

**NH Vaccine Association – Board of Directors Meeting
August 19, 2014 – 8:30 a.m. – 10:30 a.m.
Conference Room – KidsVax.org®
Presiding Officer: Susan Tenney, Chair**

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

Directors

Susan Tenney – Harvard Pilgrim Health Care (P)
Ken Ehresmann, Anthem (P)
David Fredenburg, M.D. (P)
Everett Lamm, M.D. (P)
Jose T. Montero, M.D. – DHHS (P)
David Sky – NHID (P)
Laura Condon – National Vaccine Information Center (P)

DHHS

Marcella J. Bobinsky (P)
Benjamin Chan (P)

Members of the Public

Gina Powers, Rath & Young (P)
Representing Merck/AstraZeneca/Anthem

KidsVax.org®

Fred L. Potter (P)
Claire M. Roberge (P)
Terry Mills (P)

II. Summary of Actions Taken and/or Recommended

A. Actions Taken (votes adopted)

1. To approve the minutes of the June 3, 2014 board meeting as presented.
2. To nominate the three largest assessable entities: Anthem, Cigna, and Harvard Pilgrim as payer representatives on the Board of Directors.
3. To appoint Susan Tenney, Board Chair and David Fredenburg, M.D. as board authorized proxy holders with respect to the upcoming election.
4. To authorize Susan Tenney, David Fredenburg, M.D., Everett Lamm, M.D., and Ken Ehresmann as signing parties for the NHVA for all checks. Two signatures will be required for any check over \$5,000.
5. To approve the redlined Draft Plan of Operation be accepted as presented at the meeting as NHVA's current proposed version.
6. To authorize the New York Life and Premera refund requests as outlined by KidsVax®.
7. To authorize the payout of the entire holdback amount on the KidsVax® contract for the 2013/14 operating year.

B. Follow up Task/Action Items

1. KidsVax® will proceed with the Board election prior to the next Board meeting in September and will solicit proxies accordingly.
2. KidsVax® will coordinate with the Bank of New Hampshire and the respective directors to get the appropriate bank signer forms signed and processed.
3. KidsVax® will poll the Board with several potential meeting dates for September and will reschedule the meeting for the date that is best for the majority of participants.
4. KidsVax® will send out an updated Assessment spreadsheet after the meeting.
5. Ms. Tenney requested that KidsVax® schedule a date and time for the educational meeting.

III. Minutes

Welcome and Introductions

At approximately 8:30 a.m., a quorum having been established, Chairperson Susan Tenney called the meeting to order. Introductions were made for the benefit of new attendees. There were no attendees by telephone. Ms. Tenney surveyed the Board for additional items to be added to the agenda.

Consent Calendar Items

Upon motion duly made by Dr. Lamm and seconded by Mr. Sky, it was

VOTED: To approve the minutes of the June 3, 2014 board meeting as presented at this meeting.

Executive Director Updates

Mr. Potter gave a brief update of recent activity. NHVA has collected considerably more assessments than were estimated. It appears that the New Hampshire Insurance Department's ("NHID") estimate of the number of non-reporting entities turned out to be closer to actual counts than the NHVA carrier survey. As a result, the numbers based upon the carrier survey which was the best estimate that could be generated from live data available from the carriers, turned out to be meaningfully low. The participation has been very good and there has been no negative feedback on the new assessment system. KidsVax® has made contact with entities that have not yet reported but that may have covered lives. No material change is anticipated.

The NHVA will be coming into the assessable entity representative selection cycle. As in the past, Mr. Potter recommended that the nominations be based on the numbers from the top three payers and that assessable entities afforded opportunity to vote by proxy. If desired, any proxy can be revoked at the meeting and the payer can then vote in person.

Upon motion duly made by Mr. Sky and seconded by Dr. Fredenburg, it was

VOTED: To nominate the three largest assessable entities: Anthem, Cigna, and Harvard Pilgrim as payer representatives on the Board of Directors.

The Board determined to serve as a committee of the whole to nominate payer representatives. KidsVax® will solicit the three entities and will contact Cigna as to a nominee. Once the nominees are determined, the Board will solicit proxies. It is the recommendation of KidsVax® that Ms. Tenney and Dr. Fredenburg be the proxy holders.

Upon motion duly made by Mr. Sky and seconded by Dr. Lamm, it was

VOTED: To appoint Susan Tenney, Board Chair and David Fredenburg, M.D. as proxy holders or to designate proxies with respect to the upcoming election.

KidsVax® will proceed with the election prior to the September Board Meeting, first finding out the nominee from Cigna and then soliciting proxies accordingly. It will be proportionate voting based on covered lives as calculated by KidsVax®. The tabulation of the proxies will be done in advance if desired. General proxy law principles provide that if a person who gave a proxy participates in the meeting, the member can come and revoke the proxy. They can vote their covered lives in-person at the meeting and can change their mind.

Due to changes in the Board of Directors a vote needs to be taken to authorize new bank signers. Mr. Potter recommended that there be some additional signing parties as well. Two signers are required for checks over \$5,000.

Upon motion duly made by Mr. Sky and seconded by Dr. Montero, it was

VOTED: To authorize Susan Tenney, David Fredenburg, M.D., Everett Lamm, M.D., and Ken Ehresmann as signing parties for the NHVA for all checks. Two signatures will be required for any check over \$5,000.

In light of the workload for this meeting, Mr. Potter suggested that the Board hold off on the investment advisor discussion until the next meeting. The past approved investment policy is extremely conservative, but now the balance is enough that the Board might want to consider making changes to the policy and also selecting a different investment advisor.

After considerable discussion regarding the rescheduling of the September 23, 2014 meeting, it was decided that KidsVax® will poll the Board with several potential meeting dates for September and will reschedule the meeting for the date that is best for the majority of participants.

Ms. Condon expressed concern over assessment collections \$7 million more than anticipated and requested clarification on the difference in the figures between the estimated and actual covered lives shown on the Assessment Calculation Worksheet versus the actual fiscal year end 06/30/14 assessment collections indicated on the Executive Director Report. Mrs. Roberge reported that in the first quarter the actual self-reported covered lives as of this meeting date are 172,592. It was determined that the estimated 139,256 covered lives shown on row 11 of the assessment worksheet was incorrect and should have reflected the 172,592 covered lives. Mr. Potter explained that he had been working on the updated assessment spreadsheet for several weeks. He apologized that he had not included the updated number before publishing this draft. Further discussion ensued.

Ms. Condon also requested additional clarification regarding the June 30, 2014 financials regarding the entry under Public Information. Mrs. Roberge indicated that it was for the design work completed by Kick Spark Creative, LLC for the New Hampshire specific annual report templates in order to simplify the annual report, as well as the updated website and event calendar undertaken by SolutionWorx as directed by the Board. These items both were added in response to legislation written for greater public awareness after the budget had initially been accepted.

Mr. Sky is interested in directing the Executive Director to reach out to the Speaker of the House and Executive Council to follow-up on their board opportunity. Mr. Potter indicated that Laurie Harding is currently assisting the Speaker of the House. She contacted Mr. Potter

recently and asked for calendar information about the NHVA meetings. Mr. Potter indicated his willingness to check on the status of these nominations.

Preliminary Assessment Work

Mr. Potter began this portion of the meeting by providing a brief review of the Assessment Calculation Worksheet. Based on the direction of the Board last year, KidsVax® is recommending a leakage factor of zero. The colored cells on the spreadsheet indicate areas where the Board has made policy adjustments in the past. The investment rate has been entered, which is an increase from prior years. The provision for collection losses had been carried at 5%, but was reduced last year. The 0.83% is the actual investment rate that NHVA earned last year. KidsVax® recommended that the Board consider a 25% working capital budget, which would allow time to make an adjustment if necessary. Once the Affordable Care Act (“ACA”) implementation is completed then the working capital reserve could once again be reduced. Extended discussion ensued.

Ms. Condon asked why New Hampshire is at a reimbursement status when the other states are not and questioned if there is a provision that allows an adjustment to be made if the covered lives number is not what the Board thinks for more accurate assessments. Mr. Potter indicated that NHID told the Board last year that the assessment rate needs to be set in advance. Mr. Sky confirmed that interpretation of the new statute. There is the ability to assess for new vaccines with a supplemental assessment, but it is not the understanding that NHVA can change the assessment based on a shortage of cash nor is it the understanding that prior to January of next year there can be a different assessment rate. The assessment rate being set now goes into effect for child covered lives counted as of January 2015, which will first be paid next May. Extensive discussion ensued. Ms. Tenney suggested moving forward with the priority agenda items since the meeting time was coming to an end.

DHHS Update

Ms. Bobinsky reported that DHHS has received the National Immunization Survey (“NIS”) Adolescent Rates for this past year and they continue to improve. They are getting more and more data all the time. She distributed a handout demonstrating these changes. She expects that DHHS will receive the childhood rates, which is 19 to 35 months in the next week and will likely have the information by the next meeting.

Old Business

Mr. Potter sent the updated Plan of Operations out to the Board for review. The updated language found on page 06.b.3 clarifies the policy of not accruing for the August payment as of June 30. The auditors are comfortable with this language if it is acceptable Board direction. They agree this is a policy determination within the purview of the Board. There is a pending Plan of Operation update, but they want some guidance to make sure their decision not to audit receivables is not a necessary part of their audit work with KidsVax®, which they are trying to complete now. This policy will help to lower NHVA’s audit costs going forward.

