

AGENDA

Board Meeting

September 26, 2018

10:00am-12:00pm

Endowment for Health, 1 Pillsbury Street, 3rd Floor, Concord, NH

<https://zoom.us/j/976555359>

Password: vaccine

US: +1 669 900 6833 or +1 646 876 9923

Meeting ID: 976 555 359

Time	Agenda Item
10:00-10:05	1. Welcome and Introductions (Tenney)
10:05-10:10	2. Review and Acceptance of the May 22 and June 20, 2018 Minutes (Tenney) - Vote
10:10-11:10	3. Report of the Audit Committee (Sky)
	a. Review and Acceptance of the FY2018 audit - Vote
	4. CY2019 Payer Assessment Process
	a. Review and Acceptance of CY2019 Payer Assessment Process and CY 2019 Rate Setting - Vote
	b. Review and Acceptance of FY2019 Administrative Budget – Vote
11:10-11:30	5. Board Governance
	a. Oath of Office (McCue)
	b. Reschedule October 16 Board Meeting (Tenney)
	c. Discussion re: Board Recruitment (Tenney)
	d. Discussion re: 2019 Administrative Priorities (Miller, Tenney)
	e. 2019 Board Meeting Calendar (Miller)
	f. Updates to Whistleblower Policy and Code of Ethics - Vote
11:30-11:35	6. DHHS Update (Daly)
11:35-11:45	7. Executive Director Report (Miller)
11:45-12:00	8. Executive Session (Tenney)
	a. TRICARE Settlement
12:00	9. Adjournment

Directions: <https://nhvaccine.org/wp-content/uploads/2018/09/DIRECTIONS-TO-HELMS.pdf>



*Minutes of the Board of Directors Special Meeting
May 22, 2018*

The Board of Directors (the "Board") of the New Hampshire Vaccine Association ("NHVA") held a special meeting at the offices of the New Hampshire Insurance Department, Public Meeting Room 274, in Concord, New Hampshire on May 22, 2018. The meeting was duly-noticed, and the following individuals were in attendance:

Directors

Susan Tenney, Chair – HarvardPilgrim
David Sky – NH Insurance Department
Jason Margus – Anthem
Laura Condon – Public Representative
Edward Moran – Public Representative
Colleen Haggerty – NH DHHS Rep
Sean Lyons – Cigna
Patricia Edwards, M.D. – Concord Pediatrics
(by telephone)

Guests:

Mark S. McCue, Esq. – Hinckley, Allen

Ms. Tenney presided as Board Chair, and opened the meeting at 11:30 a.m. She noted that the sole purpose of the meeting was to review the proposals submitted in response to NHVA's Request for Proposal #NHVA2018, Management and Administrative Services, Assessment Administrator Services, dated February 26, 2018 (the "RFP"). Upon a motion by David Sky and seconded by Sean Lyons, the Board voted by unanimous roll call vote to enter into executive session to discuss personnel and proprietary matters and receive the advice of legal counsel.

Ms. Tenney reminded the Board that it authorized a subcommittee consisting of Ms. Tenney, Mr. Sky and Laura Condon, working with NHVA legal counsel, to prepare and disseminate the RFP and to assess preliminarily any responsive proposals. The RFP was prepared and sent to known administrators such as KidsVax and Helms & Company, Inc. ("Helms") as well as to those on the NH Insurance Department list of parties wishing to receive a copy of any insurance related request for proposals. Ms. Tenney informed the Board that NHVA received two timely and complete proposals in response to the RFP: one from the existing NHVA executive director and assessment administrator, KidsVax, and one from Helms. Ms. Tenney then asked Attorney Mark McCue to review the significant features of each proposal.

Mr. McCue directed the Board's attention to the chart prepared by his firm and disseminated at and prior to the meeting, which chart summarized and compared the material components of the RFP and each bidder's response. He noted that the KidsVax and Helms proposals were similar in many regards, including scope of services, qualifications, legal structure and the method of delivering services to NHVA. Mr. McCue then outlined the differences in the proposal, including: KidsVax' experience with NHVA specifically and vaccine associations generally, the annual costs of each bidder and the manner in which these costs were derived, and KidsVax' offer to beat any lower bid by 10% if NHVA accepted a 10-year contract term under the provisions of KidsVax' standard contract.

Upon the conclusion of Mr. McCue's summary, Ms. Tenney asked the subcommittee members if they had comments before she opened the discussion to the full Board. Ms. Condon shared her thoughts about the proposals, noting some concerns with KidsVax' previous performance but acknowledging improvement following the hiring of Nicole Price. She focused primarily on the disparity in the nature and amount of the annual fees being proposed by each of KidsVax and Helms. Ms. Tenney then informed the Board of her due diligence on Helms, and shared the positive recommendation of Beth Roberts, the former Chair of the New Hampshire Health Plan for which Helms has served as executive director and assessment administrator for many years. Mr. Sky indicated that he did not have anything to add to the comments of Ms. Condon and Ms. Tenney, so Ms. Tenney invited the rest of the Board to discuss their thoughts about the two proposals.

Various members of the Board shared similar thoughts about the proposals, and discussion ensued about the merits of each. The consensus of the Board was that it wished to continue working with Ms. Price, but that the disparity in pricing could not be ignored given the Board's fiduciary duty of stewardship to NHVA. The Board also noted that the KidsVax fee was based on a percentage of NHVA assessments, and questioned that the number of assessments impacted the cost to KidsVax of delivering the administrative and assessment services. The Board also was concerned about the size and need for KidsVax' technology fee, as some directors expressed their understanding that the technology was a work-for-hire owned by NHVA and not KidsVax, yet the latter was using it to generate revenue outside of New Hampshire. Mr. McCue explained that the KidsVax contract is not clear and notes only that the web site, URL address and trade name as the property of NHVA. At the request of a director, Mr. McCue also explained the differences between the form of contract required by the RFP and the KidsVax contract, which was one of the conditions to KidsVax offer to beat a lower bid by 10%.

The Board concluded its deliberations, and upon a motion by Edward Moran, seconded by Ms. Condon, the Board unanimously:

VOTED: To select Helms & Company, Inc. as the successful bidder under the RFP subject to the successful negotiation of a final contract acceptable to NHVA, and to authorize the NHVA Chair and legal counsel to negotiate and finalize the contract with Helms & Company, Inc. consistent with the terms of its proposal.

The Board then discussed the mechanics of the transition from KidsVax to Helms, and acknowledged that the KidsVax contract may need to be extended beyond its July 31, 2018 term. Upon a motion duly made by Mr. Sky and seconded by Ms. Condon, the Board unanimously:

VOTED: To authorize the Chair, in consultation with NHVA legal counsel, to negotiate and finalize an extension of the existing contract between NHVA and KidsVax, if necessary.

Mr. Sky then noted that Helms had requested that a mid-year audit be performed so that the finances of NHVA could be confirmed prior to the transition of administration to Helms. The Board concurred that such an audit was prudent, and upon a motion by Mr. Sky and seconded by Mr. Lyons, the Board unanimously:

VOTED: To authorize the Chair, in consultation with NHVA legal counsel, to engage the NHVA auditor to conduct an audit of its mid-year finances and operations prior to the transition of services from KidsVax to Helms.

Mr. McCue then asked the Board whether it desired to seal the minutes of the meeting at least until the bidders had been informed of the Board's decision. After discussion, and upon a motion by Mr. Sky and seconded by Mr. Moran, the Board unanimously:

VOTED: To seal the minutes of the meeting until a contract between NHVA and its next administrator is signed.

There was no other business for executive session. By unanimous roll call vote, the Board voted to end the executive session at 12:50 p.m., and then upon a motion by Ms. Condon, seconded by Mr. Lyons, the Board voted to close the meeting and adjourn.

Respectfully submitted,

Mark S. McCue

Secretary pro tem

NH Vaccine Association – Board of Directors Annual Meeting

June 20, 2018 – 9:30 to 11:30 a.m.

KidsVax® Offices

Presiding Officer: Susan Tenney, Chair

I. Attendance. Participating in all or part of the meeting in person (P) or by telephone (T) were the following individuals:

Directors:

Susan Tenney, Chair – Harvard Pilgrim Health Care (P)
Laura Condon – Public Board Representative (P)
Patricia Edwards, M.D. – Concord Pediatrics (P)
Sean Lyons – Cigna (T)
Edward Moran – Public Board Representative (P)
Jason Margus – Anthem BlueCross BlueShield (T)
David Sky, - NHID (P)
Elizabeth Daly – NHDHHS (P)

Others:

Mark McCue, Esq. – Hinckley Allen (T)
Beth Anne Ptak – Meritain (T)
Leah Chase – (T)
Jennifer Pedone – Alfa Sigma USA (T)
Erin Meagher – Helms & Co. (T)

KidsVax®:

Nicole G. Price (P)
Fred L. Potter (P)
Claire Roberge (P)
Heather Veen
Matt Miller

II. Summary of Actions Taken and/or Recommended

A. Actions Taken (votes adopted)

1. To adjourn the Annual Meeting of the Members at approximately 9:12 a.m.
2. To approve the Board Meeting minutes of the March 22, 2018 meeting as presented.
3. To approve the slate of officers for both the Board of Directors and Audit Committee as listed in the Board packet.
4. To adopt the committees as they are written with the amendment to remove Ms. Bobinsky from the Legislative Task Force.
5. To approve the Audit Committee's recommendation of Carew & Wells, PLLC as the New Hampshire Vaccine Association's program auditor and to authorize the Audit Committee chair to enter into an engagement for the 2017/2018 FYE audit.
6. To approve the Audit Committee's recommendation of the NHVA Expense Budget for 2018-2019.

B. Follow-up Task/Action Items

III. Annual Meeting

The first order of business was the report on proxy submissions. Ms. Price reported that six proxies were received and recorded by KidsVax® through June 20, 2018 at 8:00 a.m., representing 87,566 child covered lives or 53% of the child covered lives in New Hampshire. As a duly-appointed proxy, Chairwoman Tenney cast all votes in the manner directed by the Association's members and resulting in the election of Susan Tenney, Jason Margus and Sean Lyons to the Board as assessable entity representatives.

Upon motion duly made and seconded, it was unanimously

VOTED: To accept the report of the Teller with respect to the votes on the proxies as presented for Jason Margus, Sean Lyons, and Susan Tenney.

Ms. Tenney deemed the annual election closed with the current payer representatives on the Board elected for another term.

Upon motion duly made and seconded, it was unanimously

VOTED: To adjourn the Annual Meeting of the Members at approximately 9:12 a.m.

IV. Board Meeting

At approximately 9:15 a.m., Chairwoman Tenney called the meeting to order. The Board was surveyed for additional agenda items. Ms. Tenney asked for identification of anyone participating via telephone. Ms. Condon noted the draft revised Communications Policy was not in the Board packet or on the agenda. Chairwoman Tenney agreed to discuss the draft revised Communications Policy under new matters. Chairwoman Tenney requested a recommendation regarding a refund of overfunding the vaccine assessment, and a discussion about cross-border activity. After discussion, the request for refund of overfunding the vaccine assessment has been placed as item 4.d.iii. The matters of the Revised Communications Policy and cross-border activity will be discussed under new matters.

