

103D CONGRESS  
1ST SESSION

# S. 886

To amend the Social Security Act and the Internal Revenue Code of 1986 to improve immunization rates among children and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

MAY 4 (legislative day, APRIL 19), 1993

Mr. DANFORTH (for himself, Mrs. KASSEBAUM, Mr. DURENBERGER, Mr. GREGG, and Mr. BOND) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Social Security Act and the Internal Revenue Code of 1986 to improve immunization rates among children and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Immunization  
5 Act”.

6 **SEC. 2. FINDINGS AND PURPOSE.**

7 (a) FINDINGS.—Congress finds that—

8 (1) 90 percent of all children under the age of  
9 2 receive at least one vaccination yet only 40 to 60

1 percent of these children receive a complete set of  
2 vaccinations;

3 (2) the low immunization rate for children  
4 stems from inadequate immunization delivery sys-  
5 tems and a lack of public education concerning the  
6 risks related to the nonimmunization of children;  
7 and

8 (3) government health care programs must co-  
9 ordinate their activities in order to increase immuni-  
10 zation rates.

11 (b) PURPOSE.—It is the purpose of this Act to—

12 (1) provide an enhanced Federal match under  
13 title XIX of the Social Security Act for State mak-  
14 ing certain low income individuals eligible for immu-  
15 nization services;

16 (2) provide authority for reimbursements to  
17 vaccine manufacturers under vaccine replacement  
18 programs;

19 (3) provide authority for states to reduce  
20 AFDC benefits for adults who fail to properly immu-  
21 nize their children; and

22 (4) extend the Vaccine Injury Compensation  
23 Program.

1 **SEC. 3. ENHANCED FEDERAL MATCH FOR STATES MAKING**  
2 **INDIVIDUALS WITH INCOMES UP TO 185 PER-**  
3 **CENT OF THE POVERTY LINE ELIGIBLE FOR**  
4 **IMMUNIZATION SERVICES.**

5 (a) ADJUSTMENTS TO INCOME LEVELS.—Section  
6 1902(l)(2) of the Social Security Act (42 U.S.C.  
7 1396a(l)(2)) is amended—

8 (1) in subparagraph (B), by striking “(B) For  
9 purposes” and inserting “(B)(i) Except as provided  
10 in clause (ii), for purposes” and by adding at the  
11 end the following new clause:

12 “(ii) For purposes of determining eligibility for im-  
13 munization services under the State plan, the State may  
14 apply clause (i) by substituting ‘185 percent’ for ‘133 per-  
15 cent’ in order to receive enhanced payments under section  
16 1903(a)(7).”; and

17 (2) in subparagraph (C), by striking “(C) For  
18 purposes” and inserting “(C)(i) Except as provided  
19 in clause (ii), for purposes” and by adding at the  
20 end the following new clause:

21 “(ii) For purposes of determining eligibility for im-  
22 munization services under the State plan, the State may  
23 apply clause (i) by substituting ‘185 percent’ for ‘100 per-  
24 cent’ in order to receive enhanced payments under section  
25 1903(a)(7).”.

1 (b) SIMPLIFIED APPLICATION AND BILLING PROCE-  
2 DURE FOR IMMUNIZATION SERVICES.—Section 1902(l)(2)  
3 of the Social Security Act (42 U.S.C. 1396a(l)(2)) is  
4 amended by adding at the end the following new subpara-  
5 graph:

6 “(D)(i) Each State which establishes income levels  
7 under subparagraphs (A), (B)(ii), and (C)(ii) which are  
8 equal to 185 percent of the income official poverty line  
9 described in subparagraph (A) for only immunization serv-  
10 ices shall—

11 “(I) implement a simplified application proce-  
12 dure for such services which—

13 “(aa) permits applications for such services  
14 to be submitted at locations described in section  
15 1902(a)(55) and locations where eligibility de-  
16 terminations under section 1920 are made; and

17 “(bb) complies with requirements estab-  
18 lished by the Secretary; and

19 “(II) implement a simplified billing procedure  
20 for such services which complies with requirements  
21 established by the Secretary.

