

**EXPENDITURE PLAN  
IMMUNIZATION PROGRAM  
OFFICE OF PUBLIC HEALTH PRACTICE  
IMPROVING REIMBURSEMENT IN LOCAL HEALTH DEPARTMENT  
IMMUNIZATION PRACTICES**

American Recovery and Reinvestment Act (ARRA) of 2009  
Stimulus Funding Expenditures  
ARRA Immunization Billing Grant  
\$800,000

**A. PROGRAM PROPOSAL**

Summary

The New York State Department of Health has received American Reinvestment and Recovery Act (ARRA) funding that was made available on a competitive basis to states and localities that operate immunization programs for a 28 month planning process to develop the capacity for billing health insurance plans for immunization services provided to health plan members by local health departments. The Office of Public Health Practice will work with the Bureau of Immunization to lead a strategic effort to assess and address the barriers to incorporating billing practices in local health departments. It will work closely with six LHDs but the findings of the effort will be applicable to all LHDs in the state. Funding will commence in September.

Purpose

ARRA funds would be used to develop a strategic plan that will assess and address the barriers to incorporating effective billing systems into LHD immunization programs. The goal is an action plan that can lead to the implementation of health department billing for immunization services rendered to fully insured individuals. This initiative supports the ARRA goals of stimulating economic recovery in various ways, including strengthening the Nation's healthcare infrastructure and reducing health care costs through prevention activities. The specific goals of this initiative are to enable immunization programs to develop billing systems that could result in savings of program revenue. The additional revenue realized by billing would enable immunization programs to reach additional populations, provide recommended vaccines not currently offered within existing budgets and might allow programs to take on new initiatives to address immunizations of special under-vaccinated populations.

Background

Through the American Recovery and Reinvestment Act (ARRA), supplemental

funding will be provided to selected 317 grantees to develop action plans to bill for vaccine administered to fully-insured individuals who are vaccinated in local health department clinics. Currently, local health departments provide over 160,000 doses of vaccine, less than 7% of the total doses distributed by NYS. While some LHDs view immunization as a service that should be provided in the patient's "medical home" rather than by a health department clinic, there is some anecdotal evidence that the number of doses distributed by LHDs for vaccines is growing, and will become even greater in response to H1N1. The cost of administering these doses is estimated to be \$2.9 million. With an increase in the number of people seeking immunizations from LHDs and increases in the proportion of New Yorkers eligible for insurance coverage, capturing reimbursement for administrative costs is critical.

At the local level, health departments' interest in and capacity for billing for immunizations varies. For those who do bill, preliminary inquiries indicate that the systems in place and the effectiveness of efforts vary widely. A few departments are supported by centralized administrative functions including billing, accounts receivable, financial management, records management, data analysis and trending, and statistical reporting. The majority of LHDs, if they do bill, have more limited systems, dependent on paper reporting and spread sheets to track coverage status and time intensive efforts to recoup reimbursement from commercial insurance companies and public insurance programs such as Medicare, Medicaid and Child or Family Health Plus. None have the comprehensive and integrated practice management systems they would like. These systems would incorporate registration, scheduling, e-pharmacy, health information exchange and billing integrated into an electronic medical record.

ARRA funds would be used to assess and address the barriers to incorporating effective billing systems into LHD immunization programs. The outcome of this project will be a strategic plan that can lead to the implementation of health department billing for immunization services rendered to fully insured individuals.

### Program Plan

- The DOH will classify two temporary positions and recruit staff to manage this initiative. One will be a Research Scientist 2 (grade 22) and the second will be a Agency Program Aide, Grade 13. Temporary agency staff, via state contract, will be hired to provide administrative support to the project.

Staff will establish a diverse stakeholder group consisting of approximately 20 members will be established. Members of the group will include organizations and individuals that will be instrumental in assessing immunization payment policy and operational procedures. The stakeholder group will be charged with developing rules for its operation, conducting its work, reviewing the proposed objectives and timetable for activities, contributing stakeholder perspective to all activities and

assisting staff with project tasks.

The DOH will establish a contract with one or more billing experts, using a procurement under development by the DOH's EI program. The contractor(s) will, following the lead of the stakeholder group, assess current clinical records and billing capabilities of LHDs, identify issues related to establishing billing policies and systems, and provide recommendations for solutions that could work successfully to link LHDs with commercial and public payors. The contractor(s) will conduct site visits to six LHDs to assess current clinical record and billing capacities. They will, with the help of staff, conduct an assessment of policy and administrative issues, including the rules related to billing insurance providers and the benefits and challenges of using a range of systems for immunization claiming. They will investigate how existing capabilities and investments can be leveraged to develop immunization billing solutions for use in NYS.