Consent Items – A quorum, having been established, Chairwoman Tenney asked for approval of the March 22, 2018 minutes as presented to the Board.

1 Upon Motion duly made and seconded, it was unanimously
2

3 **VOTED:** To approve the Board Meeting minutes of the March 22, 2018 meeting as presented.
4

5 Ms. Price informed the Board she had received all the conflict questionnaires and stated they will be filed and available for public review upon
6 request.
7

8 ***Annual Board Meeting Work***

9 **Election of Officers & Appointments of Committees** – Chairwoman Tenney referred to the current slate of officers in the Board packet. She
10 reported there is a vacancy on the Board due to Dr. Fredenburg's resignation. The Board will be actively seeking replacement. Chairwoman Tenney
11 stated the treasurer also fills the seat of the Finance/Audit Committee Chair. Chairwoman Tenney informed the Board that all positions are
12 available and asked the Board if there was any interest in moving up positions. Mr. Sky announced he would serve as Treasurer and Chair of the
13 Audit Committee. Mr. Moran announced he would serve as Vice-Chair, and Sean Lyons as Secretary. Chairwoman Tenney reported the slate of
14 officers are as follows: Sue Tenney, Chair; Ed Moran, Vice-Chair; David Sky, Treasurer; Sean Lyons, Secretary. The Audit Committee consists of:
15 David Sky, Chair; Sue Tenney, Vice-Chair; and Members Jason Margus and Laura Condon.
16

17 Upon Motion duly made and seconded, it was unanimously
18

19 **VOTED:** To approve the slate of officers as read.
20

21 Chairwoman Tenney stated that the oath of office will be done at the next meeting when Mr. McCue is available.
22

23 **Executive Director Report** – Ms. Price presented a brief overview of her Executive Director Report. Ms. Price mentioned that the resignation of Dr.
24 Fredenburg was received. She stated Dr. Fredenburg served on the NHVA Board since the inception of NHVA and recognized the great contribution
25 made to the Board and to Ms. Price during her transition into KidsVax® and NHVA. She stated she has been in touch with DHHS about replacing Dr.
26 Fredenburg on the Board as that is an appointment from the Health Commissioner. Chairwoman Tenney shared Ms. Price suggested a
27 proclamation thanking Dr. Fredenburg thanking him for his service and possibly a small token mostly because Dr. Fredenburg has been with the
28 Board since its inception and the amount of his contributions to the NHVA. A discussion ensued regarding how the Board would like recognize Dr.
29 Fredenburg's service to NHVA.
30

31 Upon Motion duly made and seconded, it was unanimously
32

33 **VOTED:** To **authorize** the Board Chair and the Executive Director to make an expenditure not to exceed \$150 toward a thank you for
34 Dr. Fredenburg's service to the NHVA.
35

36 Ms. Price thanked everyone for submitting their conflict of interest form. Ms. Price reported KidsVax® received new language that will be added to
37 the 2019 NDAA. She stated this was good news for the NHVA and other SVPs.
38

39 **NHVA Quarterly Financials as of 3/31/2018**– Ms. Roberge reported that June financials are not in yet, however, there was an assessment
40 receivable of Minuteman. Ms. Roberge stated that until further instruction from the Board, Minuteman will remain on the books. She stated that a
41 check was drafted from NHVA for \$18,819,145. Once the check has been executed, Ms. Roberge will forward to the State of New Hampshire.
42 Chairwoman Tenney inquired as to how long NHVA keeps Minuteman receivables. In response, Ms. Price informed the Board Minuteman is being
43 liquidated and there is a proof of claim required to be completed. Ms. Roberge reported the Minuteman receivables are \$58,269.70.
44

45 **Action on Audit Committee Recommendations** – Chairwoman Tenney reported there is a letter of engagement from Carew & Wells with respect to
46 the fiscal year end 2018 financial audit. The Audit Committee recommends Carew & Wells as the auditors for the fiscal 2018 year end.
47

48 Upon Motion duly made and seconded, it was unanimously
49

50 **VOTED:** To approve the Audit Committee's recommendation of Carew & Wells, PLLC as the NHVA's program auditor and to authorize
51 the Audit Committee chair to enter into an engagement letter for the 2017-2018 FYE audit.
52

53 Chairwoman Tenney reported the Audit Committee discussed the expense budget for the 2019 fiscal year beginning July 1, 2018. She went on to
54 report the Board packet has been modified. Chairwoman Tenney stated that during the transition period the Audit Committee added \$125,000 for
55 administrative fees. The Audit Committee is requesting to increase its legal budget \$5,000 due to higher legal fees during FYE 2017/2018.
56 Chairwoman Tenney reported the total administrative budget would be \$167,600.
57

58 Upon Motion duly made and seconded, it was unanimously
59

60 **VOTED:** To approve the Audit Committee's recommendation of the NHVA Expense Budget for 2018/2019.
61

62 Chairwoman Tenney went on to report the Audit Committee discussed overfunding of the vaccine assessment to the State. She stated that during
63 the Audit Committee meeting it was determined that without DHHS present there could not be a fruitful discussion. The Audit Committee is
64 recommending the Board establish a workgroup to discuss the overfunding issue that would include DHHS. The Board appointed a workgroup to
65 study potential overfunding of the vaccine assessment. The workgroup consists of Chair David Sky, Beth Daly, Ed Moran, and Laura Condon. Ms.
66 Daly shared DHHS is meeting with the vendor next week to provide information to be placed in the assessment workbook. There was discussion
67 the benefits of the workgroup attending the meeting with the vendor. After further discussion having Ms. Daly added to the Audit Committee is was
68 put to vote.
69

70 Upon Motion duly made and seconded, it was unanimously
71

1 **VOTED:** To approve Beth Daly as a member of the Audit Committee.

2
3 **DHHS Update** – Ms. Daly informed the Board DHHS is entering the state budget process state fiscal year 2021. Ms. Daly stated DHHS will begin the
4 2019 fiscal year with no funds available to purchase vaccines, however, DHHS expects to have revenue from the fund received from NHVA as well as
5 carry forward revenue from prior years which will allow DHHS to purchase vaccines again. Ms. Daly informed the Board in 2021 DHHS will request
6 the appropriation of funds be reinstated to avoid future problems, which will have to go through the state budget approval process. After much
7 discussion, Ms. Daly made the Board aware that DHHS will be asking the state for the \$16 million to be reinstated for the 2021 budget. Ms. Daly
8 reported the CDC prices list is out and there does not seem to be any significant changes in vaccine pricing. Ms. Daly went on to inform the Board
9 that DHHS was awarded five awards at the National Immunization Conference, which is a real testament to DHHS's partnership with NHVA and
10 healthcare providers. The awards were for 1) the highest coverage for TB-Tdap for 18 years and above, 2) pneumococcal vaccine rates for 65 and
11 above were the highest, 3) excellent progress for meeting healthy people 2020 goals for children 19-35 months, 4) routine vaccines for adolescents,
12 and 5) vaccine coverage for 6 mos. to 17 years.

13
14 **Other Matters from Board Members –**

15 Ms. Price discussed cross-border activity regarding vaccines distributed between Maine Vaccine Board (MVB) and NHVA. Ms. Price stated she had
16 been in contact with the MVB, and with Maine CDC regarding questions raised by NHVA about New Hampshire children being vaccinated by Maine
17 providers. Ms. Price reported Maine providers are not distributing vaccines to New Hampshire residents. Ms. Price went on the report Maine has
18 trainings every other year and has conversations regarding policy.

19
20 Ms. Price informed the Board she spoke with NH DHHS regarding how they would like to move forward after hearing New Hampshire children are
21 not being vaccinated in Maine and stated the implementation of the statutes between the states differs greatly. Mr. Potter further explained the
22 positions of each state and mentioned there is a recommendation to reopen the statute.

23
24 Chairwoman Tenney suggested a conversation between Maine and New Hampshire Commissioners to come to some sort of agreement. After
25 much discussion, the Board decided to revisit this matter at the next meeting.

26
27 **Communications Policy** – Ms. Price gave a brief update to the Board. Ms. Price went on to mention the offer to revise the communications policy
28 was based on the annual report, VaxFacts®, and a letter, which could be done at a different time. Ms. Price stated she did not draft a
29 communications policy to be reviewed because of uncertainty if the format would change or remain the same. Currently, much of the information is
30 available by mid-September comes from the Department and assessment setting process. After further discussion, it was agreed to revisit at the
31 next meeting.

32
33 **Executive Session** – The Board of Directors (the “Board”) of the New Hampshire Vaccine Association (“NHVA”) voted by unanimous roll call vote to
34 enter executive session at approximately 10:45 a.m. to discuss legal and personnel matters.

35
36 Ms. Price and Mr. Potter updated the Board regarding negotiations with TRICARE to pay assessments to state vaccine assessment mechanisms like
37 NHVA. They noted that TRICARE made an initial settlement proposal to cover both the payment of assessment arrearages to NHVA and assessments
38 by NHVA in the future, but the methodology used by TRICARE is being challenged. Mr. Potter noted that some states have accepted TRICARE's current
39 proposal, which reflects an increase from the original proposal, while others continue to negotiate an increase in TRICARE's proposal. Mr. Potter also
40 noted that given the likely benefit to NHVA of the continued legal and lobbying efforts in the TRICARE matter, the State of Washington was seeking a
41 contribution to its costs for these efforts. After deliberation, and upon a motion duly made and seconded, the Board:

42
43 **VOTED:** To continue negotiating the TRICARE proposal to settle its assessment arrearages to NHVA through KidsVax and other
44 advisors engaged by the State of Washington Vaccine Association, and to contribute to the costs of those efforts by paying to
45 the State of Washington Vaccine Association the sum of Twenty Thousand Dollars (\$20,000.00) per month until the first to
46 occur of (i) the conclusion of the TRICARE negotiations, or (ii) the lapse of six months so that the maximum payment by NHVA
47 will be \$120,000.00.

48
49 The Board then excused the Executive Director from the executive session at approximately 10:00 a.m. to discuss personnel matters. Ms. Tenney
50 described the status of the contract negotiations with Helms & Company, and the Board concurred that it would be beneficial to extend the KidsVax
51 contract to allow for a smooth transition, and collaboration for the September board meeting at which the 2019 assessment rate will be established.
52 Ms. Tenney also described the need to determine whether KidsVax had earned all or a portion of its 10% compensation holdback for the contract
53 year ending July 31, 2018. After deliberation, and upon a motion duly made and seconded, the Board:

54
55 **VOTED:** To release the entire 10% performance holdback to KidsVax for the contract year ending July 31, 2018.

56
57 There was no other business for executive session.

