

# Value of Pediatric Vaccinations: An Economic Evaluation of the Pediatric Vaccination Schedule in the United States

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## BACKGROUND

- The introduction and widespread use of pediatric vaccines has resulted in dramatic declines in the morbidity, disability, and mortality caused by infectious diseases<sup>1</sup>
- Zhou et al. examined the economic impact of the 2001 pediatric vaccination schedule [diphtheria, tetanus, pertussis (DTaP); haemophilus influenzae type b (Hib); poliovirus (Polio); measles, mumps, rubella (MMR); hepatitis B (HepB); and varicella]. Vaccinating a birth cohort according to the schedule was estimated to save nearly \$10 billion in direct medical costs<sup>2</sup>
- The 2010 vaccination schedule includes additional vaccines: including adolescent meningococcal, rotavirus, HPV, influenza, and hepatitis A<sup>3</sup>

## OBJECTIVE

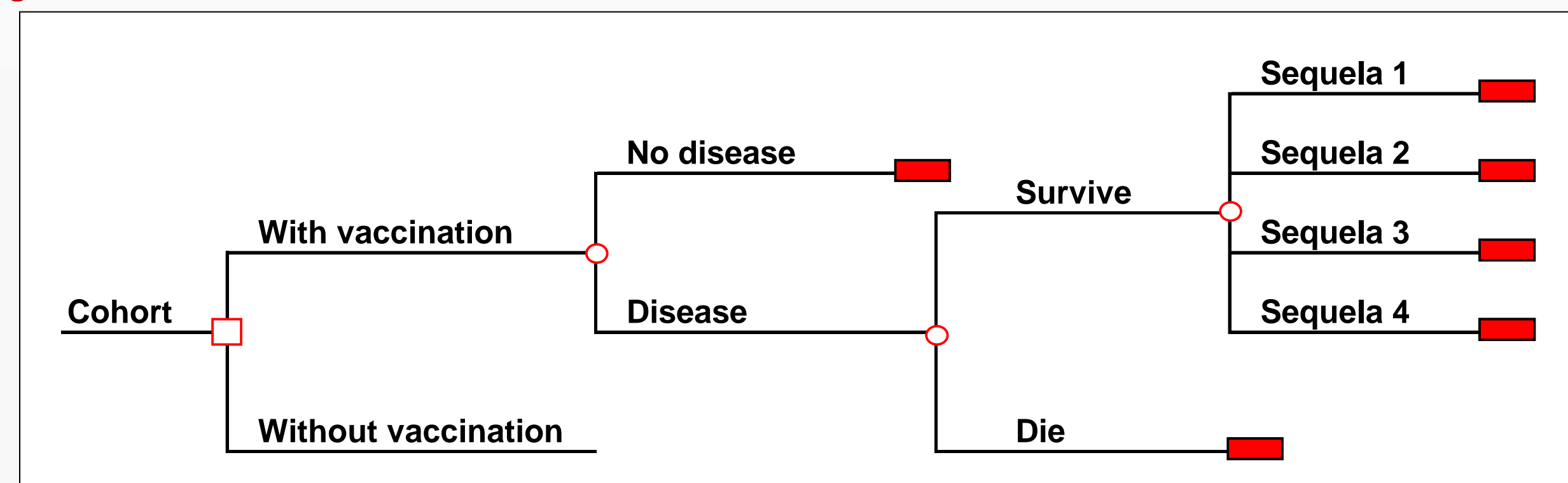
- Update the 2001 analysis by using the current vaccination schedule to understand the costs of the vaccination program relative to the costs and quality adjusted life years (QALYs) saved by preventing the covered diseases.

## METHODS

### Modeling approach:

- An economic analysis was conducted to combine estimates of vaccine-specific costs (vaccine and direct medical costs) and outcomes (QALYs) compared with no vaccination.
- Vaccine-specific estimates were obtained from the literature for:
  - Vaccine costs
  - Incremental direct medical costs per vaccinated person
  - QALYs gained per vaccinated person
- Estimates were obtained from studies that:
  - Evaluated the direct effect of vaccination compared with no vaccination, using a birth cohort approach
  - Discounted costs and outcomes by 3%
- QALY estimates not available from the literature were calculated using a decision tree model (Figure 1)

Figure 1: Decision tree model



## METHODS (continued)

- Per-person cost and QALY estimates were applied to the number vaccinated in the 2008 birth cohort
- Vaccine-specific estimates were combined to evaluate the cost-effectiveness of the schedule as a whole

### Vaccine strategies:

- DTaP, Polio, Hib, HepB, MMR, other single disease vaccines
- DTaP + Polio + Hib (Pentacel), Hep B, MMR, other single disease vaccines
- DTaP + Polio + Hep B (Pediatrix), Hib, MMR, other single disease vaccines