Upon motion duly made by Dr. Lamm and seconded by Dr. Fredenburg, it was

VOTED: To approve the redlined Draft Plan of Operation be accepted as presented at the meeting.

Other Matters from Board Members

Mrs. Roberge reported that there are two requests for refunds. New York Life has asked for a refund of \$8,880. Mrs. Roberge has corrected their assessment because an error was made by three covered lives reported incorrectly as 210 lives. They had a decrease due to exiting the major medical business as of 12/31/13. The second refund request is from Premera. They picked up what they thought were FEP members residing in New Hampshire, but the FEP accountant informed them that they were not their members as they have been reported by another carrier. They are asking for a refund of \$3,225.44 for the period January, February, and March. Further discussion ensued.

Upon motion duly made by Mr. Sky and seconded by Ms. Condon, it was unanimously

VOTED: To authorize the New York Life and Premera refund requests as outlined by KidsVax®.

It was the sense of the Board to take questions regarding the Assessment Worksheet with the remaining meeting time. The questions will be compiled by KidsVax® and will be responded to prior to the next meeting. Dr. Montero suggested that DHHS hold an educational meeting for the new Board members and for others interested in a review of the mechanics of the DHHS operation of the vaccine system. Ms. Tenney requested that KidsVax® schedule a date and time for such educational meeting.

Public Comment

There was no public comment.

Executive Session

KidsVax® personnel were excused for the executive session. The balance of these minutes are as report to Mr. Potter by Chairman Tenney immediately following the conclusion of the executive session.

Upon motion duly made and seconded, it was

VOTED: To authorize the payout of the entire holdback amount on the KidsVax® contract for the 2013/14 operating year.

Chairman Tenney advised KidsVax® that the Board was highly appreciative of KidsVax®'s work in implementing substantial system changes for the new quarterly assessment system, overall administration of the NHVA program, and supporting the Board's work before the legislature over the last two years.

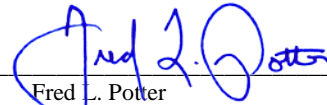
In terms of process improvements, the Board requested attention to two items in the upcoming year:

1. Greater care be given to "tick and tie" across systems, e.g. updating the latest covered lives number to the most current information available before distributing the assessment calculation worksheet to the Board.
2. Giving greater attention to high priority tasks in weighing of the allocations of time in preparing each Board meeting agenda.

There being no further business to come before the Board at this time, it was unanimously voted to adjourn.

A true record.

Attest,



Fred L. Potter
Secretary, Pro Tem

UPDATED TIME/CALL-IN INFORMATION

New Hampshire Vaccine Association Board of Directors' Events:

Tuesday, August 19, 2014

NHVA Board Meeting (**Public**) – 8:30 – 10:30 a.m.

KidsVax.org®
14 Dixon Avenue, Suite 201
Concord, NH

Call-In Information:

Join from a PC, Mac, iPad, iPhone or Android device:

Please click this URL to start or join. <https://meetings.ringcentral.com/j/1496290164>

Or, go to <https://meetings.ringcentral.com/join> and enter meeting ID: 149 629 0164

Join from dial-in phone line:

Dial: +1 (424) 203-8420

Meeting ID: 149 629 0164

Participant ID: Shown after joining the meeting

International numbers available: <https://meetings.ringcentral.com/teleconference>

What: New Hampshire Vaccine Association (NHVA) Board Events
 Date and Time: Tuesday, August 19, 2014 / 8:30 a.m. – 10:30 a.m.
 Location: KidsVax® Conference Room, 14 Dixon Avenue, Suite 201, Concord, NH
 Call-In: Join from a PC, Mac, iPad, iPhone or Android device:

Please click this URL to start or join. <https://meetings.ringcentral.com/j/1496290164>
 Or, go to <https://meetings.ringcentral.com/join> and enter meeting ID: 149 629 0164
 Join from dial-in phone line:
 Dial: +1 (424) 203-8420
 Meeting ID: 149 629 0164
 Participant ID: Shown after joining the meeting
 International numbers available: <https://meetings.ringcentral.com/teleconference>

NHVA Agendas are subject to revision up to and including the time of the meeting.

Approx. Time	Topic/[Anticipated Action]	Presented by:
(PUBLIC SESSION)		
Agenda for Board Meeting in Person		
8:30-8:35 a.m.	1. Welcome and Introductions a. Survey of Other Matters from Board Members b. Request for identification of individuals on conference phone	S. Tenney
8:35-8:45 a.m.	* 2. Consent Calendar Items a. Board Meeting Minutes (June 3, 2014)	S. Tenney
8:45-9:00 a.m.	* 3. Executive Director Updates * a. Executive Director Report * b. Financials June 30, 2014 (DRAFT) c. Approval of new bank signers for NHVA accounts d. Possible hiring of investment advisor e. Plans for Election of Directors f. Rescheduling of September 23, 2014 Audit Committee and Board of Directors Meetings/Setting Remainder of Fiscal Year Meetings	F. Potter C. Roberge F. Potter F. Potter F. Potter
9:00-9:25 a.m.	* 4. Preliminary work on 2014/15 Assessments	All
9:25-9:35 a.m.	5. DHHS Update a.	M. Bobinsky
9:35-9:45 a.m.	6. Old Business a. AG review Re: waiver of assessment for VFC eligible children * b. Review of updated Plan of Operation c. Other statutory changes	J. Montero F. Potter F. Potter
9:45-10:00 a.m.	* 7. Other Matters from Board Members * a. Request for Refund – Premera Blue Cross and New York Life b. c.	C. Roberge
10:00-10:05 a.m.	8. [Intentionally Omitted]	
10:05-10:30 a.m.	9. Public Comment (if any)	
	10. Executive Sessions (Board Members Only) a. with KidsVax.org® personnel present b. without KidsVax.org® personnel present i. Discussion Re: Approval of payment of contract holdback revisions of \$11,500 in June 2014 pursuant to KidsVax® contract signed 7/30/13.	
10:30 a.m.	[Adjourn]	
	11. Reference Documents * a. Governing Statute * b. 2014/15 Tentative Meeting Schedule * c. Proposed form of votes for this meeting * d. Directions to meeting location	

*Indicates agenda item attached

NH Vaccine Association – Board of Directors Meeting
June 3, 2014 – 8:30 a.m. – 10:30 a.m.
Conference Room – KidsVax.org®
Presiding Officer: Susan Tenney, Chair

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

Directors

Scott Beaudette – CIGNA (P)
 David Fredenburg, M.D. (P)
 Susan Tenney – Harvard Pilgrim Health Care (P)
 Everett Lamm, M.D. (P)
 Jose T. Montero, M.D. - DHHS (P)
 Maria Proulx – Anthem (P)
 David Sky – NHID (P)

DHHS

Marcella J. Bobinsky (P)

Outside Counsel

Mark McCue, Esq. (P)

Members of the Public

Laura Condon, NVIC (P)
 Gina Powers, Merck/AZ Anthem (P)

KidsVax.org®

Fred L. Potter (P)
 Claire M. Roberge (P)
 Laurie Beth Pliakos (P)
 Terry Mills (P)

II. Summary of Actions Taken and/or Recommended

A. Actions Taken (votes adopted)

1. To approve the minutes of the March 11, 2014 board meeting as presented.
2. To allow ACH payments as part of the assessment payment process going forward.
3. To approve the corporate documents as revised through this meeting and request their approval from the Commissioner of Health and Human Services and Commissioner of the New Hampshire Insurance Department.
4. To allow telephonic participation in Board meetings by the public, with the expectation that Board members will attend in-person other than in extreme situations and a registration identification process will be included.

B. Follow up Task/Action Items

1. KidsVax® will forward the updated drafts of the corporate documents, once approved by the Board, to the Commissioner of the NH DHHS and Commissioner of NHID, asking Commissioner Sevigny to approve them after conferring with DHHS.

III. Minutes

Welcome and Introductions

At approximately 9:10 a.m., a quorum having been established, Chairperson Susan Tenney called the meeting to order. Ms. Tenney surveyed the Board for additional items to be added to the agenda. Discussion concerning meeting participation via Dial-In or WebEx was included as an additional agenda item.

Consent Calendar Items

Upon motion duly made by Dr. Montero and seconded by Mr. Beaudette, it was

VOTED: To approve the minutes of the March 11, 2014 board meeting as presented at this meeting.

Report on Consultation with Counsel

Attorney McCue reported that as was discussed at the March meeting, David Sky had raised an issue as to whether the legislature, in its amendment of the enabling statute, was intending to include the Medicaid Managed Care Organizations (MCOs) into the assessment base. A strictly literal interpretation of the amendment, without more, would include those MCOs. At an informal meeting with the New Hampshire Insurance Department (NHID) Attorney McCue was asked for a legal basis for NHVA's request that the MCOs whose beneficiaries presently are VFC eligible (i.e. receive childhood vaccines from federal rather than state supply), be excluded. In April, the Department reviewed the opinion and essentially disagreed with the conclusions drawn by Attorney McCue and indicated that their current position is that the statute does require that the MCOs be assessed. NHID has given the NHVA a year to address the issue because they recognize that none of the parties, including the State and the MCOs, were anticipating such a conclusion. This information was reported back to the Board and other options are being researched to address NHID's conclusion.

