



## **TRICARE Non-Participation in the Idaho Vaccine Assessment Fund Status as of 1/23/2017**

### **Background:**

**2010:** Idaho State Legislature creates the Idaho Immunization Dedicated Vaccine Fund. This new law (Idaho Code §41-6001-6) provided the authority to set and assess fees from Idaho insurance providers. The fund is used to purchase vaccines for privately-insured Idaho children not eligible for the federal Vaccine for Children program. Vaccines are purchased from the federal contract at a significantly reduced cost to providers and insurance providers.

**October 2012:** To ensure access to vaccines for all Idaho children, the Division of Public Health obtains approval to use state general funds to purchase vaccines for TRICARE-covered children after TRICARE announces it is unable to participate in the Vaccine Assessment Fund and the Centers for Disease Control and Prevention (CDC) denies continued use of federal grant funds to pay for TRICARE's portion of the assessment.

**2012 and 2014:** Governor Otter sends letters to the Assistant Secretary of Defense for Health Affairs, requesting the specific citation preventing TRICARE's participation in Idaho's Vaccine Assessment Fund, and to the Acting Under Secretary of Defense for Personnel and Readiness, requesting that TRICARE pay into Idaho's Vaccine Assessment Fund as a demonstration project based on 10 USC §1092. Both requests are rejected.

**September 2015:** Idaho enters into a contract with KidsVax (KV) to advocate for Idaho's Vaccine Assessment Fund and garner support from Congress and TRICARE to require TRICARE to participate.

**Late 2015:** After a failed attempt to get language included in the 2016 National Defense Authorization Act (NDAA) to require TRICARE to participate in universal vaccine purchase programs, KV refocuses efforts on the 2017 NDAA.

**March 2016:** Governor Otter and Directors from the Department of Health and Welfare (IDHW) and Department of Insurance (DOI) send letters to Idaho's Congressional delegation asking them to support inclusion of language in the 2017 NDAA that would require TRICARE to participate in universal vaccine purchase programs.

**March - April 2016:** The draft statutory language for inclusion in the 2017 National Defense Authorization Act (NDAA) is submitted by members of the Senate Armed Services Committee (SASC).

**May 2016:** DOI Director Dean Cameron meets personally with all four offices of the Idaho Congressional delegation and shared previously mailed letters from Gov. Otter and DOI/DHW the week of May 9, 2016. KV representatives met with Rep. Labrador's office and Rep. Simpson's office to ask them to support the NDAA language when it reaches the floor for vote.

**June 2016:** On June 6, 2016, a joint Governor's (ID, AK, NH, and WA) letter is sent to key members of Congress (Mitch McConnell, Harry Reed, Paul Ryan, Nancy Pelosi, John McCain, Jack Reed, Mac Thornberry, and Adam Smith) asking them to include the provision in the 2017 NDAA to require TRICARE to participate in universal vaccine purchase programs.

**Fall 2016:** The 2017 NDAA goes into "conference committee" stage. Congress reconciles the House and Senate versions of the NDAA. Although the Senate version requires participation by TRICARE into state

assessment programs, the House version did not have any language mandating participation. The reconciled language is discretionary in nature (TRICARE “may reimburse” rather than “will reimburse” in universal vaccine purchase programs).

**December 2016:** On December 8, 2016, Congress passes the NDAA for 2017 with Section 719 providing for TRICARE's participation in state universal vaccine purchase programs. On December 23, 2016, President Obama signed the NDAA into law (*final bill language below*).

**SEC. 719. AUTHORIZATION OF REIMBURSEMENT BY DEPARTMENT OF DEFENSE TO ENTITIES CARRYING OUT STATE VACCINATION PROGRAMS FOR COSTS OF VACCINES PROVIDED TO COVERED BENEFICIARIES.**

**(a) REIMBURSEMENT.—**

**(1) IN GENERAL.—***The Secretary of Defense may reimburse an amount determined under paragraph (2) to an entity carrying out a State vaccination program for the cost of vaccines provided to covered beneficiaries through such program.*

**(2) AMOUNT OF REIMBURSEMENT.—**

**(A) IN GENERAL.—***Except as provided in subparagraph (B), the amount determined under this paragraph with respect to a State vaccination program shall be the amount assessed by the entity carrying out such program to purchase vaccines provided to covered beneficiaries through such program.*

**(B) LIMITATION.—***The amount determined under this paragraph to provide vaccines to covered beneficiaries through a State vaccination program may not exceed the amount that the Department would reimburse an entity under the TRICARE program for providing vaccines to the number of covered beneficiaries who were involved in the applicable State vaccination program.*

**(b) DEFINITIONS.—***In this section:*

**(1) COVERED BENEFICIARY; TRICARE PROGRAM.—***The terms “covered beneficiary” and “TRICARE program” have the meanings given those terms in section 1072 of title 10, United States Code.*

**(2) STATE VACCINATION PROGRAM.—***The term “State vaccination program” means a vaccination program that provides vaccinations to individuals in a State and is carried out by an entity (including an agency of the State) within the State.*

**December 2016:** The Idaho Division of Public Health provides language to the Governor’s Office for a request to the Office of President-elect Trump. The request states:

*TRICARE is currently not ensuring that children can access vaccines in Idaho. Thanks to the steadfast commitment of our Idaho congressional delegation in Washington, D.C., and other Republican leaders, new language in the newly passed 2017 National Defense Authorization Act will allow, but not require, TRICARE's participation in state universal vaccine purchase programs. With the president expected to sign the NDAA into law soon, there is now a critical need to secure TRICARE as a participating payer in Idaho's vaccine assessment program. TRICARE's non-payment of vaccine costs for their insured population has gone on for years, all at the Idaho tax payers' expense. Idaho is seeking a strong recommendation from the President's Office for TRICARE's prompt participation and payment into the Idaho vaccine assessment program.*

**December 2016:** KV staff members meet with TRICARE General Counsel and conduct meetings on the Hill, to determine a methodology for calculating the arrears as well as discuss the logistics of TRICARE’s participation in all universal vaccine purchase programs. KV met with staffers from Senators Shaheen (NH) and Murray’s (WA) offices to further develop the legislative strategy for recovering the arrears. The amount owed for all universal vaccine purchase programs is approximately \$40 million dollars (Idaho: ~\$2.3 million dollars). KV is currently drafting the language for both appropriations and authorization bills involving the arrears.

**January 2017:** KV communicates to the Idaho Immunization Program that they are meeting with TRICARE’s General Counsel on January 26, 2017, in Washington D.C. KV will seek to operationalize TRICARE’s future vaccine payments to all universal vaccine purchase programs. At this meeting, KV will also negotiate the payment of all arrears owed to states that have been covering the costs of vaccine for TRICARE insured children due to TRICARE’s years of non-payment.

KV indicates that TRICARE is in the process of calculating an updated estimate of the current number of TRICARE “covered lives” in universal vaccine purchase program states, and will be providing these figures to KV by the end of March, 2017. Once these updated figures are provided to universal vaccine purchase programs, the amount owed to states for future vaccine costs can be calculated, and invoices can be sent directly to TRICARE.