



PEDIATRICIANS SAY RISING VACCINE COSTS ARE PUTTING CHILDREN AT RISK

For Immediate Release: April 10, 2007

CHICAGO — The American Academy of Pediatrics (AAP) is alarmed that the soaring costs of vaccines combined with lower reimbursements from insurance companies will lead to the under-immunization of the nation's children and unnecessary outbreaks of preventable diseases.

“Childhood vaccines are among the greatest medical breakthroughs of the last century and are vital to growing up healthy,” said AAP President Jay E. Berkelhamer, MD, FAAP. “However, the system for delivering vaccines is broken, and we’re going to be in real trouble if it’s not fixed soon.”

Pediatricians spend tens of thousands of dollars and must frequently wait months before payment by payers (**including Medicaid and private health plans**). Often payments are below the cost of the vaccine. Gardasil, the new cervical cancer vaccine, costs physicians \$360 for the recommended series of three doses per person. RotaTeq, the vaccine against diarrhea-causing rotavirus, costs \$190 for the recommended three doses. Even the routine measles, mumps and rubella (MMR) vaccine costs \$86 for the recommended two doses. In addition to the cost of the vaccine, additional costs of ordering, storing, inventory control, insurance and spoilage expenses need to be considered. However, payers are not recognizing these true costs. As a result, some pediatricians are unable to offer the newest vaccines.

About 85 percent of children in the U.S. are vaccinated at pediatricians’ offices. Because the current system threatens to greatly reduce or even eliminate the physician provider role, the AAP is concerned that this will fragment care causing many children not to get the comprehensive and preventive health care they need.

Results from a national survey of pediatricians conducted by the AAP in 2006 indicated that less than half of pediatricians think vaccine reimbursement from private and public health insurance is adequate. Typically, pediatricians are among the lowest-paid physicians.

“Pediatricians are not looking to make huge profits off vaccines,” said Jon R. Almquist, MD, FAAP, chair of the AAP Task Force on Immunization. “We’re in pediatrics because we care about children – but we shouldn’t be expected to subsidize the public health system and perform our jobs at a loss. We’ve carried this burden for long enough.”

The American Academy of Pediatrics is an organization of 60,000 primary care pediatricians, pediatric medical subspecialists and pediatric surgical specialists dedicated to the health, safety and well being of infants, children, adolescents and young adults.