Executive Director Updates

Mrs. Roberge reported on the positive assessment outcome to date. An additional 22,215 covered lives were reported this morning, bringing the 2014 total number of monthly covered lives to 168,765. This brings the total assessment collected to \$21,504,024. There was a brief discussion

1 concerning the potential for additional unreported covered lives. KidsVax® will follow-up with a handful of potential payers mentioned by the
2 Board members.

3
4 Mr. Potter congratulated Dr. Lamm for his recent recognition as New Hampshire's Childhood Immunization Champion of 2014.

5
6 It was the sense of the Board that it was premature to appoint a Legislative Task Force at this time.

7
8 Electronic transfers and ACH payments as part of the assessment payment process were discussed. Mr. Potter requested Board feedback on
9 providing an ACH payment option for New Hampshire to allow more flexibility to carriers and provide positive control over cash, which is to
10 NHVA's benefit as the recipient. The benefit to the insurers is they have positive electronic confirmation that they timely made a payment. If
11 requested by the Board, KidsVax® would undertake this additional work as part of the services the Board has already engaged KidsVax® to
12 provide. Further discussion ensued.

13
14 Upon motion duly made by Dr. Fredenburg and seconded by Mr. Beaudette, it was unanimously

15
16 VOTED: To allow ACH payments as part of the assessment payment process going forward.

17
18 Mr. Potter reported that the TRICARE situation has changed. A telephone call is scheduled for 6/4/14 with the TRICARE general counsel with
19 respect to the State of WA where they have agreed conceptually to participate in Washington's vaccine assessment program. It has now changed
20 with respect to New Hampshire because the regional administrator for the Northeast Region is subject to assessment under RSA 126-Q as amended.
21 It is not a huge number of lives, but there are some. KidsVax® committed to the NHVA Board to pursue assessment equities. The estimated
22 number is not insignificant at \$500,000. Mr. Potter recommended pursuing TRICARE payments on behalf of New Hampshire at this time. In an
23 effort to pursue them, KidsVax® would suggest asking New Hampshire's Congressional Delegation to support TRICARE's payment being
24 mandated in the annual Armed Services Appropriations bill for the fall. After further discussion, the Board requested that KidsVax® take the next
25 steps to pursue payment by TRICARE on behalf of the NHVA pursuant to the Board's prior authorization.

26
27 Mrs. Roberge advised the Board that the financial statements for this meeting are as of April 30, 2014, and do not reflect any assessment
28 information. The assessment information will be reflected in the May financials, except for the \$2.8M, which will be reflected in June because it
29 has not been received yet. The May financials will be available shortly and will be distributed to the full Board. Additionally, the full Board will
30 receive the usual quarterly financials for the period ending June 30, 2014, when available.

31
32 A copy of the auditor's engagement letter was included in the Board packet. Ms. Tenney signed the original letter this morning on behalf of the
33 NHVA Board and Mr. Potter will sign on behalf of KidsVax®. The audit will officially start almost immediately upon receipt of the signed
34 engagement letter.

35
36 Ms. Pliakos gave a brief update regarding the assessment training days. Two separate trainings were held at the beginning of the year to give
37 payers an opportunity to become familiar with the new assessment system and provide instructions on its use. As the deadline approached, it
38 became apparent that an additional training session would be beneficial as well. That session was held on May 5, 2014, with 20 payers in
39 attendance. Most of the attendees filed a zero covered lives report afterward. The session was recorded and has been posted to the NHVA website
40 for future reference by payers.

41 42 DHHS Update

43
44 Ms. Bobinsky provided an update on the NH Immunization Program Conference held on March 26th with 397 attendees. The focus this year was
45 turned towards adult vaccination because of the new vaccination standards released nationally as to what adult vaccinations to include. Dr.
46 Carolyn Bridges with the CDC was a plenary speaker at the conference. She is the lead in adult vaccinations. There was considerable information
47 regarding adult vaccination and, therefore, the conference brought in additional family practices. There was positive feedback on the adult
48 information and it worked very well. There was also quite a bit of information on the HPV, which is one of the vaccines that is not getting as fast
49 an uptake as the other two adolescent vaccines; the Tdap (tetanus, diphtheria, and pertussis) and the meningococcal vaccine. The HPV prevention,
50 which is mainly a cancer preventative vaccine, was received very well. The tests reflect that when being used, the cases of cancer and HPV have
51 been reduced. A major conference draw was Dr. Lamm, who was also a guest speaker at the conference and spoke on HPV. Through the Pediatric
52 Society, Dr. Fredenburg will also be conducting an HPV webinar very soon. Ms. Bobinsky reported that DHHS is getting a lot of requests
53 regarding the HPV vaccine as well.

54
55 Ms. Bobinsky provided a brief update on measles. In 2011, the U.S. had a total of 220 cases of measles after being declared essentially measles-
56 free endemically. Recently, the CDC released that there has already been 288 confirmed measles cases in this country so far this year. Most of it is
57 imported and then comes into an unvaccinated area and spreads rapidly. Dr. Fredenburg will be presenting a webinar on measles and what
58 preventable diseases look like. Dr. Montero also reported that there have been cases of polio reported in the Middle East and some places in Asia
59 and Africa, so the expectation is that there will be a need to look at the vaccine recommendations for people who are traveling. Although this
60 doesn't directly impact the NHVA, it is an indication of what's happening worldwide and it raises concerns.

61
62 The Immunization Information System (IIS) passed through the Governor and Executive Council in terms of a contract on April 23, 2014. It is
63 currently the public comment period for the associated rule. Many positive and negative comments have been received on the Rule to date and
64 DHHS is researching to see if there are any adjustments that can be made in their recommended Rule. That information needs to be received by the
65 JLC Committee by Friday, June 6, 2014. The Rule will be reintroduced if there are any adjustments to be made. The company that DHHS is
66 working with is moving ahead. They are making a couple of adjustments to make sure that DHHS's security agreements align with their system.
67 Once the security is set up and tested, the information will be brought into the system. DHHS hopes to have data entered into the system by
68 January or February 2015.

1 Ms. Bobinsky reminded everyone that there is a book called The Community Prevention Guide which talks about a number of different best
2 practices that can be used to encourage increased immunization rates. The first is the implementation of an immunization information system and
3 the second is to create a reminder recall system within the IIS making it possible for physicians to communicate to their patients information about
4 needed vaccines.

5
6 At 9:50 a.m., Dr. Montero excused himself from the meeting. At his departure, he designated Ms. Bobinsky as his representative for the remainder
7 of the meeting.

8
9 Old Business

10 Ms. Pliakos provided a brief update on the 2014 Annual Report distribution. Electronic copies were sent out to all legislators individually, as well
11 as to the Medical Association and other professional associations. Ms. Bobinsky also made an announcement at the Immunization Conference that
12 the Annual Reports were available to the doctors and nurses wanting to know what is happening with childhood immunizations this year.

13
14 With respect to the revised corporate documents, Mr. Potter reported that since last fall the Board has been working very hard on updating these
15 documents. Board comments have been incorporated into the new drafts that went out in March. KidsVax® has received no additional comments
16 since the March drafts. One sentence was added to the Plan of Operation in the reporting section regarding the annual report mentioned there. This
17 is a combination of the annual report just discussed, the financial audit report, and then a brief narrative report because the legislation requires that
18 the Governor and the President of the Senate and Speaker of the House be advised of any coming vaccines. This was given a due date in the Plan
19 of Operation of December 31 of each year so that the legislature will have that information before the session begins. Further discussion ensued
20 regarding newly approved vaccines adopted by DHHS as outlined in SB309, which is about to become law. Once the Board approves the updated
21 drafts of the corporate documents, KidsVax® will forward them to the Commissioner of the NH DHHS and Commissioner of NHID, asking
22 Commissioner Sevigny to approve them after conferring with DHHS.

23
24 Upon motion duly made by Dr. Lamm and seconded by Mr. Beaudette, it was

25
26
27 VOTED: To approve the corporate documents as revised through this meeting and request their approval from the Commissioner
28 of Health and Human Services and Commissioner of the New Hampshire Insurance Department.

29
30 Ms. Pliakos also reported to the Board that the FAQs have also been completed. All of the Board comments were incorporated into the document
31 and the updated FAQs were posted to the NHVA website at the beginning of April 2014. KidsVax® will continue to conduct NHVA administration
32 with the FAQs as administrative guidance.

33
34 Other Matters from Board Members

35
36 Mr. Potter has received several requests to allow telephonic meeting participation by members of the public for their ease. Historically, individuals
37 have been encouraged to participate in person. The Right to Know laws indicate that as a Board a majority of Board members need to attend in-
38 person.

39
40 Upon motion duly made by Mr. Beaudette and seconded by Dr. Fredenburg, it was unanimously

41
42 VOTED: To allow telephonic participation in Board meetings by the public, with the expectation that Board members will attend
43 in-person other than in extreme situations and a registration identification process will be included.

44
45 Further discussion ensued.

46
47 Public Comment

48
49 Ms. Tenney opened the meeting for public comment. Ms. Condon commented on the discussion raised earlier relative to vaccines and recent
50 disease outbreaks. She pointed out that there was an incidence of measles in August 2013 at a business located in Salem which has approximately
51 600 employees. This drew media attention and information requests both from herself and the media regarding the order to vaccinate and the
52 quarantine order that was issued by DHHS with regard to that one incident. Ms. Condon expressed concern that information relating to whether
53 that individual was a vaccinated individual was never disclosed to the public. She indicated there is growing public concern that despite multiple
54 boosters for some of the recent illnesses, we're now seeing vaccine failure in young adults. Ms. Condon inquired whether DHHS tracks vaccine
55 failure in any way.

