



C.L. "BUTCH" OTTER

GOVERNOR

October 4, 2012

Dr. Jonathan Woodson  
Assistant Secretary of Defense for Health Affairs  
1200 Defense Pentagon  
Washington, DC 20301-1200

Re: Idaho State Vaccine Program

Dear Dr. Woodson,

I am writing to request your assistance in finding a way to ensure Idaho resident children insured by TRICARE are able to receive needed immunizations.

Historically, Idaho has been a "universal" vaccine state, meaning that all Idahoans under the age of 19 years are eligible for State-supplied vaccines through medical providers enrolled in the State's vaccine program. This universal status was maintained through three funding streams: 1) the federal entitlement Vaccines for Children (VFC) funding which provides vaccines for children on Medicaid, the uninsured, underinsured, American Indians and Alaska Natives, 2) an annual, per-child assessment on insurance companies who cover Idaho children to provide vaccines for insured children, and 3) federal 317 Direct Assistance (317 DA) funding which provided vaccines for children who fell into a gap between the other two programs. Due to a recent change made by the Centers for Disease Control and Prevention (CDC) to its vaccine funding policies, the Idaho Immunization Program (IIP) no longer has a funding source to provide free vaccines to children insured through TRICARE.

In Idaho the 317 DA funds were used in part to cover the cost of vaccines for children insured through TRICARE, since TRICARE refuses to pay in to our vaccine assessment. It is this 317 DA funding for which the CDC has changed its policies and states can no longer use that funding to purchase vaccines for insured children.

On August 31, 2012, the IIP sent a notice to all Idaho medical providers enrolled in the vaccine program, notifying them that after October 1, 2012, they would no longer be able to vaccinate TRICARE beneficiaries using State-supplied vaccine. It is important to note that, due to Idaho's historic status as a universal vaccine state, medical providers do not stock any other pediatric vaccines other than the State-supplied vaccines. During the month between the notice to providers and the day the new policy took effect, IIP staff informally polled over one-third of the more than 320 providers enrolled in the State program to determine how many of the providers intended to purchase a private vaccine supply to continue providing vaccine services to their TRICARE-covered children. The staff discovered only two providers who indicated they would continue providing vaccines to TRICARE beneficiaries, due to the added costs and administrative burden. Many providers in our large, rural state have only a few children covered by TRICARE in their practice, and to purchase a separate stock of vaccines would be impractical for them.

Dr. Jonathan Woodson

To forestall an immunization crisis among the children of our men and women in uniform, on October 3, 2012, I instructed the Division of Public Health in the Idaho Department of Health and Welfare, to use up to \$589,000 of its current budget to fund the cost of vaccines for pediatric TRICARE beneficiaries until such time as they are able to elicit payment from TRICARE for the vaccines provided to your beneficiaries, or until July 1, 2013, whichever comes first.

Staff from the IIP and the Division of Public Health has sought assistance from senior management of the TriWest Healthcare Alliance in an effort to navigate the apparent policy maze and to sustain the vaccine supply for TRICARE-covered children in Idaho. TriWest staff has assured us that it is beyond their contractual ability to pay into Idaho's vaccine assessment fund and that Idaho must work with TRICARE on this matter.

As a beginning to this process, I am requesting a list and explanation from TRICARE of the specific laws, rules and/or policies that prohibit your agency from working within the Idaho vaccine financing system, that would enable your beneficiaries to receive vaccines within their medical homes at a cost lower than TRICARE would have to reimburse for vaccines purchased from the private market. If we can understand the policy environment, then we can begin to work toward a mutually beneficial solution.

Thank you for your timely and positive consideration.

As Always – Idaho, “Esto Perpetua”

A handwritten signature in black ink, appearing to read "C.L. Butch Otter". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

C.L. "Butch" Otter  
Governor of Idaho

CLO/tp