58
59 By unanimous roll call vote, the Board voted to end the executive session at 11:40 a.m., and then the Board voted to close the meeting.

60
61 Respectfully submitted,

62
63 **Mark S. McCue**

64
65 Secretary pro tem

July 25, 2018

Board of Directors
New Hampshire Vaccine Association
c/o KidsVax.org
PO Box 1885
Concord, NH 03302-1885

We have audited the financial statements of New Hampshire Vaccine Association for the year ended June 30, 2018, and have issued our report thereon dated July 25, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 30, 2018. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by New Hampshire Vaccine Association are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2018. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

In August 2016, the FASB issued ASU No. 2016-14, Presentation of Financial Statements of Non-for-Profit Entities (ASU 2016-14). ASU 2016-14 (1) reduces the number of net asset classes presented from three to two; (2) requires the presentation of expenses by functional and natural classification in one location; and (3) requires quantitative and qualitative disclosures about liquidity and availability of financial assets. The ASU is effective for annual financial statements issued for fiscal years beginning after December 15, 2017. New Hampshire Vaccine Association has not yet determined the impact of the new standard on its consolidated financial statements.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements was (were):

Management's estimate of the vaccine expense is based on the amount projected and requested for remittance by the State of New Hampshire. We evaluated the key factors and assumptions used to develop the vaccine estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the balance due and collectible in accounts receivable is based on the assumption that the amount of covered lives self-reported by the payor is accurate and not subject to change materially. We evaluated the key factors and assumptions used to develop the balance due and collectible in accounts receivable in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No such misstatements were identified.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 25, 2018

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of New Hampshire Vaccine Association and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Carew & Wells, PLLC

**NEW HAMPSHIRE
VACCINE ASSOCIATION**

FINANCIAL STATEMENTS

**FOR THE FISCAL YEARS ENDED
JUNE 30, 2018 AND 2017**

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
New Hampshire Vaccine Association
Concord, NH

We have audited the accompanying financial statements of New Hampshire Vaccine Association (a nonprofit organization), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Continued on next page

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Hampshire Vaccine Association, as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Carew & Wells, PLLC
Concord, New Hampshire

July 25, 2018

NEW HAMPSHIRE VACCINE ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
 AS OF JUNE 30, 2018 AND 2017

	June 30, 2018	June 30, 2017
ASSETS		
<i>Current Assets</i>		
Cash and cash equivalents	\$ 3,697,484	\$ 4,087,040
Short term investments	256,143	252,630
Prepaid expenses	<u>3,473</u>	<u>6,473</u>
Total Current Assets	<u>3,957,100</u>	<u>4,346,143</u>
 TOTAL ASSETS	 <u><u>\$ 3,957,100</u></u>	 <u><u>\$ 4,346,143</u></u>
 LIABILITIES & NET ASSETS		
<i>Current Liabilities</i>		
Accrued expenses	\$ 4,334	\$ 2,000
Assessment refund	<u>66</u>	<u>92</u>
 TOTAL CURRENT LIABILITIES	 <u>4,400</u>	 <u>2,092</u>
<i>Net Assets</i>		
Unrestricted net assets	250,000	250,000
Temporarily restricted net assets	<u>3,702,700</u>	<u>4,094,051</u>
TOTAL NET ASSETS	<u>3,952,700</u>	<u>4,344,051</u>
 TOTAL LIABILITIES & NET ASSETS	 <u><u>\$ 3,957,100</u></u>	 <u><u>\$ 4,346,143</u></u>

The accompanying notes are an integral part of these financial statements.

NEW HAMPSHIRE VACCINE ASSOCIATION
**STATEMENTS OF ACTIVITIES
AND CHANGES IN NET ASSETS**
FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017

	June 30, 2018	June 30, 2017
UNRESTRICTED NET ASSETS		
REVENUE AND OTHER SUPPORT		
Net assets released from restrictions		
Assets released for operations	\$ 178,953	\$ 175,359
EXPENSES		
Administrative services	127,553	124,500
Professional fees	43,202	39,541
Insurance	5,954	5,954
License and fees	75	75
Bank & investment fees	2,169	5,289
Total Expenses	<u>178,953</u>	<u>175,359</u>
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	<u>-</u>	<u>-</u>
TEMPORARILY RESTRICTED NET ASSETS		
Assessment income, less uncollectible amounts of \$58,270 in 2017	18,588,579	20,165,670
Interest on late assessments	1,569	3,340
Bank interest	13,895	13,690
Return on investments	2,704	5,245
Net assets released from restrictions		
Remittance to the State of New Hampshire	(18,819,145)	(19,653,132)
Assets released for operations	<u>(178,953)</u>	<u>(175,359)</u>
INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS	<u>(391,351)</u>	<u>359,454</u>
CHANGES IN NET ASSETS	<u>(391,351)</u>	<u>359,454</u>
Net Assets, Beginning of Year	<u>4,344,051</u>	<u>3,984,597</u>
Net Assets, End of Year	<u>\$ 3,952,700</u>	<u>\$ 4,344,051</u>

The accompanying notes are an integral part of these financial statements.

NEW HAMPSHIRE VACCINE ASSOCIATION
STATEMENTS OF CASH FLOWS
 FOR THE FISCAL YEARS ENDED JUNE 30, 2018 AND 2017

	June 30, 2018	June 30, 2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ (391,351)	\$ 359,454
<i>Adjustments to reconcile changes in net assets</i>		
Net realized & unrealized (gain) loss on investments	-	1,769
(Increase) decrease in:		
Prepaid expenses	3,000	-
Increase (decrease) in:		
Accrued expenses	2,334	2,000
Assessment refund	(26)	92
<i>Total Adjustments</i>	<u>5,308</u>	<u>3,861</u>
Net Cash Provided by Operating Activities	<u>(386,043)</u>	<u>363,315</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	<u>(3,513)</u>	<u>(4,976)</u>
Net Cash Used by Investing Activities	<u>(3,513)</u>	<u>(4,976)</u>
 NET INCREASE (DECREASE) IN CASH	 (389,556)	 358,339
Cash, Beginning of Year	<u>4,087,040</u>	<u>3,728,701</u>
Cash, End of Year	<u>\$ 3,697,484</u>	<u>\$ 4,087,040</u>

The accompanying notes are an integral part of these financial statements.

NEW HAMPSHIRE VACCINE ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

A | NATURE OF ACTIVITIES & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

New Hampshire Vaccine Association is a nonprofit corporation established pursuant to Chapter 126-Q of the New Hampshire Revised Statutes Annotated. The Association was formed to assess certain entities for a portion of the cost of vaccines provided for children in New Hampshire. The Association accomplishes its mission by assessing "assessable entities," as defined by RSA 126-Q:1,II. That definition encompasses all insurers, all government health benefit plans and essentially all third party administrators administering health benefits for any child in New Hampshire. The Association remits funds to the State of New Hampshire so that the NH Department of Health and Human Services is able to purchase and distribute, without charge to health care providers in the State of New Hampshire, all federally-recommended childhood vaccines.

Basis of Accounting

The financial statements of New Hampshire Vaccine Association have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The Association is required to report information regarding its financial position and activities according to classes of net assets:

Unrestricted net assets include revenues and expenses which are not subject to any restrictions. Unrestricted net assets can be designated by the Executive Board for special projects and expenditures.

Temporarily Restricted net assets include revenue for which time or use restrictions have not yet been met. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction. In accordance with RSA 126-Q, all assessment revenue including interest on late assessments and investment income are considered temporarily restricted until remitted to the State or released for operating expenses.

Permanently Restricted net assets include assets that are invested in perpetuity and only the income or a portion thereof can be made available for program operations in accordance with donor restrictions. The Association had no permanently restricted net assets at June 30, 2018 and 2017.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements. There was no change on prior period net assets.

NEW HAMPSHIRE VACCINE ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

Cash and Cash Equivalents

New Hampshire Vaccine Association considers all short-term highly liquid investments with original maturities of three months or less to be cash equivalents with the exception of temporary cash and money market funds held in the investment account.

Investments

New Hampshire Vaccine Association carries investments in debt and equity securities at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

Assessment Receivables

Assessment receivables are stated at the amount the Association expects to collect from covered lives self-reported by assessable entities. The Association evaluates collectability by considering factors such as historical experience, the age of the accounts receivable balance, current economic conditions, and other circumstances, which may affect an entity's ability to pay. Past due receivables are written off at management's discretion using the direct write off method; this is not considered a departure from accounting principles generally accepted in the United States because the effects of the direct write off method approximate those of the allowance method. During the fiscal year ended, June 30, 2018, the Association wrote off \$58,270 of assessment receivables reported in the current fiscal year from one assessable entity which is insolvent and no longer in operation (see Note E). The Association charges a late fee at a rate of 18% per annum (about 1.5% monthly) on all past due assessments until paid in full or written off as uncollectible.

Assessment Revenue

During the year ended, June 30, 2014, the New Hampshire Revised Statute Annotated (RSA) 126-Q was amended. The amendment allowed the Association to develop an operational plan to collect assessments on a quarterly basis from assessable entities based on child covered lives for the cost of vaccines. Assessable entities self-report the number of covered lives for each month of the quarter. The assessment is due 45 days after the close of the preceding quarter. Assessment revenue is recognized as an increase in temporarily restricted net assets at that time.

RSA 126-Q and the Plan of Operation do not provide any requirement for the Association to identify or verify the self-reported covered lives of assessable entities. Accordingly, revenue is recognized as self-reported by the assessable entities. Any subsequent adjustments in covered lives reported to the Association are treated as an increase or decrease in assessment revenue at that time.

Restricted Revenue

RSA 126-Q restricts all revenue, including assessments, interest on late payment of assessments, and investment income. Unexpended assessments (including related interest earned) are included in reducing the next year's assessment rate.

NEW HAMPSHIRE VACCINE ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

Expense Allocation

Due to the limited purpose of the Association's mandate as defined in RSA 126-Q, the remittance of assessments to the State comprises the entirety of program activities. The remittance is reflected on the financial statements as a release of temporarily restricted net assets. All remaining expenses are related to management and general activities. Total program expense (remittance to the State) for the years ended June 30, 2018 and 2017 were \$18,819,145 and \$19,653,132, respectively. Total management and general expenses for the years ended June 30, 2018 and 2017 were \$178,953 and \$175,359, respectively. The costs to administer this program (management and general) are about 1% of total expenses in fiscal years ended June 30, 2018 and 2017.

Income Tax Status

The Association was organized as a nonprofit corporation under RSA 292. On January 20, 2004, the Internal Revenue Service ruled that the Association was a nonprofit 501(c)(3) organization, furthermore that it was not a private foundation within the meaning of Internal Revenue Code Section 509(a). Accordingly, the Association has not made any provision for income taxes. In addition, the Internal Revenue Service ruled that the Association met the requirements set forth in Revenue Procedure 95-48, 1995-2 CB 418 section 4.02(b) and 4.03. Therefore, the Association is not required to file Form 990 annually.

