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TO: Local Health Departments (LHDs) and LHD Authorized Sites

FROM: Carol Glaser, M.P.V.M, M.D., M.P.H., Acting Chief *Marie E. Volk*
Immunization Branch Marie Volk for Carol Glaser


SUBJECT: Transition to Inventory Separation of Publicly Purchased Vaccine Inventory,
Effective August 1, 2014

BACKGROUND

A number of different funding sources are used to purchase vaccines distributed through the California Department of Public Health Immunization Branch. Funding sources include VFC funds, Section 317 funds, and State General Fund (State GF) dollars. Funding source determines the types of vaccines available and clinic types eligible to receive them (clinic eligibility criteria). Funding also guides eligible patients to receive vaccine doses (patient eligibility criteria). A description of each funding source, and its corresponding clinic and patient eligibility criteria is summarized in the attached Clinic Eligibility Guidelines by Funding Source.

Over the past year, CDC has implemented a number of significant changes related to vaccine funding source which have an operational effect on vaccine ordering processes and inventory management practices at the state and local health department levels. Although these changes require a notable effort to implement, they are necessary to continue to preserve the integrity of the Vaccines for Children (VFC) Program, ensuring that vaccines purchased with federal VFC funds are administered only to VFC-eligible children.

This communication focuses on three major changes primarily affecting local health department clinics, and corresponding Health Department Authorized Clinics (HDAS) receiving vaccines funded with VFC and Section 317 funds: 1) Change in populations eligible to receive 317-funded vaccines; 2) Vaccine inventory management of publicly purchased vaccines; and 3) Vaccine ordering processes for VFC and 317-funded vaccines. These changes are effective August 1, 2014.

A number of  resources to assist clinics in implementing new requirements and operational changes are also included in this communication.

KEY CHANGES

Revised Vaccine Finance Policy

Given a historical decrease in 317 funding levels, record high immunization coverage among children, and the implementation of the Affordable Care Act, nearly all children will be covered through VFC or private insurance for immunizations.

Therefore, Section 317 funds will no longer be used by the State to support the routine purchase of pediatric and adolescent immunizations for under-insured children seen at a LHD clinic or HDAS (without a FQHC or RHC designation). These children must be referred to a Federally Qualified Health Center (FQHC) or Rural Health Center (RHC).

Section 317 funds will be prioritized for the purchase of selective adult immunizations for persons 19 year of age and older who are:

- Uninsured or underinsured
- Fully insured household or sexual contacts of hepatitis B-infected individuals
- Juvenile correctional facility inmates 19-25 years of age

In special circumstances requiring local Health Officer consultation and approval from CDPH, 317-funded vaccines may be used to vaccinate fully insured children and adults as part of a public health outbreak response, post-exposure prophylaxis, or disaster relief efforts. Doses available may be limited to 317 funding levels.

NOTE: Vaccine availability and patient eligibility for VFC and State GF vaccines are not affected by this policy change.

📖 **Resource:** This revised vaccine financing policy is summarized in the attached Vaccine Eligibility Guidelines for Health Departments and CDPH Approved Health Department Authorized Sites.

Vaccine Inventory Management

All providers must maintain separate stocks of vaccines, clearly identifying them by funding source (VFC, 317, State General Fund, and Private). In order to prepare for this transition, clinics will need to:

- Assess vaccine storage unit space (refrigerator and freezer) and determine the best way to organize and label unit shelves according to vaccine funding sources. Unit re-organization is dependent upon the immunization services provided to pediatric and adult populations, vaccine doses used by each clinic within each ordering cycle (and corresponding funding eligibility), and the limited number of adult 317-funded doses that can only be administered to uninsured and underinsured adults.
- Label current vaccine inventory on-hand according to funding source:
 - **Private Vaccines and State Funded Vaccines:** Although privately purchased vaccines (including county-purchased vaccines and State General Funded Tdap

and flu vaccines) were already clearly labeled and stored in pre-designated areas prior to this transition, new designated areas may be identified based on rearrangement of VFC and 317 vaccines. Label them Private or State GF.

- **VFC and 317 Funded Vaccines:** Prior to this transition, there was no separation of VFC and 317 doses. These doses were purchased with a combination of VFC/317 funds, where the greatest percentage of funding was VFC. Therefore, as inventory is reorganized and labeled, most of these doses will be considered as “VFC Funded.” Label them VFC.
- **Outbreak Response/Prevention Vaccines:** Any inventory of vaccine doses received from the State Immunization Branch for outbreak prevention and/or response (e.g., Hepatitis A adult doses distributed in response to the Costco berry outbreak), and adult MCV vaccine doses are considered 317 funded vaccines. Label them 317.
- Clearly identify vaccine funding during vaccine transfers and returns. Additionally, 317-funded vaccines can only be transferred to another LHD clinic or HDAS. The on-line Vaccine Return/Transfer form is currently being modified to allow the proper identification of vaccine funding upon report submission.

📖 **Resource:** To facilitate the labeling of vaccine inventory by funding source, vaccine identification stickers are available to Immunization Coordinators from the Immunization Branch Store, or to clinic staff through their County Immunization Program.

