Vaccine Economics: Guided by Public Health, Not Profit

Vaccines are one of the best tools we have to protect our health, and providers recommend them to patients because they save lives, prevent illness and keep families and communities safe. Vaccine recommendations are not motivated by financial incentives.

> ***The reason vaccines are consistently recommended by doctors is simple: Doctors are trained to follow the best scientific evidence, which consistently shows that vaccines prevent serious illness, protect the vulnerable and are considered standard of care.***

Vaccine guidance is rooted in science and patients' best interest.

- Providers recommend vaccines based on public health evidence and medical expertise, and because vaccines provide critical protection to patients.
- In clinical practice, providers draw on guidance from public health experts to walk patients through the benefits and potential risks of vaccination, ensuring patients can make informed choices about their health.

Pediatricians do not personally profit from giving vaccines and vaccines are not a revenue generator for providers.

Vaccine administration comes with high costs and modest returns.

- At best, vaccines account for a modest amount of revenue for pediatricians. Many pediatricians report losing money or barely breaking even when administering vaccines, with vaccine-related costs accounting for up to a quarter of their practice's expenses.[1,2,3]
- More than half of U.S. children are covered by Medicaid, which typically reimburses providers at lower rates than Medicare and commercial insurance.[4,5] Yet, because they recognize the important protection provided through vaccines, pediatricians remain committed to serving their patients.

Administering vaccines requires significant financial investment and resources from practices.[6]

To administer vaccines to patients, providers need to navigate:

- **Buying vaccines upfront.** Unlike other medical supplies, vaccines are routinely purchased in bulk, before they are administered. This means spending a significant amount of money upfront—often weeks or months before reimbursement—in order to keep doses in stock, and this financial risk falls entirely on the provider.
- **Maintaining storage and handling systems.** Vaccines require very specific storage and need to be kept within a very narrow temperature range. This requires specialized refrigerators, monitoring devices and backup systems.
- **Dedicating staff time to administration.** Doctors, nurses and practice staff spend time counseling families on vaccines, preparing doses, documenting vaccinations and reporting to registries—all of which adds up to additional work that may not add additional revenue.[7,8]
- **Managing reimbursement.** In most cases, insurance will cover the cost of vaccines but not the additional costs associated with storage and management.[9]

***The bottom line:** Public health—not profit—drives providers' vaccine recommendations. Providers recognize that vaccines safeguard the health and well-being of millions of Americans, and that commitment—not financial incentive—guides their care.*

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3 Olgin, A. (August 2025). Pediatricians weigh tough choices amid vaccine uncertainty. Marketplace. Available at: https://www.marketplace.org/story/2025/08/12/pediatricians-weigh-tough-choices-amid-vaccine-uncertainty

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