56
57 Upon motion duly made by Ms. Bobinsky and seconded by Dr. Fredenburg, it was unanimously

58
59 VOTED: To adjourn.

60
61 There being no further business or public comment, the meeting adjourned at approximately 10:15 a.m.

62
63 A true record.

64 Attest,

65
66 _____
67 Fred L. Potter
Secretary, Pro Tem

**July 22, 2014
Executive Director Report**

Number of carriers	72
Actual Fiscal Year End 06/30/2014 Assessment Collections	\$21,865,342.64
Remittance to State of NH transmitted on 06/24/2014	\$16,004,025.00
Carry Forward Cash and Investments as of 06/30/2014	\$11,085,025.98

I was able to report in early June the extremely favorable prospects from the cutover to the new assessment system. Over the last six weeks, we have gained the benefit of the cross-state data comparison among Maine, New Hampshire, and Vermont, now all states using a similar quarterly child covered lives basis for child vaccine funding purposes. (Vermont is unique in that it also is assessing for adult vaccines). As a result of that work, and the due diligence follow-up on reports filed May 15, an additional \$3,265,342.64 has been collected over the \$18.6M which earlier had been projected based upon data available to us as of the first of June.

Accordingly, our deep expression of “thanks” for the remarkable strength of payer self-assessment compliance last month can be reaffirmed to even greater measure now. The ultimate result of this will be more equitable sharing of costs among the broadened payer community base. Additionally, as noted when the preliminary results started coming in, the benefits of the statutory change adopted over a year ago clearly are even stronger than those estimated before the legislature at the time the assessment base was requested.

Our efforts to schedule the July board meeting have now been redirected into August due to the continuing delays in receiving response back from the Office of Attorney General with its independent review of whether or not NHVA is precluded from making permanent equitable adjustments to its assessment system to avoid assessing payers whose child beneficiaries are VFC eligible (and therefore not receiving vaccines funded from NHVA assessments). Additionally, the State’s budgetary work flow means that complete data for the next assessment-setting cycle could not be made available in advance of this mailing. Those considerations, together with the challenges of assuring a quorum due to vacation schedules next week, mitigated against moving forward with a July board meeting. Accordingly, we’ll be polling for those August dates which will best serve our Board members and NHVA assessment-setting needs. Meanwhile, we wanted you to have the benefit of this update, including the attached fiscal year-end management financials.

With their reset in dates, we expect to be able to get the updated NHVA assessment-setting spreadsheet out, fully populated with DOH budget data, with the pre-meeting materials for our August meeting.

Thank you, each one, for your continuing interest in the work of NHVA and your cooperation as we seek to identify the best date for our next meeting. That meeting is expected to commence NHVA’s next assessment-setting cycle.



Fred L. Potter, writing July 22, 2014.

NEW HAMPSHIRE VACCINE ASSOCIATION
Statement of Financial Position
 June 30, 2014

DRAFT

		ASSETS
Current assets		
Cash and cash equivalents	\$	102,983.16
Short-term investments		10,982,042.82
Assessments receivable		44,832.68
Allowance for bad debt		-
Prepaid expenses		3,849.15
		11,133,707.81
Other assets		
Long-term investments		-
		-
Total other assets		-
		-
Total assets	\$	11,133,707.81

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	\$	-
Assessment overpayment		122,609.16
Liquidity reserve		250,000.00
		372,609.16
Net assets		
Unrestricted net assets - prior year		5,075,769.05
Unrestricted net assets - current year		5,685,329.60
		10,761,098.65
Total net assets		10,761,098.65
		10,761,098.65
Total liabilities and net assets	\$	11,133,707.81

NEW HAMPSHIRE VACCINE ASSOCIATION
Statement of Activities and Changes in Net Assets
 June 30, 2014

DRAFT

	A	B	C	C - B
	Current Month	Year to Date	Approved Budget	Remaining Budget
Assessments, gains, & other support				
Assessments	\$ -	\$ 21,865,342.64	-	-
Investment Income	18,115.61	27,652.15	-	-
Unrecognized gain or loss	-	(3,148.71)	-	-
Recognized gain/loss on investments	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total assessments, gains & other support	18,115.61	21,889,846.08	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Subsidies, expenses, & other deductions				
Program disbursements				
Vaccine remittance - State of NH	16,004,025.00	16,004,025.00	-	-
Liquidity reserve	-	-	-	-
Public information	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total program disbursements	16,004,025.00	16,004,025.00	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Administration				
Administrative services	8,625.00	150,153.00	150,153.00	-
Variable Compensation	-	-	11,500.00	11,500.00
Professional fees	697.50	36,454.30	22,000.00	(14,454.30)
	<hr/>	<hr/>	<hr/>	<hr/>
Total administration	9,322.50	186,607.30	183,653.00	(2,954.30)
	<hr/>	<hr/>	<hr/>	<hr/>
Office				
Licenses and fees	-	-	-	-
Bank fees	-	500.00	500.00	-
Publication Information	-	4,750.00	3,350.00	(1,400.00)
Website	-	2,100.00	-	(2,100.00)
	<hr/>	<hr/>	<hr/>	<hr/>
Total office	-	7,350.00	3,850.00	(3,500.00)
	<hr/>	<hr/>	<hr/>	<hr/>
Board				
Insurance	641.53	6,534.18	6,600.00	65.82
Publications	-	-	500.00	500.00
Conferences	-	-	-	-
Board meetings	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total board	641.53	6,534.18	7,100.00	565.82
	<hr/>	<hr/>	<hr/>	<hr/>
Total subsidies, expenses, & other deductions	16,013,989.03	16,204,516.48	194,603.00	(5,888.48)
	<hr/>	<hr/>	<hr/>	<hr/>
Increase (decrease) in net assets	(15,995,873.42)	5,685,329.60	(194,603.00)	5,888.48
	<hr/>	<hr/>	<hr/>	<hr/>
Unrestricted net assets, beginning of year		5,075,769.05		
		<hr/>		
Unrestricted net assets, end of year		\$ 10,761,098.65		
		<hr/>		

Notes on NHVA Assessment Setting Worksheet Set

Note:

01. This workbook starts from the rates as voted by the NHVA last year. Other simplifications suggested by the board at the end of its work last year also have been incorporated. Consistent with general KidsVax documentation standards, this spreadsheet contains line number and column letter references. Those are used throughout the workbook internally and KidsVax recommends they be used for board discussions. For those looking at a live Excel spreadsheet, these numbers and letters will be different from the internal Excel cell references.
02. The worksheet suggests that just one assessment decision be made, namely the rate applicable for covered lives starting with the months of Jan-Mar 2015. The first assessment at the new rate would then be due on May 15, 2015. Using the KidsVax references, this is at Line 62 Column K. It is highlighted in orange on the attached worksheet a. Setting this rate is typically the most significant financial policy decision of the year for the NHVA board.
03. Consequently, there would in FYE 6/30/2015 be one quarter collected at the new rate. The new rate would be expected to remain in effect throughout all of calendar year 2015 & continuing through all assessment collections in NHVA's FYE 6/30/2016.
04. The spreadsheet provides for the board to set commercially reasonable levels of bad debt reserves. However, for cash projection purposes it continues to project cash forward on the assumption that 100% of billed assessments are collected. This is consistent with NHVA's history over a decade of essentially 100% collection of self-reported assessments.
05. Control points for starting board assumptions are shaded in yellow or green on the following worksheets:
 - a. Assessment Worksheet
 - b. NHVA Budgets
06. Projections prior to actual implementation of the program intentionally were conservative. This was to assure that the State of New Hampshire was not faced with a cash flow shortfall to fund the vaccine purchases and mindful of the fact that there are multiple unknowns in the startup of any new program. Additionally, the NHVA board made a policy decision to avoid "over selling" the benefits of the requested statutory changes to the legislature. Actual performance plus guidance concerning interpretation of the new statute by the NHID indicating that no assessment change could be made prior to 1/1/2015 has led to significant cash surpluses. These surpluses, in essence over assessments, will, in accordance with NH law, be returned to the payers through future assessment reductions. KidsVax recommends that no actual refund checks be written. Also, it may be helpful to spread the reduction over a number of years to reduce assessment volatility. (That was the decision of past NHVA boards on this topic.) Accordingly, the spreadsheet has been structured to account for the differences between the indicated assessment rate and the actual rate set by the board. The impact on carryforward cash then is estimated.
07. Insertion of a different rate in Line 62, Column K of the Assessment worksheet will cause the worksheet to project forward cash based upon the other assumptions stated.
07. Notwithstanding any of the observations above, the assessment setting work is, by statute, a policy solely one of the NHVA board operating within the bounds of the statute.

