

HB 3276: Vaccine Reimbursement

The Problem

In 2015, the University of Oregon campus in Eugene experienced a dangerous meningococcal disease outbreak. And now, an outbreak has been identified at Oregon State University in Corvallis. This was not a one-time problem, and we should be acting quickly to protect public health, minimize danger, and reduce costs to the public.

The UO held vaccination clinics at the Arena, the student rec center, and at several residence halls. Besides the UO, pharmacies, private clinics, and the Lane County Health Department also offered vaccinations.

At the UO, the outbreak happened during the Spring term. Many students did not have easy access to their primary care or in-network physician, and the University was confronted with the problem of having to quickly vaccinate thousands of students. Thousands of other students and community members visited different health providers or local pharmacies. More than 30,000 doses of vaccine were administered.

Unfortunately, in many instances the insurance companies refused to cover the vaccines – an unbudgeted financial burden amounting to \$533,842 to the University alone. Unbudgeted costs fell to Lane Community College, Lane County Health Department, and the Oregon Health Authority as well.

One reason for refusing reimbursement was the insurers' requirement that vaccines be administered by a primary care or in-network physician.

Cases of emergency, like that at the UO, or OSU, require quick intervention. It's unreasonable to expect people, especially students, to travel—perhaps hundreds of miles or multiple states away—to visit their primary care physician or to otherwise have quick access to an in-network physician.

The most reasonable solution in an emergency situation is to allow people to obtain vaccination outside of their network or from a provider even if not their primary care physician, such as their University's health center or a local pharmacy.

Another reason for the lack of reimbursement was the status of the relatively new meningitis B vaccine. The FDA approved the vaccine in 2014, but because it's so new it does not yet get the label of “recommended” – giving insurers a reason to deny coverage.

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Our Solution

This bill allows people facing an emergency disease outbreak to get the vaccines they need, when and where they need them – and makes sure that their insurers reimburse the cost.

If the Public Health Director identifies an urgent need to address a disease outbreak, epidemic, or other condition of health importance, the insurers must reimburse for

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people enrolled in their plans for the cost of necessary pharmaceutical agents or measures, such as vaccines, to prevent the spread of the disease or epidemic.

The bill also makes sure that the insurer can't deny coverage just because the vaccine hasn't received "recommended" status yet. As long as the vaccine or other prophylactic measure is FDA approved, the insurer should cover it.

And to improve response and reduce cost in the future, this bill directs the Oregon Health Authority to work with public universities and other key stakeholders to increase student health insurance coverage, review vaccination policies to prevent and address potential emergency situations, and to identify opportunities to minimize fragmentation of vaccine financing and delivery in an emergency. Those stakeholders could include university and college student health clinics, local health centers, the Insurance Division of the Department of Consumer and Business Services, insurers, and CCO's.

This bill doesn't fix everything. But it moves us in the right direction, working to create better plans for health emergencies and better options for students and others who need appropriate medical care, and reducing future costs to the public.

ⁱ [Many students also didn't have insurance. None of the public universities in Oregon require all of their students to carry insurance; most of them require only international students to carry insurance.]