- During months 4-12 of the award period, the DOH will conduct primary and secondary data gathering with LHDs, consumers, payers and providers to identify strengths, weaknesses, opportunities and threats (SWOT) associated with changes to policy and practice to promote insurance participation in immunization including claiming by LHDs.
- During months 13-22 of the award period, DOH will work with its stakeholder group to identify and prioritize mechanisms to address the public health, fiscal and/or administrative barriers identified in the SWOT analysis. It will also identify the attributes, costs, staff and other resources associated with strategies including policy changes and effective systems that can be used in LHDs for claiming.
- During the last six months (23-28) of the grant period, the DOH will create the public health action plan for incorporating claiming into LHDs. The plan will describe the operational concept and will include a timeline, milestones, processes, procedures, staffing and resources needed. It will describe how the state can, with sufficient resources, assist LHDs in implementing the appropriate solutions that can effectively and efficiently support claiming for immunizations.

### Reporting, Evaluation and Monitoring

As requested in the grant guidance, the OPHP will report to the CDC at requested intervals including monthly phone conference calls and written quarterly reports describing the progress made on reaching milestones, and a final report submitted no later than 90 days after the completion date.

The OPHP will also comply with ARRA specific reporting requirements including submitting quarterly reports not later than 10 days after the end of each calendar

quarter.

### Fraud Prevention and Grant Accountability

Training will be conducted for all staff involved in all aspects of this grant to ensure they understand ARRA rules and requirements. Internal controls will be established to ensure funds are handled appropriately.

### Contract Management

Site visits will be made to the contractor to verify completion of grant deliverables and compliance with procurement rules and requirements. Complete documentation will be required for all vouchers submitted.

### Performance Measures

Objective 1:

- Percentage of identified participants who agree to serve on stakeholder group,
- Percentage of participants who agree to timetable and work plan,
- Length of time it takes to complete hiring and contracting process.

Objective 2:

- Percentage of stakeholder members who find findings complete and useful for selecting and implementing appropriate claiming policies and operational strategies.

Objective 3:

- Length of time it takes to complete summary
- Number of diverse audiences that participate to develop potential strategies.

Objective 4:

- Percentage of participants who approve final written plan.

## **B. BUDGET PROPOSAL**

### 1. Summary

#### **PERSONAL SERVICES**

Two temporary positions will be established to assist in managing this ARRA funded initiative.

	Title Grade	Item # or New	Annual Salary	Time Period of Temporary Position	Total Cost
Position 1	Research Scientist 2 (G22)	New	\$63,041	1/1/2010 – 12/31/2012	\$126,082
Position 2	Agency Program Aide (G13)	New	\$38,934	1/1/2010 – 12/31/2012	\$77,868

## **NONPERSONAL SERVICES**

### **Supplies and Materials = \$2,000**

The Office anticipates expending funds for the purchase of routine office supplies and materials, computer and photocopier supplies, site visit materials and printing supplies.

### **Travel = \$15,474**

Funds support in-state travel for staff to local health departments to assess challenges to billing as well as travel to meetings at various locations with stakeholder groups. Funds also support staff to travel out-of state to the 2010 Immunization Program Managers Meeting, Atlanta Georgia and the 2010 National Immunization Conference, as per the grant requirements.

### **Equipment = \$10,750**

Funds will be used to purchase personal computers and one laptop computer for the ARRA funded positions. Employee workstations (modular furniture) and small office equipment will also be purchased.

### **Miscellaneous Services Contracts = \$340,000**

The DOH will establish a contract with one or more billing experts for 18 months using a procurement underdevelopment by the DOH's EI program. \$340,000 was requested in the grant application for this service.

### **Other = \$84,050**

\$80,210 was requested in the grant application to support temporary agency clerical staff via state contract to assist with answering the phones, produce mailings and to provide on-going clerical support to the ARRA activities. Funds totaling \$2400 were requested to support costs associated with various stakeholder meetings. Funding totaling \$1440 were requested for a monthly

aircard subscription to give the ARRA funded personnel off -site access to their DOH computer accounts through a wireless internet connection.

**Fringe = \$84,619**

Funding will support fringe costs applied to personal services at 41.49% percent.

**Indirect Costs = \$59,157**

Funding will support indirect costs applied to the sum of personal services and fringe benefits at 20.5 percent.

The following chart delineates anticipated expenditure of ARRA funds.

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<b>Expenditure Plan</b>	
<b>ARRA Section 317</b>	
<b>Supplemental Funding for</b>	
<b>Innovative Projects to Improve</b>	
<b>Reimbursement in Public</b>	
<b>Health Department Clinics</b>	
<b>(competitive)</b>	
<b>Personnel</b>	\$203,950
<b>Fringe</b>	\$84,619
<b>Total PS + Fringe</b>	288,569
<b>NPS</b>	
Supplies	\$2,000
Travel	\$15,474
Equipment	\$10,750
Indirect	\$59,157
Contractual Miscellaneous	
HP Enterprise Services	
Billing Consultant (TBD)	\$340,000
Other	\$84,050
<b>Total NPS</b>	\$511,431
<b>Total</b>	<b>\$800,000</b>