New Hampshire Vaccine Association
Assessment Calculation Worksheet

NHVA 2014-08-19 04. 2

	A Prior	B 2014/15	C 2015/16	D Comments
A. Preliminary Vaccine Cost Estimates				
01.	24,947,851	23,916,223	24,877,057	Anticipated Total Costs of Child Vaccines
02.	8,000,000	8,000,000	8,000,000	Estimated VFC Award
03.	16,947,851	15,916,223	16,877,057	Estimated non-federal program cost
04.	-486,195	-486,195	-486,195	Estimated NH general fund contribution
05.	-207,631	-3,797,531	0	Vaccine Fund carryforward
09.	16,254,025	11,632,497	16,390,862	Net NHVA Funds Requested by DHHS
B. Assessable Child Covered Lives Estimates				
11.	120,142	139,256 ⁶	139,256	Assessable Child Covered Lives
12.	3.00%	0.00%	0.00%	Leakage (unknown insurer, out of reach entity, etc.)
19.	116,538	139,256	139,256	Assessable lives actually paying
C. Planning / budgeting parameters				
21.	0	0.00%	0.50%	Provision for vaccine utilization increase
22.		n/a	3.50%	Provision for 2nd year vaccine cost increase
23.	0	2.50%	2.50%	Collection losses (bad debt expense)
24.	0	0.83% ⁷	1.50%	Net investment Earnings Rate
25.	0		25.00%	Working Capital Reserve (as % of Line 09)
26.	1,300,000		4,219,264 ⁵	Working Capital Reserve
27.	0		10.00%	Reserve under RSA 126-Q, II(c) not more than 10%
D. Assessment Calculation per RSA 126-Q, II				
41.	16,254,025	\$ 11,632,497	\$ 16,390,862	(a) Estimated total non-federal cost (adjusted) ¹
42.	194,603	153,199	148,111	Total Administrative Budget
48.	0	0	0	Special Projects
49.	741,821	441,210	140,558	Bad Debt Allowance
50.	936,424	594,409	288,670	288,670 (b) part 1 - Anticipated Operating Costs
51.	1,300,000	0	4,219,264	(b) part 2 - Working Capital Reserves
52.	1,669,785	0	1,687,706	(c) Reserve as % of non-federal vaccine cost
53.	20,160,235	\$ 12,226,906	\$ 22,586,501	Total Revenues needed
54.	-5,323,811	-10,991,960	-16,872,783	(d) part 1 - Unexpended assessments prior yr.
55.		-18,116	-91,384	(d) part 2 - Unexpended interest prior yr.
56.		-16,242,820		Assessment collections estimated at rate previously set
59.	14,836,424	\$ 1,405,584	\$ 5,622,334	Total assessment billings needed at new rate
E. Per Assessable Covered Life Assessment				
61.	127.31		\$40.37	Annual assessment needed per child covered life
62.	10.61	\$3.36	\$3.36	Monthly Assessment rate per child covered life
63.			\$ 9.90	Info: rate needed apart from reserves / carryforwards
64.			0	Difference from actual vs. needed billed assessments
F. Financial Carry Forwards				
71.	10,991,960 ⁴	16,872,783	6,047,528	Projected unexpended assessments ²
72.	18,116	91,384	293,094	Unexpended interest ³
73.	12.96			Assessment rate previously set for 1st 3 quarters
74.	16,242,820			Amount estimated to be collected at prior rate
G. Various Performance Metrics				
81.	1.15%	0.96%	0.88%	Net admin costs as % of vaccine costs
82.	5.53%	3.73%	1.71%	Line 50 as % of vaccine costs
83.	n/a	22%	-74.04%	% year to year change in assessment rate

Notes:

¹ Have used line 09 rather than line 03 here for simplicity.

² Add back amounts in lines 49, 51, and 52.

³ For startup year is included in line 71.

⁴ Cash and cash equivalents from draft FYE 2014 management financials.

⁵ For starting point, working capital is tentatively set so that end of year 2 = 30% of line 09 and assessments are level both years.

⁶ For starting point, KidsVax® inserted total child covered lives from most recent self-reporting assessment system quarter.

⁷ Starting assumption on investment return is NHVA average for FYE 2014/14.

NEW HAMPSHIRE VACCINE ASSOCIATION

Estimated Expense Budgets and Reference Data

Column →	A	B	C	D	E
Line ↓		Preliminary Management Financials 6/30/2014	Original Budget for 06/30/14	Budgets Preliminary for 2014/2015	Preliminary for 2015/2016
01.	Administrative Fees (CML Administrators d/b/a/ KidsVax®)				
02.	Annual Comprehensive Services Base Fee	150,153	150,153	106,109	109,027
03.	Variable Compensation	11,500	11,500	11,790	12,114
09.	Subtotal	<u>161,653</u>	<u>161,653</u>	<u>117,899</u>	<u>121,141</u>
10.	Bank Fees & Service Charges	500	500	500	500
11.	Auditing Fees	7,463	7,000	10,700	11,770
12.	Legal Fees	30,014	15,000	15,000	5,000
13.	Public Information Expense	6,850	3,350	1,000	1,000
14.	Insurance Expense (D&O)	6,534	6,600	7,500	8,000
15.	Publications	-	600	600	700
19.	Subtotal	51,361	33,050	35,300	26,970
29.	Subtotal Administrative Costs	213,014	194,703	153,199	148,111
21.	Special Projects (as approved by board in advance)				
22.	Registry	-	250,000	-	-
23.		-	-	-	-
24.		-	-	-	-
29.	Subtotal	0	250,000	0	0
99.	Total Administrative costs & Special Projects	\$ 213,014	\$ 444,703	\$ 153,199	\$ 148,111
22.	Budgeted for Bad Debt	-		to be set as part of assessment work	to be set as part of assessment work

NOTES:

- ¹ 2014 contract included \$50,000 supplement for setup of new system. Amount was \$115,000 with 2.75% cost adjustment each August 1. 10% of that is held back as variable compensation to secure acceptable performance, requiring board vote to approve.
- ² 10% of each year's base held back and awarded pursuant to "Variable Compensation" upon board vote.
- ³ Fees for purchase of T-bills; may increase if investment advisor is engaged
- ⁴ 2013/14 involved added work to assure setup of new program, legislative support, and guidance re: Public Information practices. Anticipate possible legislative support in 2014/15 and then more normal maintenance mode going forward.
- ⁵ Two template compilations, photo expenses for current NHVA template, PowerPoint templates
- ⁶ Accrued only at this point -- subject to Director vote of approval. Because NHVA operates on a modified cash basis, not sure which audited financial report will reflect the payment.

SFY14 Vaccine Distributed													
VACCINE	1st Qtr total	2nd Qtr total	3rd Qtr total	2013 cost	4th Qtr total	2014 cost	Total ordered SFY 2014	SFY 2014 Total Cost	2.5% wastage	SFY 2014 +2.5%	Adjus tments	SFY 2015 Total Projected Cost	Private Price*
ActHib	8915	12150	10405	\$ 9.33	8915	\$ 9.36	40,385	\$ 377,060	1010	41,395	40,385	\$ 378,004	\$ 26.21
Dt	14	12	31	\$ 36.56	10	\$ 36.92	67	\$ 2,453	2	69	70	\$ 2,584	\$ 36.92
DTAP	7070	3540	3050	\$ 15.76	3080	\$ 15.76	16,740	\$ 263,822	419	17,159	14,000	\$ 220,640	\$ 21.44
HEP B-PF	4280	3880	3390	\$ 10.93	3450	\$ 11.08	15,000	\$ 164,468	375	15,375	16,800	\$ 186,144	\$ 21.37
HEP A	14980	10050	9910	\$ 15.63	11270	\$ 16.15	46,210	\$ 728,123	1155	47,365	46,000	\$ 742,900	\$ 28.74
IPOL	4170	1320	670	\$ 12.42	1050	\$ 12.46	7,210	\$ 89,590	180	7,390	7,390	\$ 92,079	\$ 27.44
Kinrix	2950	2840	1920	\$ 37.13	3100	\$ 38.50	10,810	\$ 405,622	270	11,080	11,080	\$ 426,580	\$ 48.00
MMR	4040	3630	3320	\$ 19.75	3540	\$ 19.91	14,530	\$ 287,534	363	14,893	14,893	\$ 296,520	\$ 56.14
MMR V	4100	3480	2120	\$ 95.11	3460	\$ 103.16	13,160	\$ 1,279,501	329	13,489	13,489	\$ 1,391,525	\$ 157.64
DTAPHBP	5670	7230	7830	\$ 52.58	6105	\$ 53.86	24,190	\$ 1,276,339	605	24,795	24,795	\$ 1,335,459	\$ 70.72
DTAPIPHI	1315	1855	2360	\$ 56.02	2735	\$ 52.43	11,635	\$ 629,876	291	11,926	11,926	\$ 625,280	\$ 80.43
PNU 23	40	17	49	\$ 39.51	20	\$ 41.49	126	\$ 117,663	3	129	120	\$ 4,979	\$ 68.28
PNU 13	10850	11600	12530	\$ 107.00	11060	\$ 112.44	35,000	\$ 3,745,109	875	35,875	35,875	\$ 4,033,785	\$ 135.05
ROTA	6540	7490	7730	\$ 63.96	6940	\$ 63.96	32,820	\$ 2,099,167	821	33,641	33,641	\$ 2,151,678	\$ 75.20
VAR	4470	3850	3120	\$ 75.36	4210	\$ 78.34	18,380	\$ 1,405,798	460	18,840	18,840	\$ 1,475,926	\$ 94.14
Adolescent VACCINE									0	-	-	\$ -	\$ -
HPV	17030	9330	8750	\$ 107.15	9690	\$ 121.03	44,800	\$ 4,934,817	1120	45,920	47,734	\$ 5,777,246	\$ 141.38
MCV4	12655	4460	3285	\$ 82.12	6130	\$ 82.12	26,530	\$ 2,470,991	663	27,193	27,193	\$ 2,233,089	\$ 117.41
TD	140	62	83	\$ 17.57	113	\$ 17.69	398	\$ 196,490	10	408	408	\$ 7,218	\$ 22.34
TDAP	6780	4171	2215	\$ 30.41	3490	\$ 30.64	16,656	\$ 507,312	416	17,072	17,072	\$ 523,086	\$ 37.55
Influenza Vaccine								\$ 1,765,212				\$ 2,011,501	\$ 2,011,502
as of 7/17/2014								\$ 22,746,946				\$ 23,916,223	\$ 31,058,711

