



Some Doctors May Give up Vaccines Because of Cost

Some doctors likely to quit giving shots, citing poor vaccine reimbursement from insurers

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About one in 10 doctors who vaccinate privately insured children are considering dropping that service largely because they are losing money when they do it, according to a new survey.

A second survey revealed startling differences between what doctors pay for vaccines and what private health insurers reimburse: For example, one in 10 doctors lost money on one recommended infant vaccine, but others made almost \$40 per dose on the same shot.

The survey was revealing even to some doctors. "Many physicians really weren't aware and that they were getting reimbursed so little," said Dr. Gary Freed of the University of Michigan, a co-author of both articles published in the December issue of the journal *Pediatrics*.

The studies are the first to attach numbers to doctors' long-simmering complaints that they are only breaking even — or even losing money — when they give shots.

"It's a pleasure to see a real study to show we're not just making this up," said Dr. Herschel Lessin, a pediatrician in Hopewell Junction, N.Y. who said his practice's spending on vaccines has more than doubled from 2006 to 2007.

Experts say there's no evidence that significant numbers of doctors are quitting the vaccination business yet because of financial concerns.

But health officials are worried. Reimbursement concerns were behind an exodus of doctors from vaccine programs in the 1980s, which contributed to a terrible resurgence of measles in 1989-91 that caused 11,000 hospitalizations and 123 deaths.

This year, U.S. measles cases rose to the highest level in more than a decade, mainly because some parents are opting out of getting their kids vaccinated.

Health officials fear that problem, along with doctor's economic concerns, could set the stage for bigger outbreaks in the future.

"This is a very important wake-up call," said Dr. Lance Rodewald of the U.S. Centers for Disease Control and Prevention, referring to the two new studies.

The first study was based on a mail-in survey last year of nearly 1,300 pediatricians and family physicians; nearly 800 responded.

About half said they had delayed buying at least one vaccine because of the cost. Roughly one in five said they felt strongly that reimbursement for the purchase and administration of vaccines was not adequate.

The second survey asked doctors what they paid for vaccines and how much they were reimbursed by private insurers. It was answered by 76 doctors in five states, representing about 20 percent of those asked to participate. Many contracts prevent doctors from talking about their spending and reimbursement for vaccinations, Freed said.

One example of the disparity was a vaccine that protects against pneumococcal disease. The per-dose difference ranged from a \$40 profit to an \$11 loss. A chickenpox vaccine netted some doctors \$35 but cost others nearly \$30 per dose.

The survey examined the cost of the vaccines and the expense of storage and related medical supplies. But it didn't look at administrative fees and staff time.

The studies did not look at the 50 percent or more of vaccinations paid for by government, which generally provides free vaccines to doctors and covers administrative fees.

In New York state, some doctors actually do better financially with the government vaccine program than they do on the private market, with the government's administrative fee double or triple what some private insurers pay. But some business-savvy doctors can still make at least a small profit on vaccines in the private market, said Lessin, who is vice president of a 24-physician pediatric practice.

Most pediatricians are likely to keep giving vaccinations to kids, partly because of altruism and partly because giving shots drives business. "For us to give up vaccines would hurt our core business because that's why kids come in," Lessin said.

But family practice doctors — who are not as dependent on vaccinations for patients — may decide the shots are too much of a financial headache, he added.

Indeed, the new studies reflected that schism: Overall 11 percent of physicians have seriously considered stopping vaccinations for privately insured patients. But 21 percent of family doctors felt that way, compared with just 5 percent of pediatricians.

The financial problem has been getting worse in recent years, as more vaccines have come on the market, experts say. Some have been unusually expensive, including Gardasil, a vaccine for girls against cervical cancer which is given in three doses over six months and is priced at about \$375 for the series.

A government advisory panel studying the financial burden of vaccines is expected to submit proposals for changes in reimbursement practices to federal health officials next year.

On the Net:

Pediatrics: <http://pediatrics.aappublications.org/>

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