For the years ended June 30, 2018 and 2017, management has evaluated its tax positions in accordance with financial accounting standards board (FASB) accounting standards codification (ASC) 740-10, *Accounting for Uncertain Tax Positions*. This evaluation includes consideration that the Association is operating in compliance with its tax-exempt status and that there are no matters that would create taxable income. The Association's management does not believe they have taken uncertain tax positions, therefore, a liability for income taxes associated with uncertain tax positions has not been recognized.

Upcoming Accounting Pronouncements

In August 2016, the FASB issued ASU No. 2016-14, *Presentation of Financial Statements of Non-for-Profit Entities* (ASU 2016-14). ASU 2016-14 (1) reduces the number of net asset classes presented from three to two; (2) requires the presentation of expenses by functional and natural classification in one location; and (3) requires quantitative and qualitative disclosures about liquidity and availability of financial assets. The ASU is effective for annual financial statements issued for fiscal years beginning after December 15, 2017. New Hampshire Vaccine Association has not yet determined the impact of the new standard on its consolidated financial statements.

B | CONCENTRATIONS

Revenue

The Association derives nearly all of its revenue from assessments of licensed insurers in the State of New Hampshire. In addition 51% of the assessments are derived from 3 assessable entities. Given the requirements of RSA 126-Q, the Plan of Operations and the industry within which assessable entities operate, management does not believe the Association is exposed to significant risk from the concentration of assessment revenue, nor from a concentration with a particular assessable entity.

NEW HAMPSHIRE VACCINE ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

C | RELATED PARTY TRANSACTIONS

State of New Hampshire

The Association collects assessments for the State of New Hampshire. The organizations are financially interrelated as they meet the following criteria:

1. The State of New Hampshire has the ability to influence the Association's operating and financial decisions.
2. The State of New Hampshire has an ongoing economic interest in the net assets of the Association.

The Association transfers monies to the State of New Hampshire to fund a specified portion of the cost of providing vaccines for children in the State of New Hampshire. The Association transferred \$18,819,145 and \$19,653,132 to the State of New Hampshire in 2018 and 2017, respectively.

Board of Directors

In accordance with RSA 126-Q, the board composition includes three (3) directors who are also employees of assessable entities. There were no direct transactions with either the directors or the assessable entities which did not meet the same terms and conditions as all other assessable entities.

D | SHORT TERM INVESTMENTS

Generally accepted accounting principles provide a framework for measuring fair value. That framework establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The Association's short term investments are comprised of money market funds reported at fair value based on quoted market prices (Level 1) as follows:

	Cost	Fair Value	Unrealized Appreciation (Depreciation)
<i>Fiscal year ended June 30, 2018</i>			
Money market	\$ <u>256,143</u>	\$ <u>256,143</u>	\$ <u>-</u>
<i>Fiscal year ended June 30, 2017</i>			
Money market	\$ <u>252,630</u>	\$ <u>252,630</u>	\$ <u>-</u>

The return on investments is reported as a change in temporarily restricted net assets in the Statement of Activities. Investment return is summarized as follows:

	2018	2017
Interest & dividend income	\$ 2,704	\$ 7,014
Realized gains (losses)	-	(5,489)
Unrealized gains (losses)	-	3,720
Return on investment	\$ <u>2,704</u>	\$ <u>5,245</u>

NEW HAMPSHIRE VACCINE ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

E | COMMITMENTS AND CONTINGENCIES

Risk of Reconsideration of Assessments

The Association's plan of operation provides that assessable entities are assessed a fee based upon the number of covered lives as self-reported. No request for reconsideration of any assessment or refund of payment made shall be considered by the Association with respect to any request which is not filed with the Association, in writing, on or before that date which is six months after the first due date for the corresponding assessment year. The Association's plan of operations also states that any overpayments are first considered in connection with the assessment determination for the following year and may, depending upon the cash flow needs of the Association, be spread over multiple years. As a result, the Association does not record a commitment or contingency related to this matter.

Termination of the Association

In the event of dissolution of the Association, unexpended assessments, including unexpended funds from prior assessments, shall be returned to assessable entities in proportion to their respective assessments paid over the most recent 8 quarters preceding the discontinuation of the Association's operations. As there are no plans to dissolve, the Association does not record a commitment or contingency related to this matter.

TRICARE Assessment

Through its administrator, KidsVax®, the Association has been pursuing collection from the Federal Defense Agency ("DHA") assessments for TRICARE child beneficiaries resident in the State of New Hampshire. Effective December 23, 2016, Congress adopted Section 719 of the 2017 National Defense Authorization Act ("NDAA") which authorized the DHA to make payments to the Association and certain other state vaccine programs. The 2017 NDAA provides for reimbursement of the amount assessed by the Association further limited to an amount that may not exceed the amount the Department would reimburse an entity under the TRICARE program for providing vaccines.

The DHA subsequently hired Kennell and Associates, Inc., to assist the DHA with implementation of Section 719. In a memorandum dated May 25, 2018, Kennell and Associates, Inc., assessed the value of payment due to the Association by TRICARE under NDAA17 Section 719 for underpayments from December 23, 2010 to March 31, 2018. The memorandum calculates the amount assessed by the Association for that period is \$5,234,115 and the inflation-adjusted TRICARE per capita limitation for the same period is \$3,365,380. DHA's settlement offer of \$3,365,380 indicates the amount would be paid within 10 business days of receipt of a settlement release. Negotiations as to the final settlement amount continue. It is possible that a portion of an increased settlement would be paid over time along with future assessments subsequently due the Association. It is premature to forecast the probability of success; however, any amounts ultimately paid as a result of the assessment will be credited to the change in net assets in the year received.

Section 718 of the 2018 NDAA requires DHA to reimburse entities carrying out State vaccination programs for costs of vaccines provided to covered beneficiaries without further limitation. Martin's Point USFHP began making regular quarterly assessment payments in NH on February 15, 2018 and has continued reporting on covered lives timely in accordance with the Association's Plan of Operation.

NEW HAMPSHIRE VACCINE ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

Minuteman Health, Inc. Assessment

As of December 31, 2017, Minuteman Health, Inc. ("MHI"), is no longer in operation and the Massachusetts Commissioner of Insurance has been appointed to liquidate MHI under the supervision of the Massachusetts Supreme Judicial Court for Suffolk County (Docket No. SJ-2017-0288). MHI self-reported an assessment of \$58,270 for 5,602 covered lives for the quarter ended, December 31, 2017 (due February 15, 2018) which remained unpaid as of June 30, 2018. The Association has determined collectability is uncertain and has written off the receivable as of June 30, 2018 pending settlement of the debt. MHI is insolvent but does have adequate assets to pay all of its obligations to members and their healthcare providers in full. The Association will file a proof of claim form against MHI on or before August 31, 2018. It is premature to forecast the probability of success; however, any amounts ultimately paid as a result of the assessment will be credited to the change in net assets in the year received.

F | DESIGNATION OF NET ASSETS

Unrestricted Net Assets

It is the policy of the Board of Directors of the Association to designate appropriate sums of unrestricted net assets to assure adequate cash flow for operations. As of June 30, 2018 and 2017, the board designated balance for this purpose was \$250,000.

Temporarily Restricted Net Assets

The Association is a limited purpose entity whose funds are dedicated for remittance to the State of New Hampshire to fund a specified portion of the cost of providing recommended vaccines to children regardless of income or insurance coverage. The Association has collected assessments in excess of amounts required to be remitted to the State. These unexpended assessments will be applied to the determination of future assessments, or reasonable and necessary operating costs of the Association. As of June 30, 2018 and 2017, unexpended assessments reported as temporarily restricted net assets totaled \$3,702,700 and \$4,094,051, respectively.

G | SUBSEQUENT EVENTS

Management has evaluated subsequent events through July 25, 2018, the date which the financial statements were available to be issued, and has not evaluated subsequent events after that date. The Association did not identify any subsequent events that would require disclosure in these financial statements.



CY 2019 Assessment Process and Rate Discussion

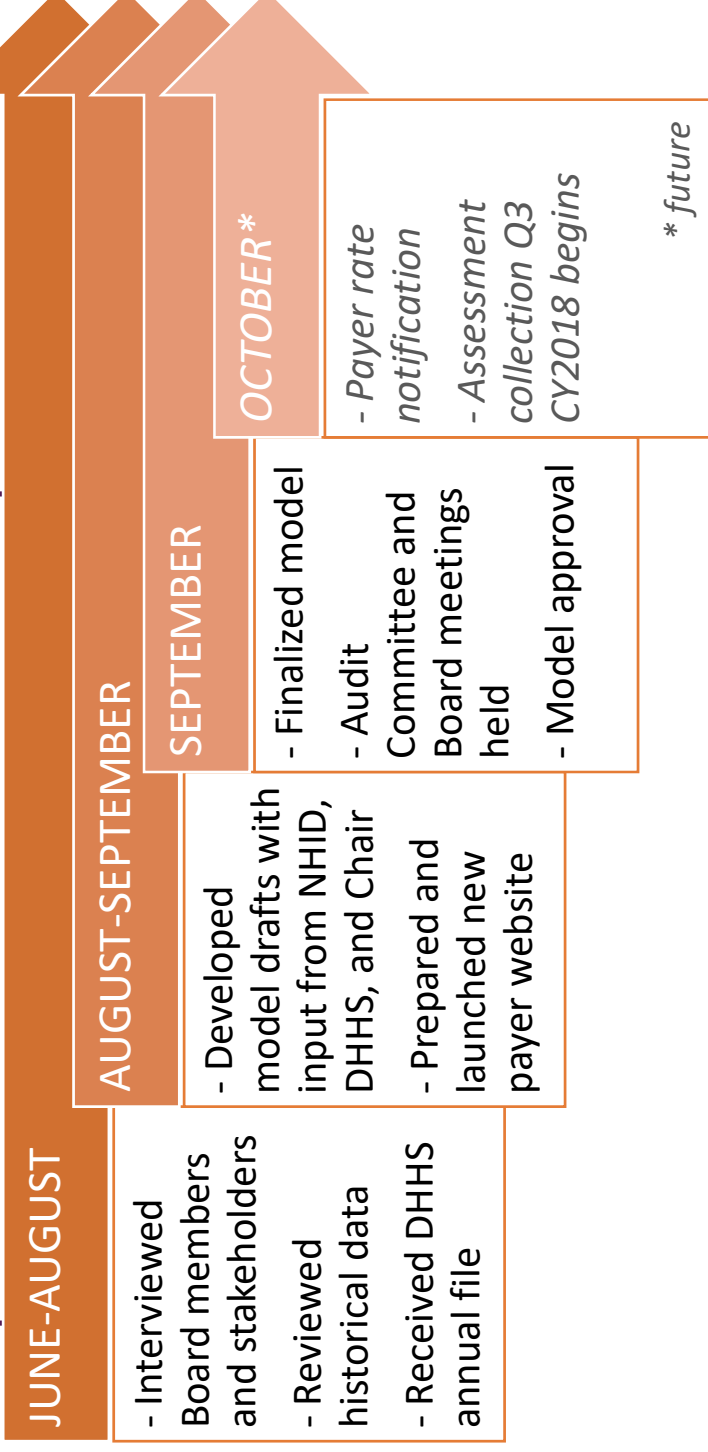
NHVA Board Meeting

September 26, 2018

Updated 2018-09-17

Charge to the new Administrator

- As the new Administrator, Helms was charged with reviewing the prior assessment process and making recommendations for assessment process simplification and mechanism improvement



