	<b><u>FY 2010-11</u></b>	<b><u>FY 2011-12</u></b>
<b>REVENUES</b>					
General Fund	\$610,892	\$1,094,591	\$1,166,645	\$1,244,464	\$1,328,507
<b>EXPENDITURES</b>	\$610,892	\$1,094,591	\$1,166,645	\$1,244,464	\$1,328,507
<b>POSITIONS (cumulative): N/A</b>					
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> Dept. of Health and Human Services/Div. of Public Health					
<b>EFFECTIVE DATE:</b> This act is effective January 1, 2008					

**BILL SUMMARY:**

This bill would amend GS 130A-152 so as to limit the amount of Thimerosal in vaccines given to children under eight years old and to prohibit the administration of flu vaccines containing Thimerosal to children ages 6 months to 35 months old and pregnant women, with exceptions. Those exceptions are: 1) if no alternative vaccines are available; and 2) in times of emergency or epidemic as determined by the State Health Director.

This bill also would enact new GS 130A-152.1 to require the Department of Health and Human Services (DHHS), Division of Public Health, to produce a brochure explaining the use of preservatives in vaccines and the availability of alternatives, and to produce posters including the same information. The bill would require physicians administering vaccines to display the posters and provide patients with the brochures.

In addition, the bill would require DHHS to study the feasibility of requiring all vaccines to be free of Thimerosal and report the findings to the 2008 Regular Session of the General Assembly upon

its convening. If enacted this bill is effective January 1, 2008, with the exception of the study which is due upon the convening of the General Assembly on May 6, 2008.

**ASSUMPTIONS AND METHODOLOGY:**

The costs associated with HB 431 are due to the increased cost of Thimerosal-free influenza vaccine versus flu vaccines containing Thimerosal. It is estimated that the increased cost to the state of using solely thimerosal-free flu vaccine in the cohorts, i.e. for children under the age of 8 years and pregnant women and children between the ages of 6 months and 35 months is approximately \$834,000 (see calculations below). It should also be noted that the increased costs of complying with this legislation also will affect private health insurers and citizens who pay out-of-pocket for health care, although this amount is not known.

	<b>Vaccines w/Thimerosal</b>	<b>Thimerosal-free Vaccines</b>	<b>Additional Cost</b>
No. of Doses Required	257,460	257,460	
Cost of Vaccine	\$2,352,103.20	\$3,186,067.50	\$833,964.30

In addition, it is estimated that the cost of the developing and distributing the printed materials called for in the legislation is approximately \$193,000 (see calculations below).

<b>Item</b>	<b>Quantity</b>	<b>Cost</b>
Brochures	1,200,000	\$ 180,000
Posters	7,800	\$ 3,510
Shipping		\$ 10,400
Total		\$ 193,910

Total costs to the program to comply with requirements of HB 431 will be approximately \$ 610,892.15 in the first year. This cost assumes a half-year implementation of the Thimerosal-free program on January 1, 2008, for the latter 6 months of FY 2007-2008. However, full costs are assumed for the public awareness campaign.

In the remaining four years of the fiscal note, vaccine costs are estimated to increase 8 percent annually, but the costs for the educational program are level.

The study called for in HB 431 should involve little or no cost since primary research has already been completed.

**SOURCES OF DATA:**

Department of Health and Human Services, Division of Public Health

<b>HB 431 Cost Comparison</b>			
<b>Thimerosal Containing Vaccine 2006-2007 Flu Season</b>			
<b>Manufacturer/product</b>	<b># Doses</b>	<b>Cost per Dose</b>	<b>Total</b>
Sanofi Aventis 10 dose vials <sup>1</sup>	234,560	10.15	\$2,380,784.00
Chiron 10 dose vials <sup>2</sup>	22,900	10.16	\$232,664.00
			\$2,613,448.00
	10% estimated wastage		\$261,344.80
	Total \$ administered		<b>\$2,352,103.20</b>
<b>Proposed HB431 Thimerosal Free Replacement Doses</b>			
<b>Manufacturer/product</b>	<b># Doses</b>	<b>Cost per Dose</b>	<b>Total</b>
Sanofi Aventis .5ml prefilled	234,560	13.75	\$3,225,200.00
Sanofi Aventis .5ml prefilled	22,900	13.75	\$314,875.00
			\$3,540,075.00
	10% estimated wastage		\$354,007.50
	Total \$ administered		<b>\$3,186,067.50</b>
<b>Cost Difference:</b>			<b>\$833,964.30</b>
<sup>1</sup> Sanofi Aventis Fluzone contains 25 ug mercury per .5 ml dose, 2006-2007 formula package insert			
<sup>2</sup> Chiron Fluvirin contains 24.5 ug mercury per .5 ml dose, 2006-2007 formula package insert			
<sup>3</sup> Proposed House Bill 431 defines trace amount of mercury as <.5ug per .5 ml dose			

Cost for printing/shipping Vaccines and Thimerosal Information (Cost \$193,910)

Item	Quantity	Unit Cost	Total Cost
Brochure	120,000 for birth cohort	\$ 0.15	\$ 18,000.00
	1,080,000 for birth cohort at every visit	\$ 0.15	\$ 162,000.00
Poster	1300 one per provider	\$ 0.45	\$ 585.00
	6500 5 for each provider office	\$ 0.45	\$ 2,925.00
Boxes for shipping	1300	\$ 1.00	\$ 1,300.00
UPS shipping cost	1300	\$ 7.00	\$ 9,100.00
<b>Total Cost for Educational Information</b>			<b>\$ 193,910.00</b>

**Influenza Vaccine Presentation**

Manufacturer	Trade name	Dose/Presentation	Thimerosal Mercury Content (mcg Hg/0.5 mL dose)	Age Recommended
sanofi	Fluzone®	.25 mL prefilled syringe	0	6-35 months
sanofi	Fluzone®	0.5 mL single-dose vial	0	≥36 months
sanofi	Fluzone®	5.0 mL multi-dose vial	25	≥6 months
Chiron	Fluvirin®	5.0 mL multi-dose vial	24.5	≥4 years
GSK	Fluarix™	0.5 mL prefilled syringe	<1.25	≥18 years
MedImmune	Flumist®	0.5 mL sprayer	0	5 – 49 years

**TECHNICAL CONSIDERATIONS:** None

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**DATE:** April 19, 2007



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