

Vaccines for Children Program Economic Order Quantity (EOQ) Factsheet May 2011

- The Centers for Disease Control and Prevention (CDC) is implementing Economic Order Quantity (EOQ) as part of the Vaccines for Children (VFC) Program effective June 1, 2011.
- EOQ is an order and distribution methodology to establish a balance between shipping costs and available vaccine inventory at the VFC vaccine distributor, McKesson.
- The outcome of EOQ will balance the size and frequency of provider vaccine orders, timing of orders flowing through the system, vaccine availability and reduce costs associated with vaccine storage/handling errors.
- EOQ assigns each provider a vaccine order frequency (monthly, bi-monthly, quarterly) based on the number of doses distributed annually. Providers will be required to submit vaccine orders based upon the established EOQ vaccine order frequency or with longer durations.
 - **Monthly Ordering Frequency** (orders submitted 12 times annually):
Clinics who order more than 2,000 doses of vaccine annually will be able to place vaccine orders monthly. A vaccine order should not be submitted less than one month (30 days) from the last order.
 - **Bi-Monthly Ordering Frequency** (orders submitted 6 times annually):
Clinics who order between 400 – 1,999 doses of vaccine annually will be able to place vaccine orders every other month (bi-monthly). A vaccine order should not be submitted less than two months (60 days) from the last order.
 - **Quarterly Ordering Frequency** (orders submitted 4 times annually):
Clinics who order between 1 – 399 doses of vaccine annually will be able to place vaccine orders every three months (quarterly). A vaccine order should not be submitted less than three months (90 days) from the last order.
- EOQ has not changed the process for submitting a vaccine order, just the timing of placing orders. Before placing a vaccine order, count all vaccines that are currently in your inventory and look at all products that may need to be ordered including:
 - vaccines that may expire before the next ordering frequency,
 - current vaccine inventory (look at historical doses administered data to make sure the clinic does not run out of vaccine before the next order frequency)
 - seasonality (school physicals, kindergarten round-up), and
 - planned specialty clinics (school based clinics).
- Vaccine orders will be reviewed to ensure 1) the order frequency and 2) does not exceed the clinics provider profile. The clinic's provider profile is calculated by the number of VFC eligible children seen by the clinic (by age and eligibility category) and doses administered data.