Timeline Summary

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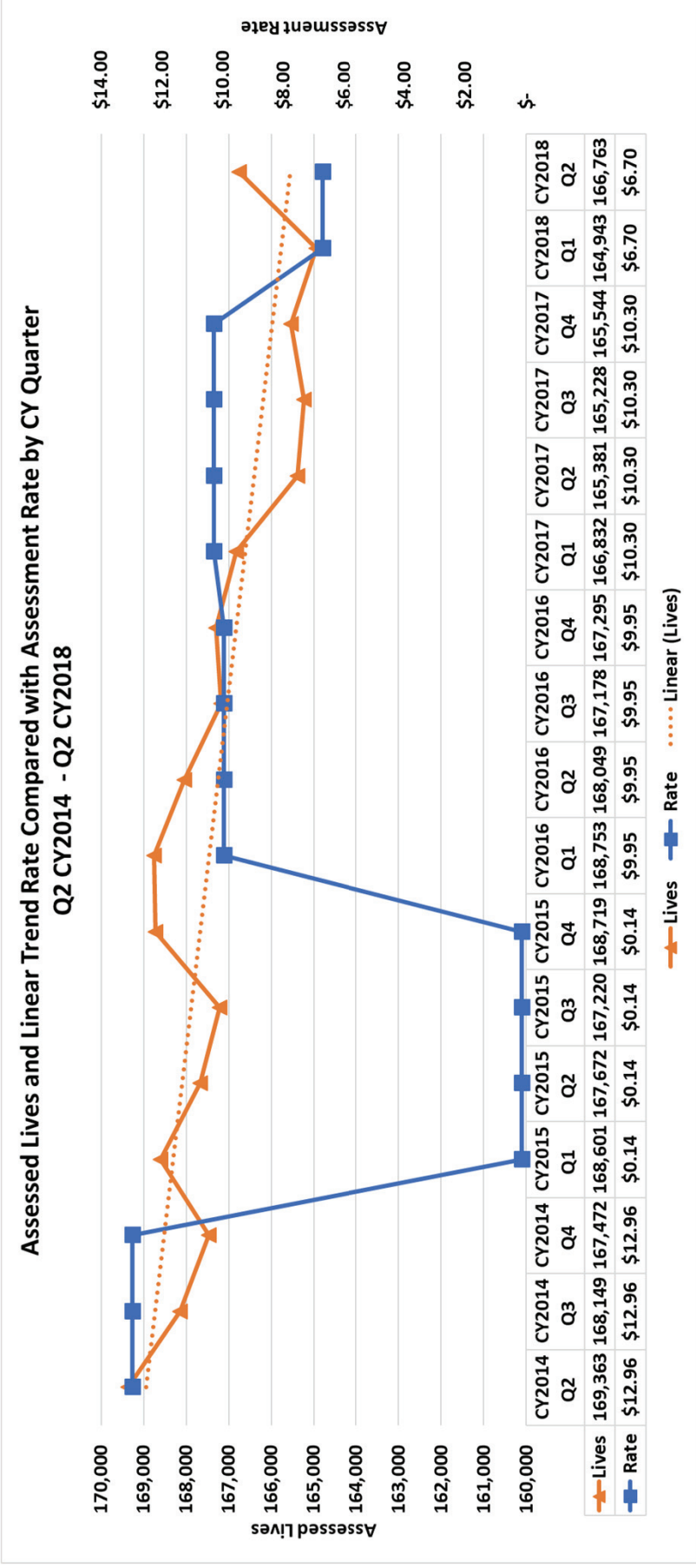
	JAN	FEB	MAR	APR	MAY	JUN	JULY	AUG	SEP	OCT	NOV	DEC
CY 2015									Assessment Set CY 2016. \$9.95			
									DHHS payment \$19,653,132 due 6/30/17			
							SFY 16	SFY 16	SFY 16	SFY 16	SFY 16	SFY 16
CY 2016									Assessment Set CY 2017. \$10.30			
									CY 17 DHHS payment \$18,819,145 due 6/30/18		CY 2016 Assessment Collected \$9.95	
	SFY 16	SFY 16 Assessment Collected \$0.14			CY 2016 Assessment Collected \$9.95	SFY 16	SFY 17	CY 2016 Assessment Collected \$9.95	SFY 17	SFY 17	SFY 17	SFY 17
CY 2017									Assessment Set CY 2018. \$6.70			
									CY 2018 DHHS payment \$19,149,829 - \$9,915,173 due 6/30/19		CY 2017 Assessment Collected \$10.30	
	SFY 17	CY 2016 Assessment Collected \$9.95			CY 2017 Assessment Collected \$10.30	SFY 17 DHHS rpts Bal FWD \$9,915,173	SFY 18	CY 2017 Assessment Collected \$10.30	SFY 18	SFY 18	SFY 18	SFY 18
CY 2018									Assessment Set CY 2019. \$5.78			
									CY 2019 DHHS payment \$16,270,000 - \$6,064,170 due 6/30/20		CY 2018 Assessment Collected \$6.70	
	SFY 18	CY 2017 Assessment Collected \$10.30			CY 2018 Assessment Collected \$6.70	SFY 18 DHHS rpts Bal FWD \$12,979,343	SFY 19	CY 2018 Assessment Collected \$6.70	SFY 19	SFY 19	SFY 19	SFY 19
CY 2019									Assessment Set CY 2020 \$7.20			
									CY 2019 DHHS expects \$16,700,00 - \$3,000,000 due 6/30/21		CY 2019 Assessment Collected \$5.78	
	SFY 19	CY 2018 Assessment Collected \$6.70			CY 2019 Assessment Collected \$5.78	SFY 19 DHHS rpts Bal FWD \$3,000,000	SFY 20	CY 2019 Assessment Collected \$5.78	SFY 20	SFY 20	SFY 20	SFY 20
CY 2020									Assessment Set CY 2021 \$8.75			
									DHHS payment \$17,140,000 - \$3,000,000 due 6/30/21		CY 2020 Assessment Collected \$7.20	
	SFY 20	CY 2019 Assessment Collected \$5.78			CY 2020 Assessment Collected \$7.20	SFY 20 DHHS rpts Bal FWD \$3,000,000	SFY 21	CY 2020 Assessment Collected \$7.20	SFY 21	SFY 21	SFY 21	SFY 21

Assessment Mechanism Re-Design Goals

1. Simplification of the prior assessment process
2. Work to keep the payer assessment aligned with annual vaccine costs in future years
 - Address trend reduction in covered lives
 - Address trend increase in state vaccine expenditures
 - Reduce payer burden
3. Ensure process alignment with RSA 126-Q:4-II and Operations Manual
 - Establish funded reserves
4. Reduce financial risk/exposure to NHVA
 - Establish a level cash balance
 - Invest reserves to offset administrative budget
 - Create allowances for TRICARE and Minuteman
5. One time assessment allowance for unbudgeted FY2019 administrative expenses



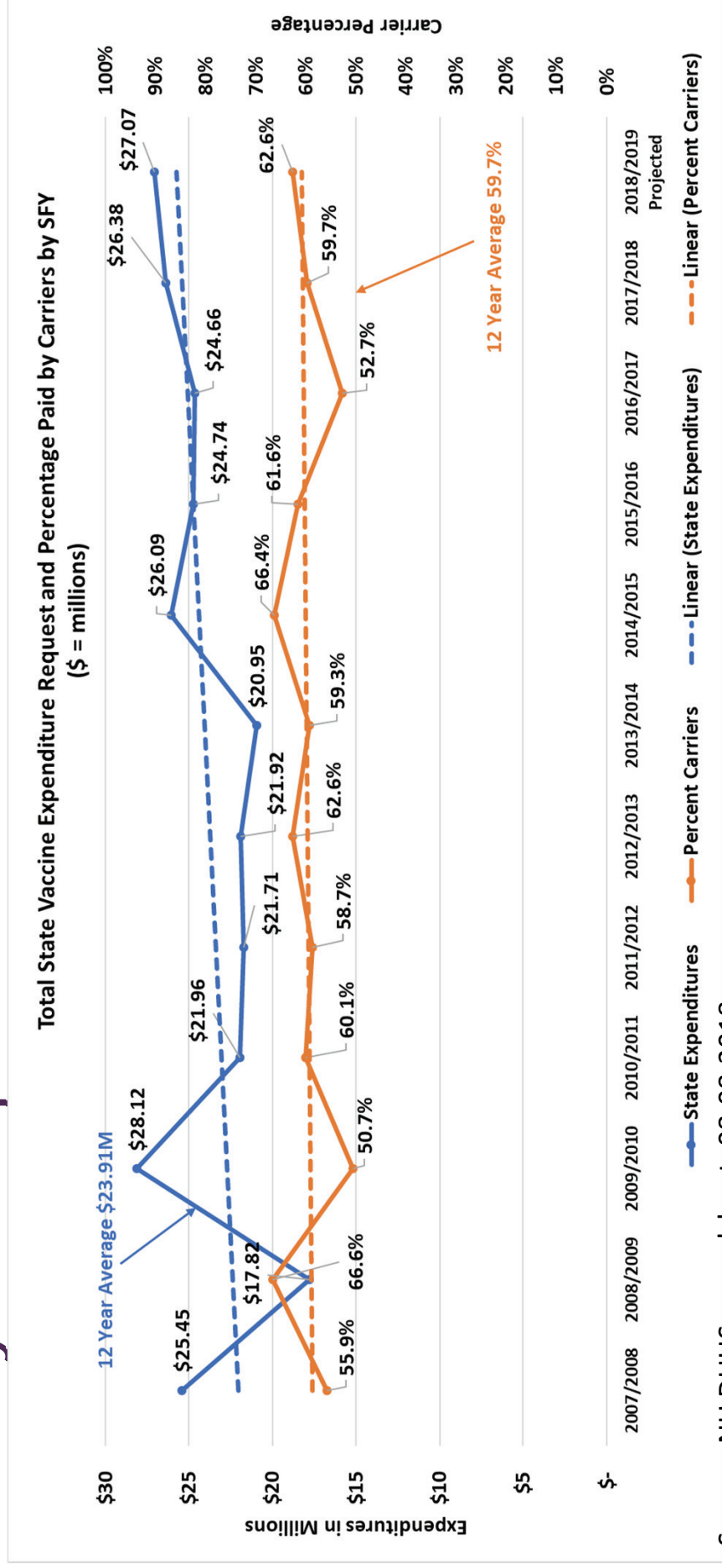
Historical Trends – Shrinking Assessed Lives and Variability in Assessed Rate