22 “(ii) Not later than 1 year after the date of the enact-  
23 ment of this subparagraph, the Secretary shall establish  
24 the requirements referred to in subclauses (I) and (II) of  
25 clause (i).”.

1 (c) ENHANCED MATCH.—Section 1903(a) of the So-  
2 cial Security Act (42 U.S.C. 1396b(a)) is amended by re-  
3 designating paragraph (7) as paragraph (8) and by insert-  
4 ing after paragraph (6) the following new paragraph:

5 “(7) in the case of a State which—

6 “(A) has established income levels under  
7 subparagraphs (A), (B)(ii), and (C)(ii) of sec-  
8 tion 1902(l)(2) with respect to eligibility under  
9 the State plan for immunization services which  
10 are equal to 185 percent of the income official  
11 poverty line (as defined by the Office of Man-  
12 agement and Budget, and revised annually in  
13 accordance with section 673(2) of the Omnibus  
14 Budget Reconciliation Act of 1981) applicable  
15 to a family of the size involved,

16 “(B) has established a simplified applica-  
17 tion and billing procedure for immunization  
18 services as required under subparagraph (D) of  
19 section 1902(l)(2), and

20 “(C) provides reasonable reimbursement to  
21 providers of immunization services,

22 an amount equal to the product of the total amount  
23 expended during such quarter on immunization serv-  
24 ices, multiplied by 90 percent;”.

1 (d) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to immunization services furnished  
3 in calendar quarters beginning after June 30, 1993.

4 **SEC. 4. REIMBURSEMENT TO VACCINE MANUFACTURERS.**

5 (a) IN GENERAL.—Section 1902(a)(32) of the Social  
6 Security Act (42 U.S.C. 1396a(32)) is amended—

7 (1) by striking “and” at the end of subpara-  
8 graph (B);

9 (2) by striking the period at the end of sub-  
10 paragraph (C) and inserting “; and”; and

11 (3) by adding at the end the following new sub-  
12 paragraph:

13 “(D) nothing in this paragraph shall be  
14 construed to prevent the making of such a pay-  
15 ment to a manufacturer of a childhood vaccine  
16 under a contract with the State pursuant to  
17 which the manufacturer participates in a vac-  
18 cine replacement program described in sub-  
19 section (z).”.

20 (b) VACCINE REPLACEMENT PROGRAM.—Section  
21 1902 of such Act (42 U.S.C. 1396) is amended by adding  
22 at the end the following new subsection:

23 “(z)(1) A vaccine replacement program described in  
24 this subsection is a program under which a State with a  
25 State plan approved under this title contracts with each

1 manufacturer of childhood vaccines selling such vaccines  
2 in the State to—

3 “(A) supply doses of childhood vaccines to pro-  
4 viders (or in the case of a State medicaid vaccine  
5 program, the State) administering such vaccines to  
6 individuals eligible to receive medical assistance  
7 under the State plan and replace such vaccines as  
8 needed; and

9 “(B) charge the State agency for such doses of  
10 childhood vaccines the price under the most recent  
11 bid (determined once such bid price is made public)  
12 submitted by the manufacturer who received the  
13 Centers for Disease Control and Prevention contract  
14 with respect to the childhood immunization program,  
15 plus a reasonable fee to cover shipping and handling  
16 of returns for such doses.

17 “(2) Any manufacturer of childhood vaccines which  
18 does not participate in a vaccine replacement program de-  
19 scribed in paragraph (1) shall be ineligible to bid for Cen-  
20 ters for Disease Control and Prevention immunization  
21 contracts under section 317(j) of the Public Health Serv-  
22 ices Act.”.

23 (c) AGREEMENTS WITH THE STATE.—Section  
24 1902(a)(27) of such Act (42 U.S.C. 1396a(a)(27)) is  
25 amended—

1 (1) by striking “under the State plan” and in-  
2 sserting “under the State plan and with any entity  
3 that is a manufacturer of a childhood vaccine under  
4 a contract with the State pursuant to which the  
5 manufacturer participates in a vaccine replacement  
6 program described in subsection (z)”;

7 (2) by striking “such person or institution”  
8 each place it appears and inserting “such person, in-  
9 stitution, or entity”.