### Estimation:

- Vaccine costs were obtained from CDC vaccine price list<sup>4</sup>; administration costs were obtained from Physician Fee and Coding Guide<sup>5</sup> and state-specific Medicaid reimbursement rates<sup>6</sup>
  - Vaccine coverage was obtained from the National Immunization Survey<sup>7</sup>
- Incremental costs per person vaccinated (Table 1) were calculated as:  $\Delta DM_{pp} = (\Delta DM_{agg} / (N \times V_{cov}))$
- Aggregate incremental costs and QALYs were calculated as:  $\Delta C = (\Delta DM_{pp} \times N \times V_{cov}) + (V_{cost} \times D \times N \times V_{cov})$

$$\Delta DM_{pp} = (\Delta DM_{agg} / (N \times V_{cov}))$$

Where:  $\Delta DM_{pp}$  = Direct medical cost per person vaccinated  
 $\Delta DM_{agg}$  = Aggregate direct medical costs  
 $N$  = Number in birth cohort  
 $V_{cov}$  = Vaccine coverage

$$\Delta C = (\Delta DM_{pp} \times N \times V_{cov}) + (V_{cost} \times D \times N \times V_{cov})$$

Where:  $\Delta C$  = Incremental costs  
 $V_{cost}$  = Vaccine cost  
 $D$  = Number of doses

- Incremental QALYs per person vaccinated were similarly calculated (Table 1)
- Incremental costs (2009 USD, discounted 3%) represent the costs incurred by a vaccinated cohort compared with an unvaccinated cohort, over their lifetime

Table 1: Calculation of incremental costs and QALYs per person vaccinated

| Disease                              | Birth Cohort (N) | Coverage             | Aggregate DM Cost Savings (\$2009) | DM Cost Savings (\$2009) per vaccinated person | Aggregate Incremental QALYs | Incremental QALYs per vaccinated person |
|--------------------------------------|------------------|----------------------|------------------------------------|--|-----------------------------|---|
| Diphtheria (3+ doses)                | 3,803,295        | 94%                  | \$3,246,684,216                    | \$907  | 566,629                     | 0.1583                                  |
| Tetanus (3+ doses)                   | 3,803,295        | 94%                  | \$11,015,044                       | \$3  | 985                         | 0.0003                                  |
| Pertussis (3+ doses)                 | 3,803,295        | 94%                  | \$3,019,498,933                    | \$844  | 120,650                     | 0.0337                                  |
| Measles (1+ dose)                    | 3,803,295        | 91%                  | \$3,641,848,919                    | \$1,058  | 193,013                     | 0.0561                                  |
| Mumps (1+ dose)                      | 3,803,295        | 91%                  | \$1,286,006,386                    | \$374  | 6,698                       | 0.0019                                  |
| Rubella (1+ dose)                    | 3,803,295        | 91%                  | \$155,140,377                      | \$45   | 142,862                     | 0.0415                                  |
| Polio (3+ doses)                     | 3,803,295        | 90%                  | \$2,869,418,959                    | \$843  | 128,626                     | 0.0378                                  |
| Hib (3+ doses)                       | 3,815,469        | 93%                  | \$1,952,931,240                    | \$548  | 113,644                     | 0.0319                                  |
| Hepatitis B (3 doses)                | 3,803,295        | 90%                  | \$205,155,194                      | \$60   | 1,565                       | 0.0005                                  |
| Hepatitis A (2 doses)                | 4,021,726        | 87%                  | \$45,162,591                       | \$13   | 2,154                       | 0.0006                                  |
| Varicella (1+ dose)                  | 4,100,000        | 95%                  | \$362,988,292                      | \$93   | 15,804                      | 0.0041                                  |
| Influenza: age 0-4 (1 dose)          | 4,000,608        | HR*:62%<br>LR**: 39% | \$643,346,371                      | \$259  | 51,280                      | 0.0207                                  |
| Influenza: age 5-17 (1 dose)         | 4,000,608        | HR*:36%<br>LR**: 21% | \$400,012,706                      | \$278  | 31,086                      | 0.0216                                  |
| Pneumococcal                         | 3,800,000        | 100%                 | \$549,169,902                      | \$145  | 3,294                       | 0.0009                                  |
| Rotavirus (1+ dose)                  | 4,010,000        | 70%                  | \$248,793,648                      | \$89   | 347                         | 0.0001                                  |
| HPV (3 doses)                        | 1,988,614        | 100%                 | \$958,511,948                      | \$482  | 1,591                       | 0.0008                                  |
| Meningococcal (adolescents) (1 dose) | 4,238,672        | 71%                  | \$22,867,496                       | \$8  | 1,805                       | 0.0006                                  |