Source: NHVA KidsVax® reconciliation spreadsheet, 09-06-2018



Historical Trends – Increasing State Vaccine Expenditures and Stability in Payer Proportion



Source: NH DHHS spreadsheet, 08-08-2018

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CY2019 Core Rate Assumptions

- Assessment rate to reflect DHHS return of \$9.9M advanced payments and the establishment of target funded cash reserves of \$5.0M at FY end



- Time lag discussion re: \$9.9M
- \$9.9M from DHHS prevents (\$3.027M) cash overdrawn
- Total cash at FY end not to exceed \$5M + Q1 assessments collected in May

- Work to keep the payer assessment aligned with annual vaccine costs in future years
- DHHS request for Administrative expenses of \$327K not included per Attorney memo of September 5, 2018
- Membership declining 1.3% per year
- Percentage paid by carriers = 60%
- Annual CDC credit assumed

Risk Discussion

- Carrying two years of liabilities to DHHS (approximately \$35M) at the end
- DHHS holds significant NHVA funds "paid in advance"
- NHVA holds only \$250K of funded reserves
- Need to have significantly greater, funded cash reserves

CY2019 Rate Assessment Model

Description	OLD MODEL			NEW MODEL	
	Old Row #	Final SFY18 Assessment Calculation	Actual SFY18 Assessment Calculation	CY19 Annual Adjustment Factors	Draft SFY19 for CY19 Rate
4 Prior Year ACTUAL Avg Total Expenditure + Increase from Act SFY 18 Provision for Vaccine Utilization Increase + Vaccine Cost Increase Subtotal Less: Estimated VFC and Estimated NH General Fund	01.	\$ 28,383,951		2.64%	\$ 27,073,959
	02. + 03.	\$ 1,135,359			DHHS Projection
	None	\$ 29,519,310	\$ 26,377,918		
	04. + 07.	\$ 10,369,479	\$ 10,622,944		
4 Prior Year ACTUAL Average % Paid by Insurers	None	67.5%	59.7%	0.64%	60.11%
Amount NHVA to pay DHHS (projected) Before Offsetting DHHS Surplus	08.	\$ 19,149,829	\$ 15,754,974		\$ 16,270,000
Normalized Administrative Expenses	12.	\$ 169,092		-15.75%	\$ 145,774
Provision for One-Time Expenditures	14.	\$ 3,936			\$ 174,359
Admin % of Total Vaccine Costs	None	0.61%			1.18%
Total Assessment to be Raised - Before "Cushion"	08. + 12. + 14.	\$ 19,322,859			\$ 16,590,133
Apply Cushion ("Reserve") 10% per RSA 126-Q:4 II.(c)	16.	\$ 885,589		10.00%	\$ 1,659,013
Actual Cushion ("reserve")	None	4.62%			\$ (7,984)
Investment Earnings	17.	\$ (21,157)			
Grand Total Assessment to be Raised - Before DHHS Offset	22.	\$ 20,187,291			\$ 18,249,146
DHHS Offset	23.	\$ (4,995,232)			
Final Assessment to be Raised	24.	\$ 15,192,059			
Less: Q1 Assessments Collected in May	25.	\$ (5,147,290)			
	26.	\$ 10,044,769			
Estimated Assessable Lives	09.	166,660		-1.30%	161,500
9 mos Lives (old row #09. x 9 mos.)	None	1,499,940			
Rate Calculated Based on Prior Year Assessment Methodology	28.	\$ 6.70			\$ 9.42
Rate Based on Proposed Assessment Model Changes					\$ 5.78



Cash Flow Reconciliation

	Fiscal YR 2018	Fiscal YR 2019	Fiscal YR 2020	Fiscal YR 2021	Fiscal YR 2022	Fiscal YR 2023
	Actual	Proposed	Projected	Projected	Projected	Projected
Assumptions						
Assessments (3 qtrs / 1 qtr)						
3 Quarters	\$ 10.30	\$ 6.70	\$ 5.78	\$ 7.20	\$ 7.55	\$ 7.99
1 Quarter	\$ 6.70	\$ 5.78	\$ 7.20	\$ 7.55	\$ 7.99	\$ 8.00
DHHS Surplus Offset	\$ -	\$ 9,915,173	\$ 6,064,170	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000
Membership declines 1.30% per year						
Vaccine cost increases 2.64% per year						
Administration increases 3.00% per year						
RSA 126-Q.4 II.(c) reserve 10.00% per year						
Cash Receipts and Disbursements						
Cash Receipts	Actual	Proposed	Projected	Projected	Projected	Projected
Assessment Collections	\$ 18,588,579	\$ 12,746,473	\$ 11,844,281	\$ 13,892,638	\$ 14,412,592	\$ 14,844,747
Interest Earned	\$ 18,168	\$ 7,984	\$ 72,160	\$ 105,638	\$ 108,718	\$ 113,155
Interest on W/C Reserve						
Total Cash Receipts	\$ 18,606,747	\$ 12,754,457	\$ 11,916,441	\$ 13,998,276	\$ 14,521,310	\$ 14,957,901
Cash Disbursements	Actual	Proposed	Projected	Projected	Projected	Projected
Payments to DHHS	\$ 18,819,145	\$ 9,234,656	\$ 10,205,830	\$ 13,700,000	\$ 14,140,000	\$ 14,600,000
Administrative Expenses	\$ 177,158	\$ 329,173	\$ 164,800	\$ 169,744	\$ 174,836	\$ 180,081
Total Cash Disbursements	\$ 18,996,303	\$ 9,563,829	\$ 10,370,630	\$ 13,869,744	\$ 14,314,836	\$ 14,780,081
Net Cash Receipts (Disbursements)	\$ (389,556)	\$ 3,190,627	\$ 1,545,811	\$ 128,532	\$ 206,474	\$ 177,820
Cash Balance - Beginning	\$ 4,087,040	\$ 3,697,484	\$ 6,888,111	\$ 8,433,922	\$ 8,562,453	\$ 8,768,927
Cash Balance - Ending	\$ 3,697,484	\$ 6,888,111	\$ 8,433,922	\$ 8,562,453	\$ 8,768,927	\$ 8,946,747
Year End Targeted Cash Balance using Selected Assessment Rates						
Projected Q1 Assessments Collected in May		\$ 2,800,410	\$ 3,443,051	\$ 3,563,486	\$ 3,722,134	\$ 3,678,344
Projected Cash Reserves - Target \$5.0 M		\$ 4,087,701	\$ 4,990,871	\$ 4,998,968	\$ 5,046,793	\$ 5,268,403
Target 6/30 Cash Balance		\$ 6,888,111	\$ 8,433,922	\$ 8,562,453	\$ 8,768,927	\$ 8,946,747



NHVA

New Hampshire
Vaccine Association

Administrative Expense Budget 2018/2019

Proposed Expense Budget Fiscal Year 2019 (07.01.2018-06.30-2019)															
	2017/18 FY Budget	July 2018	August 2018	September 2018	October 2018	November 2018	December 2018	January 2019	February 2019	March 2019	April 2019	May 2019	June 2019	Proposed FY Budget 2018/2019	Less One Time Expenses 2018/2019
COST, EXPENSE AND OTHER DEDUCTIONS															
Administrative & Professional Services	127,924	10,660	-	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	93,994	93,994
Annual Administrator Contract Transition (\$10K) + Assessment Development (\$5K) (Helms)		-	15,000	-	-	-	-	-	-	-	-	-	-	15,000	
TRICARE Washington (Fred)		20,000	20,000	20,000	20,000	20,000	20,000	-	-	-	-	-	-	120,000	
Incentive + Transition (Kidsvax)		12,447	10,976	10,976		-	-	-	-	-	-	-	-	34,398	
Special Projects (approved by board in advance)		-	-	-	-	-	-	-	-	-	-	-	-	-	
Accounting Expense	9,000	875	875	875	2,375	875	875	875	875	875	875	875	875	12,000	10,500
Legal Fees	16,500	2,125	2,125	2,125	2,125	2,125	2,125	2,125	2,125	2,125	2,125	2,125	2,125	25,500	25,500
Total Administrative & Professional Services	153,424	46,107	48,976	42,309	32,833	31,333	31,333	11,333	11,333	11,333	11,333	11,333	11,333	300,892	129,994
Office & Other Expenses & Costs															
Bank Fee & Service Charges	3,980	360	360	360	360	360	360	360	360	360	360	360	360	4,320	4,320
Public Information (Website)/Hosting Fee (Website) Maintenance Publications	1,000	1,710	1,751	41	41	41	41	41	41	41	41	41	41	3,871	410
	600	-	-	125	125	125	125	125	125	125	125	125	125	1,250	1,250
Bad Debt Expense (Done on Assessment analysis)		-	-	60	60	60	60	60	60	60	60	60	60	600	600
Postage & Shipping		-	-	75	-	-	-	-	-	75	-	-	-	-	
Telephone (Conference line)		-	-	75	-	-	75	-	-	-	-	-	75	300	300
Printing		-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Office & Other Expenses & Costs	5,580	2,070	2,111	661	586	586	661	586	586	661	586	586	661	10,341	6,880
Board															
Insurance (D&O)	8,113	700	700	700	700	700	700	700	700	700	700	700	700	8,400	8,400
Board Meetings		-	-	100	100	100	100	100	100	100	100	100	100	500	500
Total Board	8,113	700	700	800	700	700	900	700	700	800	700	700	800	8,900	8,900
Contingency															
		-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL COST, EXPENSE AND OTHER DEDUCTIONS	167,117	48,877	51,787	43,770	34,119	32,619	32,894	12,619	12,619	12,794	12,619	12,619	12,794	320,133	145,774



NHVA New Hampshire
Vaccine Association

[illegible]



Contact Us

Patrick Miller, MPH
Executive Director, NHVA
pmiller@helmsco.com
603-344-8931 (m)

John Hastings
Financial Consultant to Helms & Company, Inc.
jhhcoinc@comcast.net
603-496-0383 (m)

TO: Susan Tenney, NHVA Board Chair
Patrick Miller, NHVA Executive Director

FROM: Mark S. McCue, Esq.

DATE: September 5, 2018

SUBJECT: Inclusion of State Vaccine Program Administrative Costs in NHVA Assessments

Issue:

As you requested, we have researched whether the New Hampshire Department of Health and Human Services ("DHHS") can include in the estimated vaccine cost under New Hampshire RSA 126-Q (the "Act") its operational costs for administering the State's universal vaccine purchase program (collectively the "Vaccine Program Operating Costs"). We understand that the State is requesting that at least some of its Vaccine Program Operating Costs be defrayed by monies collected by the New Hampshire Vaccine Association ("NHVA") from assessments against "assessable entities" as defined under the Act.

