



C.L. "BUTCH" OTTER
GOVERNOR

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STATE TO PURCHASE CHILDHOOD VACCINES THROUGH JANUARY 2010

GOVERNOR URGES HEALTH CARE SYSTEM PLAYERS TO WORK TOWARD SHARING COSTS

(BOISE) – In the wake of a failed attempt to set up a voluntary state vaccine purchasing pool aimed at reducing the cost of immunizations for Idaho children, Governor C.L. "Butch" Otter announced today that the State will purchase all required childhood vaccines through January 2010.

"I hope by then – with your Task Force's good efforts – we have developed a long-term solution that shares the responsibility for the cost and distribution of vaccine to Idaho's children between insurance companies, physicians, and the people they serve," the Governor wrote in a letter to state Senator Dean Cameron of Rupert and state Representative Gary Collins of Nampa, co-chairmen of the Legislative Health Care Task Force.

The Task Force recently asked the Governor to transfer funds within the Department of Health and Welfare to cover vaccine purchases after Health and Welfare announced that the state no longer would pay for vaccinations for children who are covered by private health insurance, and instead would organize a voluntary purchasing pool. That decision was made by Health and Welfare Director Dick Armstrong because the agency already faces an estimated \$20 million shortfall in the General Fund revenue to cover Medicaid costs in the budget year that began July 1.

"It would be an understatement to say I'm disappointed that some players in the health care system have not lived up to the roles designed into that system. I expected the responsible parties to act responsibly when we removed the General Fund dollars that had subsidized vaccine costs, which would otherwise have been paid by insurance companies and those they covered, as is the case in many other states," the Governor wrote.

However, only one vaccine manufacturer submitted a pricing schedule to participate in the proposed vaccine purchasing pool, and it was at or above the market price.

“All our efforts to this point have been to make the health care system work according to its design,” Governor Otter wrote. “Government has a responsibility to assist the economically disadvantaged through the public insurance program – Medicaid – and the federal Vaccine for Children Program. The private sector insurance companies, those who have purchased coverage from them, and providers paid by them have responsibilities to use the resources they have available in that private-sector system.”

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