MEMORANDUM

TO: Federally Qualified Health Centers (FQHCs) and FQHC Look-Alikes, Rural Health Clinics (RHCs), and Local Health Departments (LHDs) in North Carolina

FROM: Beth Rowe-West, RN, BSN
Head, Immunization Branch

SUBJECT: Important: Upcoming Changes to the North Carolina Immunization Program (NCIP)

The purpose of this memo is to inform FQHC and FQHC Look-Alike*, RHC, and LHD participants in the NCIP of some important changes that will take place effective October 1, 2012. Although we do not have complete details on the changes discussed below, we wanted to provide some basic information. Additional details and paperwork regarding these changes will be forthcoming in a separate mailing. The NCIP will offer a webinar soon regarding these changes. The date will be announced in a subsequent communication.

*FQHC Look-Alikes are organizations that meet all of the eligibility requirements of an organization that receives a PHS Section 330 grant, but does not receive grant funding; however, FQHC Look-Alikes receive many of the same benefits as FQHCs. FQHC Look-Alikes are included in the FQHC group throughout this memo.

Serving Underinsured Children
Under the current agreement with the Centers for Disease Control and Prevention (CDC), underinsured children are eligible to receive VFC vaccine only through an FQHC or RHC. Currently, all NCIP providers have been delegated authority, or “deputized” (through an agreement with the NC Office of Rural Health), to vaccinate underinsured patients. New guidance from the CDC is bringing this practice (deputization) to an end for most private providers effective October 1, 2012, eliminating their ability to serve underinsured patients.

The primary rationale for this federal change is that if VFC expansion to serve underinsured children in all VFC sites (private and public) would continue, there would be no incentive for private health insurance to cover immunizations. The Affordable Care Act mandates health insurance plans cover vaccines administered by in-network providers. The key challenge of the Affordable Care Act is that health insurance companies do not have to cover vaccines for “grandfathered” plans; therefore, it may take several years for much of the population to be covered under the new guidelines.

For FQHCs, RHCs, and LHDs business will continue as usual. That is, effective October 1, 2012, underinsured patients will be able to receive VFC vaccine only at FQHCs, RHCs, and LHDs, and a few select private provider offices. Eliminating underinsured as a population served from most private provider offices is likely to affect services provided at FQHCs, RHCs, and LHDs; that is, these providers are likely to see an increase in the numbers of immunization patients.

Elimination of Vaccine for Insured Patients
The CDC has also issued guidance that, effective October 1, 2012, will restrict the federal funding for vaccines the NCIP currently provides to vaccinate fully-insured patients of any age. Coverage will likely continue for uninsured and underinsured adults for certain vaccine products. Further details on this issue will be provided later as well.

As we receive more information about the changes listed above, we will communicate more to our providers. Please use the information that we are providing at this time to discuss how these changes may affect your practice and your patients. If you have questions or concerns about these changes, please contact us at ncirhelp@dhhs.nc.gov

May 29, 2012

Beverly Eaves Perdue, Governor
Laura Gerald, MD, MPH
Albert A. Delia, Acting Secretary
State Health Director

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