Summary Answer:

Although Section 1(VIII) of the Act states that the "estimated vaccine cost" means the "estimated cost to the state over the course of a state fiscal year of the purchase, distribution, and administration of vaccines purchased at the federal discount rate...", both the legislative history of the Act and the conduct of DHHS since its enactment in 2002 raise doubt as to whether the assessments collected by NHVA can be used to defray Vaccine Program Operating Costs. Given the testimony during the enactment of the Act, the mechanics of the Act and the vaccine purchase fund established under RSA 141-C:17-a (the "Vaccine Purchase Fund") and the estimated vaccine costs submitted by DHHS to NHVA since 2002, we conclude that the Act most likely was not intended to allow NHVA assessment monies to defray the Vaccine Program Operating Costs.

*Discussion:**Legislative History*

House Bill 1467 (which ultimately became the Act) was introduced in the New Hampshire House of Representatives in 2002 when there was increasing uncertainty regarding the funding of vaccine purchases. The bill was the result of a study committee established in the 2001 legislative session. Based on the testimony of DHHS, there were three primary sources of funding for vaccine purchases by the State at that time: (1) the federal Vaccines for Children (VFC) Program, which covers the cost of vaccine purchase and program administration only for uninsured children and those enrolled in Medicaid, and the federal "Section 317 Grant" funds under Section 317 of the Public Health Service Act (the "Section 317 Immunization Program"), which can be used for vaccine purchases and program infrastructure costs for any resident; (2) New Hampshire General Fund appropriations; and (3) private funding through voluntary payments by some health insurers, primarily health maintenance organizations ("HMOs"). The Section 317 Immunization Program funding is discretionary, but the State's General Fund appropriation for vaccine purchases was described by DHHS as being mandated by the cooperative agreement under which the State enjoys universal vaccine provider status.

The DHHS presentation to the New Hampshire Senate asserted that the Section 317 Immunization Program money "provides funding to the state to store, inventory and ship the vaccines to individual health care providers at no cost to the state, insurers or health care providers."¹ DHHS then identified the concern that fewer HMOs were doing business in New Hampshire and that the remaining non-HMO insurers were not participating in the vaccine purchase funding, resulting in the use of Section 317 Immunization Program grants (which are discretionary funds) to fund the deficit in the Vaccine Purchase Fund. Therefore, the study committee was created to craft a permanent solution "that provided for a sustainable funding source for the vaccine purchase fund..."² so that the State could maintain its universal vaccine provider status through continued participation in the vaccine discount purchase program. Loss of such status (maintained under a grandfathering clause) would permanently terminate the State's ability to use private funding for vaccine purchases under the federal discount program.

The Act thus was designed to stabilize the Vaccine Purchase Fund in a fair manner by codifying the primary sources of vaccine purchase program funding: federal funds, State General Fund appropriations, and assessments paid by health insurance carriers

¹ Katie Dunn testimony and accompany presentation slides to Senate Committee on Insurance at April 10, 2002 hearing.

² Id.

(later broadened to “assessable entities” in a 2013 amendment to the Act) through NHVA. The testimony throughout the legislative process made it clear that the State would be expected to continue appropriations from its General Fund to support the vaccine purchase program, including the Vaccine Program Costs. The Statement of Intent accompanying the bill includes the following:

The general court further finds that future funding for vaccines is in jeopardy due to the increasing costs of existing vaccines, the expected introduction of more costly products, and the unpredictability of financial participation by insurers. Therefore, it shall be the responsibility of the department of health and human services to purchase vaccines at the most economical price using a combination of general funds, federal funds, and funds provided by insurers through the New Hampshire vaccine association, and it shall be the responsibility of insurers to reimburse the state for the cost of vaccines that are provided to New Hampshire resident children with non-public health benefits.

During the legislative process, insurers raised three concerns with the original language of the bill, all of which were addressed in the final version that became the Act: (i) that the State continue to participate in the costs of vaccine purchase program not covered by the VFC Program; (ii) that insurers be assessed only in proportion to their covered lives; and (iii) that the penalties which could be imposed upon insurers for noncompliance with the Act be lessened. There was no discussion in the legislative record regarding the scope of the “estimated vaccine cost” to be determined by DHHS and used to derive the total non-federal program cost upon which the assessment determination by NHVA is based, other than the DHHS statement described above indicating that the costs of storing, inventorying and shipping the vaccines were fully covered by the Section 317 Immunization Program grants.

The Statutory Language

On its face, RSA 126-Q:1(VIII) is ambiguous because “administration” can have different meanings, particularly when applied to the vaccination process³. The Vaccine Program Operating Costs for which DHHS seeks reimbursement fall within the use of “administration” to describe the performance of executive functions; however, the term “administration” when used in RSA 141-C pertaining to the Vaccine Purchase Fund and used in federal legislation and regulations pertaining to the VFC Program and the Section 317 Immunization Program⁴ means the act of administering the vaccines. As

³ Webster’s Dictionary includes in the definition of “administration”: (1) the “performance of executive duties;” and (2) “the act or process of administering something.”

⁴ The Center for Disease Control (CDC) web page labeled “Vaccine Administration” describes the following vaccine administration steps: review immunization history, assess for needed immunizations, screen for

noted above, this ambiguity is not resolved conclusively by the Act's legislative history, although it supports the interpretation that assessments collected by NHVA are intended to support solely the Vaccine Purchase Fund, in addition to the reserves established by NHVA and NHVA's operating costs. It is also important to note that the analysis accompanying House Bill 1467 stated as follows:

This bill establishes the New Hampshire vaccine association which shall assess insurers for the cost of vaccines provided to the insured population in New Hampshire. Under this bill, these funds are to be used by the commissioner of the department of health and human service to purchase vaccines. [Emphasis Added]

Legislative ambiguity also can be resolved by the subsequent actions of the parties. It is our understanding that DHHS has never included the Vaccine Program Operating Costs in the "estimated vaccine cost" cost it has provided annually to NHVA in the fifteen years since the Act became operational in 2003. Although not dispositive, this consistent conduct by DHHS supports an interpretation of the Act which excludes Vaccine Program Operating Costs from the costs to be covered by NHVA assessments.

Functional Analysis of the Act

Perhaps most persuasive, the mechanics of the Act do not permit the use of NHVA assessment money for any purpose other than deposit into the Vaccine Purchase Fund, after deducting NHVA reserves and operating costs. Since its enactment in 2002, Section 3(V)(m) of the Act has mandated that NHVA deposit into the Vaccine Purchase Fund all assessments collected by NHVA less NHVA's administrative costs and reserves. The Act gives the NHVA no authority or power to pay any portion of the assessment monies to DHHS to defray the Vaccine Program Operating Costs in whole or in part.

Furthermore, the statutory language governing the Vaccine Purchase Fund is unequivocal. RSA 141-C:17-a states as follows:

There is hereby established a vaccine purchase fund for the purchase of antitoxins, serums, vaccines and immunizing agents, which are to be provided to the public at no cost except the actual cost of administering such agents, under RSA 141-C:17. Any funds provided to the department for this purpose and deposited in the fund shall not be used for any other purpose. Moneys in the fund shall be continually appropriated to the commissioner of the department of health and human services. [Emphasis Added]

contraindications and precautions, educate the patient, prepare the vaccine, administer the vaccine, and document the vaccination.

Although not specifically addressed in RSA 141-C, the “actual cost of administering such agents” as used in Section 17-a most likely is intended to describe the act of giving vaccinations to patients.

Conclusion:

When the Act was adopted by the New Hampshire General Court in 2002, the legislative testimony indicated that the Vaccine Program Operating Costs were covered by the Section 317 Immunization Program grants and the testimony and the analysis header to House Bill 1467 expressly stated that NHVA and its assessment mechanism were being created to establish stable funding for the Vaccine Purchase Fund. This is supported by the subsequent cost estimates submitted over fifteen years by DHHS. Regardless of the ambiguity regarding the components of the “estimated vaccine cost,” it is clear that NHVA has no statutory authority under the Act to provide DHHS with any assessment monies to defray Vaccine Program Operating Costs; instead, it must deposit those monies into the Vaccine Purchase Fund which Fund may be used only for the *purchase* of vaccines. Therefore, NHVA should not consider the Vaccine Program Operating Costs in establishing its annual assessments on NHVA assessable entities given the constraints of the Act and of RSA 141-C:17-a, which governs the Vaccine Purchase Fund.

OATH OF OFFICE

NHVA Bylaws Article IV, Sec. 3(C)

“I, _____, do solemnly swear (or affirm) that I will faithfully serve to advance the purposes of the Association as set forth in RSA 126-Q and to work together with other directors to assure that the Association’s Board of Directors shall fulfill all of its duties under RSA 126-Q:3; that I take these obligations freely, without any reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.”

2019 Board Calendar Proposed Dates

Date and Time	Meeting	Location
January 16, 2019, Wednesday, 8:30-10:00am	Board	1 Pillsbury Street, 3 rd Floor, Concord
March 6, 2019, Wednesday, 8:30-9:30am	Board	1 Pillsbury Street, 3 rd Floor, Concord
May 22, 2019, Wednesday, 8:30-9:30	Board	1 Pillsbury Street, 3 rd Floor, Concord
June 19, 2019, Wednesday, 8:30-9:30am	Audit Committee	1 Pillsbury Street, 3 rd Floor, Concord
June 19, 2019, Wednesday, 10:00-11:30am	Board	1 Pillsbury Street, 3 rd Floor, Concord
September 13, 2019, Friday, 8:30-10:30	Audit Committee	NHID Room TBD
September 25, 2019, Wednesday, 8:30-10:30	Board	1 Pillsbury Street, 3 rd Floor, Concord

V1. 2018-09-04

Whistleblower Policy

I. Scope

This policy applies to all New Hampshire Vaccine Association (“NHVA”) directors, officers, full-time, part-time and temporary employees and those working for the NHVA on a contract basis.

II. Purpose

NHVA is committed to the highest possible standards for ethical, moral and legal business conduct. In furtherance of this commitment and NHVA’s commitment to open communication, this Policy provides an avenue for directors, officers, and employees to raise concerns and reassurance that they will be protected from retaliation or victimization for raising, in good faith, concerns or complaints that activities of NHVA or the action or inaction of its directors, officers, employees or contracted agents are improper or unlawful (such individuals being commonly referred to as “whistleblowers”).

III. Policy

The whistleblower policy is intended to cover serious concerns that could have a significant impact on NHVA or its members, such as actions that:

- May lead to incorrect financial reporting;
- Are unlawful;
- Are not in conformance with NHVA’s policies; or
- Otherwise amount to serious improper conduct.

IV. Safeguards

1. *Harassment, Retaliation, or Victimization* – Harassment, retaliation, or victimization of the complainant is strictly prohibited and NHVA will discipline appropriately any person determined to have engaged in such behavior.
2. *Confidentiality* – NHVA will make reasonable efforts to protect the complainant’s identity. Discussions and documentation regarding complaints will be kept in strict confidence to the extent appropriate or permitted by policy or law.

