

Key Insights from Leaders on the Status of Vaccine Distribution



On January 25, 2021, King & Spalding hosted a closed door roundtable with a high profile group of executive, legal, and physician leaders in the hospital and health system, long term care, and pharmacy industries to discuss and share experiences related to vaccine distribution. As we navigate this trying yet hopeful time, we have also engaged in discussions with clients across the entire supply chain – distributors, manufacturers, providers, and pharmacies – regarding these critically important issues. Common themes have emerged related to the opportunities and challenges. Below are some highlights.

1. There is Good News!

- The senior care community reported a reduction in positivity rates in residents and staff that appears correlated to increased vaccinations.
- Hospitals and pharmacies are successfully executing vaccine administration – with the doses received to date. It has not been easy -- particularly in communities with high transmission and hospitalization rates. Hospitals in particular have struggled to implement vaccination programs at the same time they are running out of beds and other resources to treat COVID positive patients. But they are getting the job done.
- Creative public-private partnerships have been developed and are resulting in, among other successes, opening some mass community vaccination sites staffed by trained health care workers and stand ready to vaccinate a significantly larger portion of the population.

2. The Most Significant Challenge in Late January is Reliability and Timing of Supply.

- Providers are struggling with an inability to keep all the appointments for vaccine administration because of the lack of supply and a lack of reliable messaging on timing of available supply.
- When data is reported, often it appears that there is remaining, unused supply – however, the data does not often account for certain supply that is committed to ensure second doses are received in a timely manner. Similarly, there is a time lag from when a dose is received to when it can be administered, and the difference between “doses received” and “doses administered” does not account for those “doses committed.”
- Vaccine administrators do not know why more reliable information regarding available supply is not more forthcoming, and those administering distribution at the state and federal level do not appear to be able to provide answers.

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3. Who's on First?

- Conflicting and rapidly changing state and federal guidance has resulted in notable implementation and compliance challenges.
- Providers continue to balance priority administration of vaccine to high-risk populations with a need to use all product and focus on documenting deviations in light of state announcements regarding potential fines and at least one call for a Congressional investigation.
- Depending on the region, and the week, a state or a county can be directing utilization. This has created significant organizational problems for many providers, which cannot build reliable administration systems due to continuously changing requirements.

4. The Elephant in the Room.

- Providers are focused on getting shots into arms and have not yet begun to unpack reimbursement. Vaccine administration, however, is an expensive, resource-heavy effort. It is likely that available reimbursement will not fully cover the costs of administration. But as of now, providers are only beginning to seek that reimbursement which is available.

Please see [COVID-19 Vaccine Rollout](#) for a summary of state and federal guidance related to the ever- changing and evolving vaccine landscape, a note about the Defense Production Act, and upcoming guidance on reimbursement related issues.