- For LHD clinics, and corresponding HDAS utilizing CAIR for inventory management, the conversion of existing State-Supplied lots in CAIR will be automatically converted by the State Immunization Branch on **July 31, 2014** as follows:
 - Lots labeled as Not State-Supplied (i.e., State-Supplied = No) will automatically be converted to Private lots.
 - Lots labeled in your CAIR Current Inventory as State-Supplied (i.e., State-supplied = Yes) will automatically be converted to VFC lots.
 - **IMPORTANT:** Clinics with physical inventory of State GF vaccines or 317-funded vaccines for outbreak control and/or prevention AND labeled in your CAIR Current Inventory as State-Supplied (i.e., State-supplied = Yes), will have to be manually converted back to the appropriate fund source after the July 31, automatic CAIR conversion. No other lots may be converted back to 317 without approval from your Immunization Branch Field Representative.

📖 **Resource:** Refer to the attached step-by-step instruction sheet for detailed guidance on setting up and identifying vaccine inventory in CAIR.

Vaccine Ordering

In order to comply with federal requirements of clearly identifying vaccine funding at the time of order submission, modifications have been made to MYVFCVaccines allowing local health departments (and HDAS) to place vaccine requests for immunizing VFC eligible populations and vaccine request to immunize adult 317-eligible populations served by the clinic. These system modifications will only be visible to LHDs and HDAs, based on clinic type and Provider Identification Number (PIN). A listing of PINs eligible for the receipt of 317-funded vaccines has

been shared with each Immunization Coordinator to verify the correct PINs are linked to the new ordering pages.

Note: State GF orders are not affected by this change.

The newly added 317 ordering page will be available to accept 317 vaccine orders on **August 1, 2014**. The new order submission process allows clinics to place their VFC and 317 vaccine requests in separate pages, but contained in the same ordering session.

IMPORTANT: Given that most vaccines on-hand purchased with a combination of VFC and 317 funds will be converted to VFC vaccines, local health department clinics providing adult immunization services should ensure the availability of 317-funded vaccines by placing an initial 317 vaccine request on August 1, 2014 (or soon after the transition):

- All initial vaccine requests will be processed as urgent orders and will be shipped within 1-2 days (depending on open clinic hours and order submission day).
- In the event that 317 vaccine doses are needed prior to the receipt of ordered vaccines, LHDs may convert back to 317 a limited number of doses with approval from their local Immunization Branch Field Representative.
- The number of doses that can be converted back to 317 is dependent on whether or not the clinic has reported 317 usage for the particular vaccine within the past ordering cycle. Alternatively, clinics can refer to their last shipment's packing slip to determine whether any doses were funded with 317 dollars.

Resource: Steps to submit your initial 317 order are outlined in the attached Initial 317 Order Instruction sheet.

Order submission process:

- **Step 1** - Completing a VFC Order (reporting VFC vaccine usage, VFC inventory on-hand, placing a request for VFC vaccine doses, and confirming the order)
- **Step 2** - Completing a 317 Order (reporting 317 usage, 317 inventory on hand, placing a request for 317 vaccine doses, and confirming the order)
- **Step 3** - Order submission and receipt of order confirmations. Each order (VFC and 317) will contain an individual order confirmation communication with their respective order IDs.

Order processing and approval: Once submitted through MYVFCVaccines, each VFC and 317 vaccine order will be received, reviewed, and approved individually. Any request for order modifications (i.e. accountability or order quantity concerns) will be sent back via e-mail, separately for each order.

Order submission frequency: Orders for 317 vaccines will be placed at the same frequency as VFC orders. Order can be submitted for only VFC vaccines if no 317 vaccines are needed; however, 317 inventory on hand and 317 doses administered must still be reported in the 317 order form. In the event of disease outbreak and the need for an urgent vaccine request, the VFC ordering and VFC inventory & usage reporting may be bypassed.

Vaccine shipments: 317 and VFC ordered vaccines will arrive in the same shipping container. This is true for both varicella-containing vaccines shipped by Merck and all other vaccines shipped by McKesson Specialty. Although these doses will not be individually identified as VFC and/or 317 vaccines, the shipment's packing slip will clearly identify which vaccines are VFC

and/or 317 based on the order ID, lot number, and funding source. Label vaccines received according to their funding source, and store them in the pre-designated shelf/area of the vaccine storage unit.

Outbreak response/prevention vaccine requests: Interim guidance for the ordering of these vaccines will be issued in the near future. In the meantime, vaccines that are routinely available in the adult 317 ordering page (such as Tdap, MMR, etc.) may be ordered through the 317 order page (once approval is received from CDPH). Doses not available in the current 317 ordering page will have to be submitted to your Senior Field Representative.

TRANSITION RESOURCES

Separation of Inventory Webinar and Frequently Asked Questions

A series of three webinars preparing clinic staff for the transition were conducted earlier in the month. A copy of the [webinar content](#), a summary of all [covered key points](#), and a [summary of questions posed during the webinars](#) are posted on the “317 Communications for Local health Department” page on www.eziz.org.

Updated 317 Forms and Eligibility Guidelines

The following documents have been updated to assist your staff in implementing major changes covered in this communication:

- Updated Vaccine Eligibility Guidelines, IMM-1142
- 317 Adult Vaccine Physical Inventory Form, IMM-1052 State
- 317 Adult Vaccine Daily Usage Log, IMM- 1053 State
- 317 Eligibility Screening Record for Adult Patients-IMM-376
- Instructions for submitting initial 317 vaccine orders
- Clinic and Patient Eligibility Guidelines by Funding Source

QUESTIONS?

If you have any questions, please call your Senior Immunization Branch Field Representative or the VFC Program at 877-243-8832 (877-2GET-VFC). You can also visit our website at www.eziz.org.