3. *Anonymous Allegations* – Reports or complaints may be submitted anonymously or the person submitting such report or complaint may request to remain anonymous. Should a complainant desire to remain anonymous, that desire will be respected. It is the policy of NHVA to encourage employees or agents to place their names on allegations because appropriate follow-up questions and investigation may not be possible unless the source of the information is identified. Concerns expressed anonymously will be investigated, but consideration will be given to:
 - a) The seriousness of the issue raised;
 - b) The credibility of the concern; and
 - c) The likelihood of confirming the allegation from attributable sources.
4. *Malicious Allegations* – Malicious allegations by a complainant may result in disciplinary action.

V. Process for Raising a Concern

1. *Reporting* – The whistleblower procedure is intended to be used for serious and sensitive issues. Serious concerns relating to financial reporting, unethical or illegal conduct should be submitted in writing, in a sealed envelope marked “Confidential”, to:

Chair of the Board of Directors
New Hampshire Vaccine Association c/o ~~KidsVax®~~, LLC Helms & Company,
Inc.
1 Pillsbury Street, Suite 200
~~125 North State Street~~
~~P.O. Box 1885~~
Concord, NH ~~03302-1885~~ 03301 Or

Audit Committee Chair
New Hampshire Vaccine Association c/o ~~KidsVax®~~, LLC Helms & Company,
Inc.
1 Pillsbury Street, Suite 200
~~125 North State Street~~
~~P.O. Box 1885~~
Concord, NH ~~03302-1885~~ 03301

Any recipient of a report, concern or complaint made under this policy shall forward such report, concern or complaint to the Audit Committee of the NHVA.

2. *Timing* – Prompt reporting is encouraged so that NHVA may investigate and intervene, if necessary, as quickly as possible.

3. *Evidence* – Although the complainant is not expected to prove the truth of an allegation, the complainant needs to demonstrate to the person contacted that there are sufficient grounds for concern.

VI. How a Complaint Will Be Handled

All complaints will be taken seriously and addressed promptly, discreetly and professionally. The action taken will depend on the nature of the concern. The Board of Directors receives a report on each complaint and a follow-up report on actions taken.

1. *Initial Inquiries* – Initial inquiries will be made to determine whether an investigation is appropriate, and the form that it should take. Some concerns may be resolved by agreed action without the need for investigation.
2. *Report to Complainant* – Complainants will be given the opportunity to receive follow-up on their concern in two weeks:
 - a) Acknowledging that the concern was received;
 - b) Indicating how the matter will be dealt with;
 - c) Giving an estimate of the time that it will take for a final response;
 - d) Telling them whether initial inquiries have been made; and
 - e) Telling them whether further investigation will follow, and if not, why not.
3. *Further Information* – The amount of contact between the complainant and the body investigating the concern will depend on the nature of the issue and the clarity of information provided. Further information may be sought from the complainant.
4. *Outcome* – Subject to legal constraints, the complainant will receive information about the outcome of any investigations and the action, if any, to be taken by NHVA.

NHVA reserves the right to modify or amend this policy at any time as it may deem necessary. Questions regarding this policy may be addressed to the Chair of the Board of Directors or the Audit Committee Chair, at the address set forth for such individual above.

Code of Ethics Policy

I. Integrity

All directors, officers, employees, if any, of the New Hampshire Vaccine Association (NHVA) and its key contractors, including ~~KidsVax[®]~~ or any ~~successor~~ organization or individuals providing Executive Director and administrative services to NHVA, shall act with honesty, integrity, and openness in all of their dealings as representatives of NHVA. NHVA shall maintain a working environment that values integrity, fairness, and respect.

II. Mission and Vision

Our mission is established by State of New Hampshire law and primarily is to assure that adequate funds are available to the State of New Hampshire to purchase childhood vaccines for beneficiaries of NHVA's members and to assist in the selection of vaccines to be made available under the State of New Hampshire's universal childhood vaccination program.

We pursue our mission by:

- administering an assessment system whereby the costs of childhood vaccines are shared equitably among all entities responsible for paying for vaccines for State of New Hampshire resident children who are not eligible for vaccines under the federal Vaccines for Children program,
- refining this system based on what payers and providers tell us to assure that the assessment system operates effectively and efficiently,
- staying abreast of and helping to shape current best practices and paradigms in the childhood vaccine funding arena.

III. Compliance with Laws and Ethical Standards

NHVA shall comply with all applicable federal, state, and local laws and regulations and shall seek the advice of counsel when necessary or appropriate. NHVA shall also adhere to the highest ethical standards. Decisions and actions taken by the Board of Directors shall: (1) comply with applicable law, and (2) reflect the highest ethical standards as determined by the Board of Directors.

IV. Diversity

NHVA shall, within the limits of its statutory authority, promote diversity and inclusiveness in its Board of Directors, management team or staff employed from time to time, if any, and contractors.

V. Evaluation

NHVA shall develop and implement an evaluation procedure whereby the performance of the Board of Directors as a whole, and the Executive Director and administrative staff are evaluated periodically.

VI. Transparency

NHVA shall provide comprehensive and timely information to the public, the media, and all stakeholders and shall be responsive in a timely manner to reasonable requests for information. All information about NHVA shall fully and honestly reflect the policies and practices of NHVA. All financial and program reports shall be complete and accurate in all material aspects.

The following governance documents shall be posted on NHVA's website: RSA 126-Q, Articles of Agreement, Bylaws, Plan of Operation, and all governance policies approved and updated by the Board as needed and appropriate along with audited financial statements for the most recent three years.

VII. Confidentiality

All directors, officers, employees, and contractors have a duty to safeguard information that is proprietary to NHVA. Information about NHVA that is confidential or proprietary and obtained by a director, officer, employee or volunteer as a consequence of such person's association with NHVA may not be disclosed to third parties unless expressly authorized by NHVA.

VIII. Annual Affirmation Statement

NHVA shall provide a copy of this Code of Ethics to every director, officer, employee, and contractor and request that each sign an affirmation statement upon taking office or providing services. Each year the Annual Affirmation Statement, attached, shall be signed by each director, officer, employee, and contractor, affirming that such person has received a copy of this Code of Ethics, has read and understands it, and agrees to comply with it.

All Annual Affirmation Statements shall be submitted to the Board Chair or the Board Secretary and then filed with the minutes of the first meeting of the Board of Directors held each year after January 31.

NHVA Annual Affirmation Statement

The Code of Ethics of NHVA requires an annual affirmation that you have received, read, understand, and agree to comply with the Code of Ethics.

Please sign this Annual Affirmation Statement indicating your affirmation as described above.

Please return this Statement to the Executive Director of NHVA each year by January 31.

Your name: _____ Date: _____

RED TEXT: Proposed Changes for Adoption on September 26, 2018

Whistleblower Policy

I. Scope

This policy applies to all New Hampshire Vaccine Association (“NHVA”) directors, officers, full-time, part-time and temporary employees and those working for the NHVA on a contract basis.

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Concord, NH ~~03302-1885~~ 03301

Any recipient of a report, concern or complaint made under this policy shall forward such report, concern or complaint to the Audit Committee of the NHVA.

2. *Timing* – Prompt reporting is encouraged so that NHVA may investigate and intervene, if necessary, as quickly as possible.

3. *Evidence* – Although the complainant is not expected to prove the truth of an allegation, the complainant needs to demonstrate to the person contacted that there are sufficient grounds for concern.

VI. How a Complaint Will Be Handled

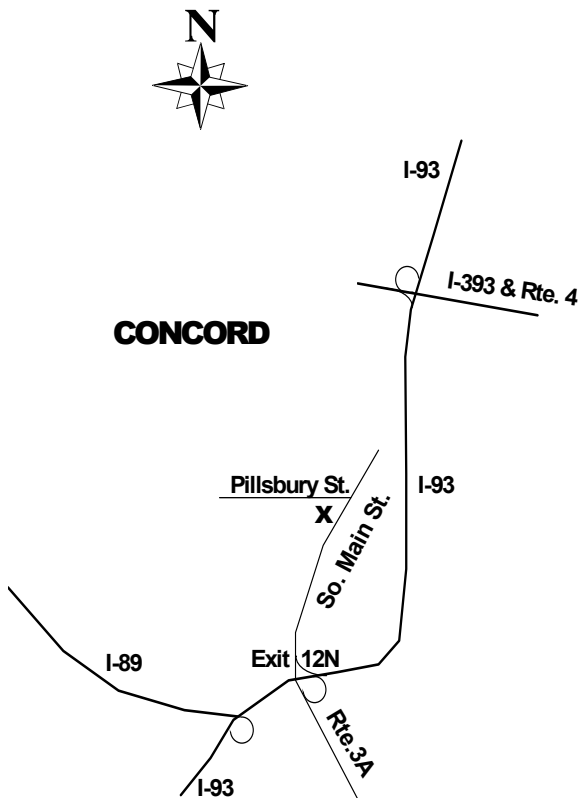
All complaints will be taken seriously and addressed promptly, discreetly and professionally. The action taken will depend on the nature of the concern. The Board of Directors receives a report on each complaint and a follow-up report on actions taken.

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4. *Outcome* – Subject to legal constraints, the complainant will receive information about the outcome of any investigations and the action, if any, to be taken by NHVA.

NHVA reserves the right to modify or amend this policy at any time as it may deem necessary. Questions regarding this policy may be addressed to the Chair of the Board of Directors or the Audit Committee Chair, at the address set forth for such individual above.



Directions to Helms & Company



Coming South on I-93:

Take I-93 S to Exit 12 N. Bear right at end of exit ramp. Staying on South Main St. (Rte. 3A), travel 7/10 of a mile to Pillsbury Street on the left. Helms & Company is located in the One Pillsbury Street Professional Building, a red brick building situated directly on the corner of Pillsbury and South Main Streets.

Coming West on I-393 & Rte. 4:

Take 393 to junction with I-93 (South). Take I-93 S to Exit 12 N. Bear right at end of exit ramp. Staying on South Main St. (Rte. 3A), travel 7/10 of a mile to Pillsbury Street on the left. Helms & Company is located in the One Pillsbury Street Professional Building, a red brick building situated directly on the corner of Pillsbury and South Main Streets.

Coming North on I-93:

Take I-93 N to Exit 12 N. Bear right at end of exit ramp. Staying on South Main St. (Rte. 3A), travel 9/10 of a mile to Pillsbury Street on the left. Helms & Company is located in the One Pillsbury Street Professional Building, a red brick building situated directly on the corner of Pillsbury and South Main Streets.

Coming South on I-89:

Take I-89 to junction with I-93 (North). Take I-93 N to Exit 12 N. Bear right at end of exit ramp. Staying on South Main St. (Rte. 3A), travel 9/10 of a mile to Pillsbury Street on the left. Helms & Company is located in the One Pillsbury Street Professional Building, a red brick building situated directly on the corner of Pillsbury and South Main Streets.