* CDC online price list 7/1/2014.
NHVA calculations for 2015.xlsx

SFY 2014 Year end calculations to bring cash forward

Source	2013/2014	2012/2013	2011/2012	2010/2011	2009/2010	2008/2009*	2007/2008
Actual Total exp	\$ 20,945,469	\$ 21,918,042	\$ 21,707,838	\$ 21,961,081	\$ 28,121,414	\$ 17,820,721	\$ 25,454,043
4+7							
VFC							
1 CDC Mon Rpt	\$ 8,070,843	\$ 7,715,921	\$ 7,549,887	\$ 7,549,887	\$ 11,624,679	\$ 5,002,497	\$ 8,588,458
2 317 - not used for children	\$	\$ 156,375	\$ 920,358	\$ 720,612	\$ 1,676,638	\$ 735,871	\$ 2,219,343
3 State GF	\$ 460,501	\$ 482,467	\$ 320,494	\$ 492,762	\$ 573,306	\$ 213,821	\$ 422,798
4 1+2+3	\$ 8,531,344	\$ 8,190,532	\$ 8,956,773	\$ 8,763,261	\$ 13,874,623	\$ 5,952,189	\$ 11,230,599
TOTAL GOV'T EXPENDED							
beg balance	\$ 207,631	\$ 3,042,624	\$ 6,102,932	\$ 7,039,214	\$ 12,293,560	\$ 7,759,278	\$ 4,919,231
5 State Approp							
6 revenue from NHVA	\$ 16,004,025	\$ 10,892,517	\$ 9,690,757	\$ 12,261,538	\$ 8,992,444	\$ 16,402,814	\$ 17,063,492
6A Reimbursement from Providers	\$ 29,970	\$ 119,460					
7 State Approp	\$ 12,414,125	\$ 13,727,510	\$ 12,751,065	\$ 13,197,820	\$ 14,246,791	\$ 11,868,532	\$ 14,223,444
Vaccine Insurers expended							
8 State Approp	\$ 4,922,400	\$ 2,278,387	\$ 3,498,954	\$ 4,183,155	\$ 2,658,211	\$ 2,636,659	\$ 5,038,824
9 year end encumbered	\$ 1,124,869	\$ (2,070,756)	\$ (456,331)	\$ 1,919,776	\$ 4,381,002	\$ 9,656,901	\$ 2,720,454
10 year end cash	\$ 3,797,531	\$ 207,631	\$ 3,042,624	\$ 6,102,932	\$ 7,039,213	\$ 12,293,560	\$ 7,759,279
TOTAL BAL FORWARD							

NHVA Cash Carryforward Estimate

Column →	Item A	Component B	Amount C
Line ↓			
01.	Total Current Assets from 6/30 management financials		11,133,707.81
21.	Known Deductions		
22.	A/P Legal bill received after audit data cutoff	1,023.00	
23.	Assessment refund (subject to board approval)	122,609.16	
24.			
29.		123,632.16	-123,632.16
31.	Known Additions		
32.		0.00	
33.			
34.			
39.		0.00	0.00
99.	Estimated year end cash carryforward		11,010,075.65
98.	Carryforward cash from investment income		18,115.61
97.	Carryforward cash from assessments		10,991,960.04

NEW HAMPSHIRE VACCINE ASSOCIATION

Plan of Operation

WHEREAS, the New Hampshire General Court has enacted New Hampshire revised statutes annotated (“RSA”) Chapter 126-Q (the “Act”) establishing a mechanism to assess insurers for the costs of vaccines provided to certain children in New Hampshire;

WHEREAS, the Act authorizes the formation of a not-for-profit, voluntary corporation known as the New Hampshire Vaccine Association (the “Association”);

WHEREAS, the Association is governed by a Board of Directors (the “Board”);

WHEREAS, the Act requires the Board to develop a Plan of Operation (the “Plan”);

WHEREAS, the legislature has amended the Act from time to time and the Board, following such amendments, has updated the Plan to implement changes in the Act; and

WHEREAS, the Board has developed the following Plan as required by the Act:

ARTICLE I

Effective Date / Amendment

This Plan and any amendments to same may be recommended from time to time by the Board and shall become effective upon the approval of the commissioner of the Department of Insurance (the “Insurance Commissioner”) after consultation with the commissioner of the Department of Health and Human Services (the “HHS Commissioner”). The Board may propose amendments at any time. Amendments may include a retroactive effective date if such date is proposed in the amendments and approved by the Insurance Commissioner. The completion of any blanks in the exhibits will not constitute an amendment to this Plan, but the change in the structure or substance of any exhibit will be considered an amendment requiring approval.

ARTICLE II

Conformity to Act; Immunity from Liability; Certain Definitions

The Association shall perform its functions under this Plan and in accordance with the Act, which is hereby incorporated as part of this Plan. Nothing in the Articles, the Bylaws, this Plan, or the actual operation of the Association shall create any private right of action against (1) any member of the Board, (2) the Association, (3) any administrator or executive director of the Association, (4) the Insurance Commissioner, (5) the HHS Commissioner or (6) any employee, personal representative, or agent of any of the foregoing. All such persons shall at all times enjoy immunity from liability to the fullest extent afforded by provision of any law, including, without limitation, RSA 126-Q:8 and RSA 292:2. Terms used but not defined in this Plan which are defined in RSA 126-Q:1 shall have the meanings set forth in that statute.

ARTICLE III

Management of the Association and its Assets; Board

The Association shall have no employees. Rather, the Board shall select one or more third parties to provide services needed to administer the Association and to implement the steps contemplated in the Plan. Included among such third parties, the Board may retain an administrator (the “Administrator”) to serve as its executive director and manage the day-to-day affairs of the Association. The Board shall be constituted as set forth in the Bylaws. Provisions in the Bylaws covering Board selection are hereby incorporated by reference in this Plan.

ARTICLE IV

Public Awareness

The Board may establish and maintain public awareness of the Association through (1) maintenance of a website containing information about its meetings, descriptive data and downloadable copies of the Association’s Articles and Bylaws, together with this Plan and such other data as the Board or the Administrator may determine to be helpful or necessary from time to time and (2) publication, via e-mail or otherwise, of a summary annual report. If, in the judgment of the Board, additional efforts are helpful or necessary to establish and maintain public awareness of the Association, the Board shall be authorized to undertake such additional efforts. The Board shall include the estimated costs for its public awareness program in its annual budget.

ARTICLE V

Governance / Administrative Expenses / Accounting / Financial Reporting

A. Governance. The Board shall conduct its operations in accordance with the Annual Event and Meeting Calendar set forth as **Exhibit A**. The Board may from time to time make such adjustments to the dates of events listed on Exhibit A as it may determine to be appropriate.

B. Financial and Other Records. Monthly, quarterly and annual financial records shall be maintained and distributed by the Administrator in accordance with the schedule set forth in **Exhibit B**.

C. Assessment Determination and Administrative Expenses. The Board shall be authorized to expend monies for the payment of administrative expenses, including but not limited to, the following types of expenses: fees for professional services, including legal, actuarial, accounting, auditing or any other services that are helpful or necessary to provide assistance in the operation of the Association; travel expenses, and other administrative expenses deemed helpful or necessary by the Board to conduct operations effectively. The Association’s financial records shall segregate administrative expenses for the benefit of the Board in managing such expenses.

D. Auditing. The Association shall retain an independent CPA firm to conduct an annual audit of the financial statements of the Association. The audit shall be conducted in accordance with generally accepted auditing standards, and an opinion shall be rendered by the CPA firm as to whether the Association’s financial statements are fairly stated in accordance with generally accepted accounting principles. In conjunction with the annual audit, the CPA firm shall produce a management letter for the benefit of the Board. The results of the annual audit, together with the management letter, shall be presented to the Board’s audit committee and forwarded to the entire board. The CPA firm selected by the Association must be authorized to do business in the State of New Hampshire.

E. Budgeting. The Board shall develop an annual expense budget in the form of **Exhibit C** prior to the commencement of each fiscal year. The Board shall be entitled to assume that adequate internal control

policies and procedures with respect to the handling of Association assets and liabilities by the Administrator including but not limited to, cash, cash receipts, cash disbursements, assessments, premiums, claims payments, investments, accounts payable, and administrative expenses, are in place, but may, in its discretion, at any time, engage the CPA firm to review such policies and procedures.

F. Bank Accounts. Money and marketable securities shall be kept in bank accounts and investment accounts as approved by the Board. The Association shall deposit receipts and make disbursements from these accounts. All bank accounts/checking accounts shall be established in the name of the Association, and shall be approved by the Board. Authorized check signers shall be approved by the Board. Two signatures shall be required on all checks in excess of \$5,000.00.