10 (d) EFFECTIVE DATE.—The amendments made by  
11 this section shall be effective on the date of the enactment  
12 of this Act.

13 **SEC. 5. STATE OPTION TO PROVIDE THAT CERTAIN PAY-**  
14 **MENTS UNDER AFDC ARE CONDITIONED ON**  
15 **RECEIPT OF IMMUNIZATIONS.**

16 (a) IN GENERAL.—Section 402 of the Social Security  
17 Act (42 U.S.C. 602) is amended—

18 (1) in paragraph (44), by striking “; and” and  
19 inserting a semicolon;

20 (2) in paragraph (45), by striking the period at  
21 the end and inserting a semicolon; and

22 (3) by adding at the end the following new  
23 paragraph:

24 “(46) at the option of the State, provide that  
25 for any month in which a family receiving aid to

1 families with dependent children has a member who  
2 is an individual who has not attained 6 years of age  
3 and who has not received appropriate immunizations  
4 (as determined by the State), may take actions de-  
5 signed to encourage timely immunization of such  
6 children, including but not limited to reducing the  
7 total benefits received by such family for such month  
8 by the amount of such benefits, or any portion  
9 thereof, allocable to the parent or guardian of the  
10 child in question.”.

11 (c) EFFECTIVE DATE.—The amendment made by  
12 subsection (a) shall become effective on the date of the  
13 enactment of this Act.

14 **SEC. 6. NATIONAL VACCINE INJURY COMPENSATION PRO-**  
15 **GRAM AMENDMENTS.**

16 (a) TAX.—

17 (1) IN GENERAL.—Subsection (c) of section  
18 4131 of the Internal Revenue Code of 1986 (relating  
19 to tax on certain vaccines) is repealed.

20 (2) REINSTATEMENT OF TAX.—The tax im-  
21 posed by section 4131 of the Internal Revenue Code  
22 of 1986 is hereby reinstated effective on the date of  
23 enactment of this Act.

24 (b) TRUST FUND.—

1           (1) Paragraph (1) of section 9510(c) of such  
2 Code (relating to expenditures from Vaccine Injury  
3 Compensation Trust Fund) is amended by striking  
4 “and before October 1, 1992,”.

5           (2) Section 6601(r) of the Omnibus Budget  
6 Reconciliation Act of 1989 is amended by striking  
7 out “\$2,500,000 for each of fiscal years 1991 and  
8 1992” each place it appears and inserting in lieu  
9 thereof “\$3,000,000 for fiscal year 1994 and each  
10 fiscal year thereafter” (in three places).

11          (c) STUDY.—The Secretary of the Treasury, in con-  
12 sultation with the Secretary of Health and Human Serv-  
13 ices, shall conduct a study of—

14           (1) the estimated amount that will be paid from  
15 the Vaccine Injury Compensation Trust Fund with  
16 respect to vaccines administered after September 30,  
17 1988, and before October 1, 1994;

18           (2) the rates of vaccine-related injury or death  
19 with respect to the various types of such vaccines;

20           (3) new vaccines and immunization practices  
21 being developed or used for which amounts may be  
22 paid from such Trust Fund;

23           (4) whether additional vaccines should be in-  
24 cluded in the vaccine injury compensation program;

1           (5) whether the current levels of excise tax are  
2           appropriate to the estimated needs of the Fund; and

3           (6) the appropriate treatment of vaccines pro-  
4           duced by State governmental entities.

5 The report of such study shall be submitted not later than  
6 January 1, 1994, to the Committee on Ways and Means  
7 of the House of Representatives and the Committee on  
8 Finance of the Senate.

9 **SEC. 7. MATERNITY SERVICES INFORMATION.**

10       (a) IN GENERAL.—The Secretary shall develop and  
11 through State health officials disseminate, to all hospitals  
12 that provide maternity services, informational materials  
13 concerning immunization and well-baby care, including an  
14 immunization schedule.

15       (b) DISSEMINATION BY PROVIDERS.—To be eligible  
16 for funds under title XVIII or XIX of the Social Security  
17 Act, a health care provider providing maternity services  
18 shall disseminate the immunization materials described in  
19 subsection (a) to new parents to which such provider pro-  
20 vides services.

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