Financial Provisions for Immunization
Case Studies Prepared for the Sabin European Workshop on Immunization Legislation
March 1-2, 2017

Key Points

- The total price of immunization can be divided into vaccine procurement and operational costs. Operational costs include vaccine distribution, cold chain, and administration (staff and supplies) as well as training, education, and monitoring activities. These costs are difficult to measure because they are often integrated with other health program costs.

- Although studies suggest that operational costs account for ≥50% of immunization program costs, many countries do not have specific legal provisions mandating funding of their immunization programs. Nonetheless, European programs receive legal support from public health laws, constitutions of national health services, and legislation and regulations that strengthen primary care services.

- Backed by these legal frameworks, national health officials can make the case for immunization, invoking the law and regulations as necessary to justify routine and supplementary immunization program activities.

Background

The price of immunization can be divided into vaccination procurement and operational costs. Operational costs include costs of vaccine distribution, cold chain, and administration (staff and supplies) and the training, communication, and monitoring activities needed to ensure high vaccine uptake [1-2]. Though partially tracked in country-specific comprehensive multi-year plans (cMYPs), operational costs are difficult to estimate and monitor because they are often integrated with other health program costs [2-3]. Nonetheless, recent studies suggest that vaccine delivery alone accounts for more than half of total immunization costs in developing countries, underscoring the need for strong legal frameworks to fund immunization programs [3-5].

In Europe, stand-alone vaccination laws are uncommon, and some countries have de-centralized health systems in which regional or municipal governments are responsible for funding and operating health services. Even so, European countries find the legal basis to fund their immunization programs in constitutions of national health services as well as laws and regulations that strengthen public health and primary care services. Although this approach makes it difficult to determine the percentage of national resources devoted to immunization, the success of European countries in creating fiscal space for vaccination is worthy of study [2-3].
Other countries have employed different legal approaches to fund programs. In Latin America, some countries have reserved funding for routine costs through parliamentary legislation and ministerial decrees. Costa Rica, for example, devotes 2% of any surplus income collected from the Social Security Administration to a national vaccination fund (Ley Nacional de Vacunación 8111 [2005]), while Paraguay requires that its Ministry of Finance allocate annual resources to the national immunization program (Ley 48 [2007]) [6].

**Case Studies**

Below, we describe legal provisions in three European nations that have been used to make the case for immunization.

**Finland**

**Approach/provisions:** Strong legal framework allows municipalities to strengthen immunization activities and MOH officials to advocate for immunization funding even in light of competing priorities.

In Finland, the *Health Care Act* (2010), *Government Decree 338* (2011), and the *Communicable Diseases Act* (1986) place the responsibility of implementing the national immunization program on local municipalities [7-9]. Each municipality (n≈300) collects taxes and provides a comprehensive package of child health services, including preventative interventions such as immunization. Due to the integrated nature of child health clinic costs, there is no separate budget for immunization. However, by bolstering preventative health and primary care services, *Government Decree 338* has encouraged municipalities to strengthen immunization funding.

Despite its decentralized approach to immunization, Finland’s National Institute for Health and Welfare (a branch of the MOH) plays a large role in vaccination policy and media activities and manages an annual budget of €28 million. Because of the country’s strong legal framework requiring the State to offer routine and timely opportunities for vaccination, national officials are better able to secure the resources needed to maintain high coverage levels.

**Latvia**

**Approach/provisions:** Based on clear funding language in national legislation and regulations, country officials can secure funding for the routine immunization program and have flexibility to respond to outbreaks and other emerging challenges.

Latvia’s *Epidemiological Law* (1997) reserves funding not only for vaccine purchases but for surveillance activities and routine program costs [10]:

Chapter VI, Section 30: "Costs associated with vaccination against the referred to diseases shall be covered from the resources provided for such purpose in the annual State budget."

According to national officials, Latvia does not have a specific budget line for immunization but its activities are included in a “general document of public health strategy,” which is well supported by the legal framework above. Immunization officials can invoke the law to help justify funding requests—for example, communication activities to increase the uptake of HPV vaccine (in other words, “costs associated with vaccination” in the *Epidemiological Law*). While national officials acknowledge that competing priorities are always a concern in funding requests, they state that the clarity of the *Epidemiological Law* (1997) and *Vaccination Regulations* (2000) allows them to respond quickly to new challenges, such as disease outbreaks [10-11].
**England**

**Approach/provisions:** Well-funded program supported by extensive legal framework. National officials secure funding for supplementary activities (such as media campaigns) based on cost-effectiveness data.

England is well recognized for its high coverages and lifelong approach to immunization, with vaccines administered throughout the life cycle. Despite challenges, such as measles outbreaks, England is an excellent example of a program that secures funding for a range of activities, including routine costs, introduction of new vaccines, vaccine stockpiling, and supplemental activities like outbreak responses.

The basis for strong funding, in part, results from the national recognition that patients have “the right to receive vaccinations,” as expressed in the National Health Services (NHS) Constitution (2012) [12]. Based on this mandate, the NHS can commission its partner agencies, Public Health England and the Department of Health, to comply with >10 “service specifications” on immunization to ensure and to fund high-quality services [13]. Several clauses from the *Core Specification of the National Immunization Program* are below [14]:

1.2: “The purpose of the service specification is to enable the NHS Commissioning Board (NHS England) to commission national immunisation services to a standard that will continue to minimise the infections and outbreaks caused by vaccine preventable diseases. The aim is to achieve high levels of coverage across England as well as within upper tier local government areas and within the context of populations with protected characteristics as defined by the Equality Act 2010.”

2.6: “This places a statutory duty on the Secretary of State for Health to make arrangements to ensure, so far as is reasonably practicable, that any recommendation from JCVI [Joint Committee for Vaccines and Immunization] for a new or changed national immunisation programme is implemented….Where JCVI makes a recommendation that the vaccine should be offered as part of a national immunisation programme, DH will fund and PHE, in collaboration with NHS England, will implement the programme as soon as practicably possible…”

This extensive legal framework provides a strong basis for immunization officials to argue for funding of vaccination activities, even in light of competing health priorities. English officials indicated the importance of making a business case for immunization, stressing the value of cost-effectiveness data. To justify investing in communication strategies to combat vaccine hesitancy, for example, English officials cited data showing that the costs of controlling measles outbreaks are far greater than the costs of achieving routine ≥95% MMR coverage levels [15].
References


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