G. Examination and Annual Reports. The Association shall be subject to examination by the HHS Commissioner or the Insurance Commissioner. The Board shall submit to each commissioner each year, not later than 120 days after the Association's fiscal year, a financial report and a report of its activities during the preceding fiscal year. The Association's fiscal year shall be the 12 months ending June 30. Not later than December 31 each year, the Association shall submit an annual report regarding the association's activities, its financial reports, and any newly-approved vaccines adopted by the department of health and human services to the president of the senate, the speaker of the house of representatives, and the governor.

ARTICLE VI

Assessment Collections / Remittance to State Treasurer / Assessment Revenue Recognition

On behalf of the Board, the Administrator shall bill and collect assessments in accordance with the schedule in **Exhibit A**, and render periodic financial reports as scheduled in **Exhibit B**.

Upon request from time to time, the HHS Commissioner shall cause to be delivered to the Administrator the remittance request for the state fiscal year along with such other reasonably available DHHS data as may be helpful to the Board for its assessment rate setting work.

Not less frequently than annually, the Board shall review and establish a quarterly child covered lives assessment rate using a rate-setting spreadsheet tool developed and updated from time to time by the Administrator and approved by the Board. The spreadsheet shall incorporate all factors set forth in RSA 126-Q:4, II. The approved spreadsheet tool shall be published on the Association's website in .pdf form, showing the most recent calculations, and, as published from time to time, is hereby incorporated by reference.

The Association shall undertake reasonable efforts to provide Assessable Entities not less than ninety (90) days' notice of the effective date of any assessment rate change. Notice shall be deemed given when posted to the Association's website. The Administrator shall also undertake to send e-mail notices of any assessment rate change using one or more of the e-mail addresses filed by the Assessable Entity using the Association's self-reporting assessment system.

Assessable Lives shall be reported by Assessable Entities and assessments shall be due from Assessable Entities for each quarter ending in September, December, March and June forty-five (45) days after the end of each quarter, i.e., November 15, February 15, May 15, and August 15. For the Association's financial statement preparation and reporting purposes, assessment revenues shall be considered revenue in the period in which the assessment payments were due notwithstanding the fact that the measurement period for covered lives may be in a prior period. Therefore each fiscal year ending June 30 shall include as revenue the assessments due for payment during the fiscal year July 1 through June 30 and not the assessment due the following August 15 (which is determined based upon covered lives of Assessable Entities in April, May, and June of the reporting year).

The Association shall endeavor to maintain assessment equity by proportionately matching, as near as is reasonable, the assessments to those payers who have child beneficiaries who access state supplied vaccines funded by the Association. It may from time to time enter into agreements with other states as contemplated by RSA 126-Q:3, V(n) and adopt policies or procedures as contemplated by RSA 126-Q:3, V(p) to support equitable allocation of assessments among Assessable Entities. No Assessable Entity shall be required to report as an Assessable Life or pay an assessment for such life where vaccines with respect to such life clearly are paid for, in fact, by another state or by the federal government in programs such as the federal Vaccine For Children (“VFC”) program or on-base immunization of TRICARE military beneficiaries using Department of Defense purchased vaccine supply. Assessable Lives shall be reported on a self-reporting online assessment system developed by the Administrator and updated from time to time as directed by the Board.

A late fee equal to product of (i) the number of days late times (ii) .000493 times (iii) the amount past due will be added to amounts due for any assessment payment received by the Administrator after its due date. The Administrator shall follow up with respect to any late assessment receipts in accordance with the protocol set forth in **Exhibit F**.

The Association shall remit the amount initially requested for the respective fiscal year to the New Hampshire state treasurer (or to such other state official as may be designated by the Department of Health and Human Services from time to time), to the credit of the vaccine purchase fund established pursuant to RSA 141-C:17-a, on or before June 30 each year. The timing of the actual expenditure of those funds by any state agency shall have no impact in determining any credit for any surpluses in the Association’s assessment calculations. Rather amounts considered as surpluses or shortfalls for the subsequent year’s assessment determination shall be only those amounts above or below the targeted Net Remittance established by the Board for the prior year.

ARTICLE VI-a

Special Transitional Assessment Rule

For the 2013/14 operational year and continuing to assessments due August 15, 2014, assessment collections shall be governed by the Interim Plan of Operation set forth in letter dated October 1, 2013, from the Association’s executive director to the Commissioner of Insurance. This ARTICLE VI-a will expire as of September 1, 2014.

ARTICLE VII

Penalties/Adjustments and Dispute Resolution

A. Penalties/Adjustments:

- 1. Background.** Given numerous factual determinations and tasks to be performed by insurers relative to their calculations of Assessable Lives as reported to the Association, it is expected that all Assessable Entities will exercise the highest degree of good faith and due diligence in all aspects of their relationship with the Association. Errors may occur, however, and it is appropriate that the sanctions applicable to such errors be detailed.
- 2. Errors Related to Assessments.** All Assessable Entity errors related to the assessment shall require the immediate payment of additional amounts due plus interest calculated from the date such sum should have been paid, plus an administrative charge as established by the Board.
- 3. Gross Negligence and Intentional Misconduct.** If the Board determines that the nature or extent of the errors of a particular Assessable Entity may reflect gross negligence or intentional misconduct, the Board shall refer its findings to the Insurance Commissioner for

appropriate action.

- 4. Interest and Administrative Charges.** All interest payments required under this Plan of Operation shall be calculated from the date the incorrect payment occurred or correct payment should have been made through the date of payment. The Administrative charges shall be established by the Board and may be waived by the Board.

B. Time Considerations with respect to Assessment Payment Adjustments.

Once assessment rates are set by the Board in any year, any adjustment for Assessable Entity over reporting of Assessable Lives or overpayments shall be considered first by the Board 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. 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 (6) months after the first due date for the immediately following assessment year after the overpayment error. It is expected that each fiscal year's first due date will be August 15 and that, consequently, any request for reconsideration or refund must be filed no later than the following February 15. Any underpayment due to late payments or underreporting of Assessable Lives shall be made by Assessable Entity at the earliest possible date and shall include interest and administrative charges as set forth above.

C. Assessable Entity Appeal of Disputes to Board.

Assessable Entities may request permission to appear before the Board at any time in connection with any dispute with the Association. No request or appeal relating to assessments shall be heard until the protesting party has paid the assessment in full. Any assessment amount paid under protest shall be held in an interest bearing account (which may be commingled with other accounts of the Association) with principal and interest to be paid to the prevailing party upon final resolution of the protest.

D. Arbitration.

All disputes and differences that cannot be agreed upon by the parties will be decided by arbitration. The arbitrator(s) will have the authority to interpret this Plan of Operation and in doing so, shall consider the customs and practices of the insurance industry. The arbitration shall be conducted under the auspices of the American Arbitration Society in accordance with its commercial arbitration rules. Such arbitration shall be held in Concord, New Hampshire. This agreement to arbitrate shall be enforceable and judgment upon any award may be entered in any court having jurisdiction, which the parties hereby stipulate and agree, will include any court of appropriate subject matter jurisdiction located within the State of New Hampshire. Reasonable costs of arbitration shall be borne equally by the parties and each party shall pay the cost of its own personnel and counsel involved in such proceedings.

Article VIII Termination

The Association shall continue in existence subject to termination in accordance with applicable requirements of the laws of the State of New Hampshire and the United States of America. In case of enactment of a law or laws which in the determination of the Board and the HHS Commissioner shall result in the termination of the Association, the Association shall terminate and conclude its affairs in a manner to be determined by the Board with the approval of the HHS Commissioner.

In accordance with RSA 126-Q:3, V(c), the foregoing Plan of Operation has been approved following consultation with the Commissioner of the New Hampshire Department of Health and Human Services.

New Hampshire Insurance Department

By: _____ Date: _____, 2014

Exhibit A

NEW HAMPSHIRE VACCINE ASSOCIATION Annual Fiscal Year Event & Meeting Calendar

	<u>Date</u>	<u>Event</u>	<u>Statutory Reference</u>
1.	June 30	NHVA Fiscal Year End for Prior Year	
2.	3rd Tues July	Board of Directors Annual Meeting <ul style="list-style-type: none"> a. Select Directors for terms beginning August 1 b. Review Report of Administrator for year's operations c. Review Discharge of Director Duties d. Executive Session (Administrator's personnel excluded) Board of Directors Other <ul style="list-style-type: none"> a. HHS vaccine budget and forecast 	RSA 126-Q:3, V. RSA 126-Q:4, I
3.	August 15	2nd Calendar Quarter Covered Lives Assessment Due	RSA 126-Q:3, V.(I)
4.	4th Tues Sep	Audit Committee (in person) <ul style="list-style-type: none"> a. Meet with outside auditors b. Review audit report c. Executive session (Administrator's personnel excluded) Board of Directors Meeting <ul style="list-style-type: none"> a. Accept the Audit Committee's Audited Financials b. Finalize Assessment Rate for next year effective January 1 	RSA 126-Q:4
5.	October 1	Notice of new Assessment Rate effective January 1	RSA 126-Q:3, V.(e)
6.	3rd Tues Oct	Board Meeting (teleconference?) <ul style="list-style-type: none"> a. Accept audit report & release prior year's financials b. Set Current Year's Assessment if not done earlier 	RSA 126-Q:6 RSA 126-Q:3, V.(e)
7.	November 1	Assessment Determination Due	RSA 126-Q:3, V.(e)
8.	November 15	3rd Calendar Quarter Covered Lives Assessment Due	RSA 126-Q:3, V.(I)
9.	3rd Tues Jan	Board of Directors Meeting	
10.	February 15	4th Calendar Quarter Covered Lives Assessment Due	RSA 126-Q:3, V.(I)
11.	3rd Tues March	Audit Committee <ul style="list-style-type: none"> a. Review Collections Results b. Recommend Next Year's Expense Budget Board of Directors Meeting <ul style="list-style-type: none"> a. Adopt next fiscal year's budget 	
12.	May 15	1st Calendar Quarter Covered Lives Assessment Due	RSA 126-Q:3, V.(I)