\*High risk of complication; \*\* low risk of complication

Data sources: Diphtheria, tetanus, pertussis, measles, mumps, rubella, Polio, hib, hepB – costs, Zhou 2005<sup>2</sup>, QALYs, decision tree model; hepA-costs and QALYs, Rein 2007<sup>6</sup>; varicella-costs and QALYs, Zhou 2008<sup>10</sup>; Prosser 2006<sup>10</sup>; pneumococcal-costs, Lieu 2000<sup>11</sup>; QALYs, decision tree model; rotavirus-costs, Widdowson 2007<sup>12</sup>; QALYs, decision tree model; HPV-costs and QALYs, Cervarix cost-effectiveness model<sup>13</sup>; meningococcal-costs and QALYs, Shepard 2005<sup>14</sup>

## RESULTS

Table 2: Incremental costs and QALYs per vaccination schedule

| Vaccine                 | Incremental costs* (\$US in billions), [QALYs Gained (in Thousands)] |         |  |         |   |         |
|-------------------------|--|---------|--|---------|---|---------|
|                         | DTaP, MMR, polio, Hib, HepB, single disease vaccines*                |         | Pentacel, (DTaP, polio, Hib) , MMR, Hep B, single disease vaccines |         | Pediatrix (DTaP, polio, Hep B), MMR, Hib, single disease vaccines |         |
|                         | Δ Costs  | Δ QALYs | Δ Costs  | Δ QALYs | Δ Costs   | Δ QALYs |
| DTaP                    | -\$6.462   | [798]   | /  | /       | /   | /       |
| MMR                     | -\$5.374   | [386]   | -\$5.374   | [386]   | -\$5.374  | [386]   |
| Polio                   | -\$2.805   | [151]   | /  | /       | /   | /       |
| Hib (infants)           | -\$1.447   | [115]   | /  | /       | -\$1.447  | [115]   |
| Hep B                   | 0.177  | [1.816] | \$0.177  | [1.816] | /   | /       |
| Hep A                   | \$0.123  | [1.237] | \$0.123  | [1.237] | \$0.123   | [1.237] |
| Varicella               | 0.288  | [15.7]  | \$0.288  | [15.7]  | \$0.288   | [15.7]  |
| Influenza               | \$0.194  | [36.3]  | \$0.194  | [36.3]  | \$0.194   | [36.3]  |
| Pneumococcal            | \$0.996  | [3.32]  | \$0.996  | [3.32]  | \$0.996   | [3.32]  |
| Rotavirus**             | \$0.302  | [0.220] | \$0.302  | [0.220] | \$0.302   | [0.220] |
| HPV†                    | -\$0.0446  | [0.511] | -\$0.0446  | [0.511] | -\$0.0446   | [0.511] |
| Mening (adolescent)     | \$0.170  | [0.984] | \$0.170  | [0.984] | \$0.170   | [0.984] |
| Pentacel                | /  | /       | -\$11.49   | [1088]  | /   | /       |
| Pediatrix               | /  | /       | /  | /       | -\$9.67   | [957]   |
| Cost Savings (billions) | \$13.88  |         | \$14.66  |         | \$14.46   |         |
| QALYs gained (millions) | 1.51   |         | 1.53   |         | 1.52  |         |
| Benefit / Cost Ratio    | 3.12:1   |         | 3.36:1   |         | 3.36:1  |         |

Schedule completed with DTaP, MMR, single disease vaccines (HPV vaccine is Gardasil®, Rotavirus vaccine is RotaTeq®). Alternative base case results are: 13.74 billions in savings with Rotarix®, -13.71 billions in savings with Cervarix®  
 \* Calculated as the cost of vaccine minus the costs of cases; \*\*RotaTeq estimates used, Rotarix ICER is estimated as \$1,148,723 per QALY gained. Results differ from previous analysis<sup>12</sup> due to differences in discounting of outcomes.  
 †Gardasil estimates used, Cervarix is also estimated as cost-saving

- The current vaccine schedule saves nearly \$14 billion over the lifetime of the 2008 US birth cohort
- DTaP, MMR, Polio, Hib, HPV and multivalent vaccines are cost-saving
- Strategies that included multivalent vaccines provide increased cost savings due to lower administration costs

## CONCLUSIONS

- The current pediatric vaccine schedule is cost saving and provides substantial benefits in terms of QALYs
- Pentavalent vaccines result in greater savings than single-disease vaccines

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Funding for this study was provided by GlaxoSmithKline.