

## MODULE 1 – Overview



<http://www.cdc.gov/vaccines/programs/vfc/default.htm>

### Background

The Vaccines for Children (VFC) program is a federally funded program that provides vaccines at no cost to children who might not otherwise be vaccinated because of inability to pay. VFC was created by the Omnibus Budget Reconciliation Act of 1993 as a new entitlement program to be a required part of each state's Medicaid plan (see Appendix 1). The program was officially implemented in October 1994 as part of the President's Childhood Immunization Initiative. Funding for the VFC program is approved by the Office of Management and Budget and allocated through the Centers for Medicare & Medicaid Services (CMS) to the Centers for Disease Control and Prevention (CDC). CDC buys vaccines at a discount and distributes them to grantees—i.e., state health departments and certain local and territorial public health agencies—which in turn distribute them at no charge to those private physicians' offices and public health clinics registered as VFC providers. Children who are eligible for VFC vaccines are entitled to receive pediatric vaccines that are recommended by the Advisory Committee on Immunization Practices through passage of VFC resolutions.

It is important to understand that the VFC program is a component of each state's medical assistance plan and is considered a Title XIX Medicaid program. Section 1928 of the Social Security Act (42 U.S.C. §1396s) provides for purchase of vaccine for administration to VFC-eligible children using federal Medicaid funds and state funds (including Section 317 grant funds). VFC-eligible children include both "federally vaccine-eligible children" and "state vaccine-eligible children" (i.e., those children for whom states purchase vaccine although purchases may be limited to particular vaccines). The VFC program is a unique component of the federal Medicaid program. In addition to having different eligibility criteria, the VFC program provides services not only to Medicaid-eligible children but also to VFC-eligible children who are not otherwise eligible for Medicaid. Similarly, the VFC program enrolls providers who are not Medicaid providers but who provide immunizations to federally vaccine eligible or state vaccine-eligible children

The VFC program represents an unprecedented approach to improving vaccine availability nationwide by making federally purchased vaccine available to both public and private immunization providers. As the program enters its second decade, it is becoming increasingly recognized for its successes in raising immunization coverage rates among high-risk children and reducing disparities in access to health care. The VFC Program has also helped reduce physician referrals for immunizations to public clinics.

## **Highlights**

### **The VFC Program...**

- provides public-purchased vaccine for eligible children at no charge to VFC-enrolled public and private providers in all states, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands;
- covers vaccines recommended by the Advisory Committee on Immunization Practices through passage of VFC resolutions;
- saves parents and enrolled providers out-of-pocket expenses for vaccine;
- provides cost savings to states through bulk purchase of vaccine at lower prices using CDC's contracts and eliminates state-to-state variations in price;
- eliminates or reduces vaccine cost as a barrier to vaccinating eligible children;
- reduces the practice of referring children from the private sector to the public sector for vaccination.

### **Guiding Principles**

The policies and procedures in this *Operations Guide* are based on the premise that the VFC program should...

- keep provider enrollment, patient access and administrative accountability procedures simple while maintaining necessary requirements for vaccine accountability and program evaluation;
- integrate VFC activities into existing immunization programs and systems;
- promote maximum participation by private providers and cooperation between the public and private healthcare sectors;
- promote close coordination among public agencies, including state health departments and state Medicaid programs, and programs serving families and children.

### **Collaborating Agencies**

CDC has the lead responsibility for policy development, operational oversight, and provision of technical assistance to immunization program grantees (states and certain local and territorial health departments) for the VFC program. Grantees, in turn, manage and implement the VFC program at the state and local levels. In addition, successful

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implementation of this program requires close collaboration and participation by the following programs and agencies:

- Centers for Disease Control and Prevention
- Centers for Medicare & Medicaid Services (CMS)
- State Medicaid Agencies
- Health Resources and Services Administration (HRSA)
- Indian Health Services (IHS)
- National, state, and local organizations representing the private healthcare sector

Active involvement by the Medicaid program is essential because a majority of VFC-eligible children are also eligible to receive other benefits through Medicaid, and the Medicaid staff has extensive experience in providing preventive care through programs such as the Early and Periodic Screening Diagnostic, and Treatment (EPSDT) service. State and local health departments and Medicaid agencies are pivotal in recruiting private physicians for the VFC Program and informing parents and guardians of eligible children that vaccines are available through the VFC program.

## **About This Guide and Other Resources**

The *VFC Operations Guide* is intended as a resource for the management and operation of the VFC program. The requirements and procedures are applicable to all states and immunization grantees that receive VFC-funded vaccines. This *VFC Operations Guide* serves as a companion to the *Immunization Program Operations Manual* and provides further guidance on grant requirements.

In addition to this *Operations Guide*, located on the VFC website at <http://www.cdc.gov/vaccines/programs/vfc/projects/default.htm> is a series of frequently asked questions (FAQs) about various aspects of the VFC program. This website is updated periodically to reflect new questions and should be used as a companion to the *VFC Operations Guide* to assist grantees in improving the integrity of the VFC program.

As changes occur to this guide, an individual module or section will be revised, and the date of the latest revision will be put at the top of each page in the module. The new information will be posted on the VFC website, and the immunization program manager and VFC coordinator for each grantee will be notified, and the program managers are encouraged to routinely share this information with representatives of state Medicaid agencies and other partners such as other public health department agencies and state and local AAP and AAFP chapters.