Exhibit B**NEW HAMPSHIRE VACCINE ASSOCIATION
Schedule of Financial Statements**

Financial statements will be released on the following schedule:

- a. Monthly Statements: To the Treasurer and the Chairman of the Board 15 business days after the close of each month
- b. Quarterly Statements: To the full Board 20 business days after the close of each quarter
- c. Annual Statements: Management's statements will be ready for internal review 60 business days after the close of the year; full statements will be released to the public as soon as the audit is completed and the audit report accepted by the Board

Exhibit C

NEW HAMPSHIRE VACCINE ASSOCIATION Estimated Expense Budget for 2014 / 2015

1	Administrative Fees (CML Administrators)		
2	Annual Base Fee	103,500	¹
3	Variable Compensation	<u>11,500</u>	²
4	Subtotal	115,000	
5	Auditing Fees	7,500	
6	Legal Fees	5,000	
7	Insurance Expense (D&O)	7,260	
8	Special Projects	<u>-</u>	³
9	Subtotal	19,760	
10	Total Expenses	<u><u>\$134,760</u></u>	
11	Budgeted for Bad Debt		to be set as part of assessment work

NOTES:

- ¹ Base Fee commences on August 1. Each subsequent August 1 anniversary, base shall be increased by 2.75% over the prior year's amount.
- ² 10% of each year's base shall be held back and awarded pursuant to "Variable Compensation".
- ³ This requires advance written approval by the Board since ordinary operating expenses have been rolled into the comprehensive ED & Admin Services Agreement now in effect.

Exhibit D

NEW HAMPSHIRE VACCINE ASSOCIATION Follow-up for Past Due Assessments

Protocol A: for all carriers falling within the top 90% of assessments due

- Make a phone call one business day after due date
- Send a fax reminder five business days after due date
- Send a letter reminder three business days after the fax reminder with a copy to the board of directors

Protocol B: for all carriers falling within the 90% to 98% of assessments due

- Make a phone call three business days after due date
- Send a fax reminder seven business days after due date
- Send a letter reminder five business days after the fax reminder with a copy to the board of directors

Protocol C: for all carriers falling within the 98% to 100% of assessments due

- Make a phone call five business days after due date
- Send a fax reminder eight business days after due date
- Send a letter reminder ten business days after the fax reminder and put on delinquency report to the board of directors

In addition to the above, report to the Commissioner of Insurance as required by RSA 126-Q:3, V(k). At the Annual Meeting of the Board, recommend collection / follow up activity for any remaining delinquencies and follow up in accordance with Board instruction. In light of RSA 126-Q:5, I, however, it is contemplated that any collection follow up after 6 months of notification would be handled by the Department of Insurance pursuant to that statute.

From: Nancy Bickerstaff [mailto:Nancy.Bickerstaff@PREMERA.com]
Sent: Thursday, July 24, 2014 8:31 PM
To: Claire Roberge
Subject: RE: NHVA assessment

Claire,

When I paid the transitional annual assessment I overpaid by \$3,225.44 (76 lives). When I queried our system I picked up what I thought were our FEP members residing in New Hampshire but our FEP accountant has informed me they were not our members. In the Blue plans, FEP members belong to the Blue plan of the state they reside in, therefore the New Hampshire Blue plan would have reported and paid for these members. The covered lives I pulled were New Hampshire members who were passing through the state of Washington and incurred claims here so we loaded them into our system so we could pay the claims. The covered live count by month was; January 26, February 25 and March 25.

Please process a refund for \$3,225.44 to:

Premera Blue Cross
Attn: Nancy Bickerstaff
PO Box 34310
Seattle WA 98124-1310

If you have any questions I will respond when I return from vacation on Monday 8/4.

Thank you,

Nancy Bickerstaff
Finance Manager
Premera Blue Cross
425-918-6119

Claire Roberge

From: KidsVax.org <info@kidsvax.org>
Sent: Wednesday, August 13, 2014 12:17 PM
To: Claire Roberge
Subject: Fwd: [#15644] Assessment for 3rd quarter (Jan, Feb, Mar)

Claire,

Please see refund request above from Joan Carter at New York Life.

Terry Mills • *Administrative Assistant*

KidsVax.orgTM

PO Box 1885 • Concord, NH 03302-1885

tel: 1.603.227.7265

cell: 603.344.7051 | fax: 1.603.226.9696

email: tmills@KidsVax.org

On Wed, 13 Aug at 12:14 pm , Joan A. Carter <joancarter@newyorlife.com> wrote:

To Whom It May Concern:

Please be advised that we have overpaid on the previous assessment for 3rd quarter (Jan, Feb, March) for Fiscal Year 2013/2014 because the covered lives information was incorrect.

A large portion of our business decreased due to our exiting the major medical business as of 12/31/13; so for the previous quarter, we should have reported a total of 3 lives (instead of a total of 210 lives). Consequently our payment should have been \$31.83 instead of \$8,912.40, resulting in an overpayment of \$8,880.57.

Please advise on the next step for us to recoup this overpayment.

Thank you for your attention to this matter.

Regards,

Joan A. Carter, MST | Senior Associate | Tax Department |

JoanCarter@NewYorkLife.com

51 Madison Avenue, Room 352 - W3043, New York, NY 10010 | Phone: 212-576-4931

| Fax: 212-447-8322

**N.H. RSA 126-Q:1—Q:9
NEW HAMPSHIRE VACCINE ASSOCIATION**

[N.H. RSA 126-Q as amended by HB664 (2013 legislative session)]

126-Q:1 Definitions.

In this chapter:

- I. “Assessable coverage” means:
 - (a) Health coverage as defined in RSA 420-G:2, IX;
 - (b) Stop loss coverage that conforms with RSA 415-H:3, or other group excess loss insurance purchased against the risk that any particular claim, or total liability, will exceed a specified dollar amount; or
 - (c) Group health plan, as defined by 42 U.S.C. 300gg-91(a).
- II. “Assessable entity” means any:
 - (a) Health maintenance organization, as defined by RSA 420-B:1, VI.
 - (b) Third party administrator, as defined by RSA 402-H:1, I.
 - (c) Entity providing administrator services and required to register with the insurance commissioner under RSA 402-H:11-a or RSA 402-H:11-b.
 - (d) Insurance company licensed pursuant to RSA 401:1, IV.
 - (e) Health service corporation, as defined by RSA 420-A:1, III.
- III. “Assessable lives” means all children under 19 years of age residing in the state who have assessable coverage written or administered by an assessable entity.
- IV. “Assessment” means the assessable entity’s liability with respect to childhood vaccines determined in accordance with this chapter. For purposes of rate setting and medical loss ratio calculations, all association assessments are considered pharmaceutical or medical benefit costs and not regulatory costs. In the event of any insolvency or similar proceeding affecting any payer, assessments shall be included in the highest priority of obligations to be paid by or on behalf of such payer.
- V. “Association” means the New Hampshire vaccine association.
- VI. “Board” means the board of directors of the New Hampshire vaccine association.
- VII. “Commissioner” means the commissioner of the department of health and human services.
- VIII. “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 by the department of health and human services.
- IX. “Provider” means a person licensed by this state to provide health care services to persons or a partnership or corporation made up of those persons.
- X. “Total non-federal program cost” means the estimated vaccine cost less the amount of federal revenue available to the state for the purchase, distribution, and administration of vaccines.
- XI. “Vaccine” means any preparations of killed microorganisms, living attenuated organisms, or living fully virulent organisms that are approved by the federal

updated RSA 126-Q

Food and Drug Administration and recommended by the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention and have been authorized by the commissioner of the department of health and human services for administration to children of the state of New Hampshire under the age of 19 years for the purposes of producing or artificially increasing immunity to particular life-threatening and disabling diseases.

126-Q:2 Creation of Association.

There is hereby created a nonprofit corporation to be known as the New Hampshire vaccine association. The association is formed to assess assessable entities for the cost of vaccines provided to certain children in New Hampshire.

126-Q:3 Powers and Duties

- I. The New Hampshire vaccine association shall be comprised of all assessable entities.
- II. The New Hampshire vaccine association shall be a not-for-profit, voluntary corporation under RSA 292 and shall possess all general powers of a not-for-profit corporation.
- III. The board of directors shall include:
 - (a) Three representatives selected from the assessable entities currently writing, maintaining child, or administering assessable coverage through a voting process where votes are based on assessable lives. The plan of operation shall provide details for this selection process.
 - (b) Two health care provider representatives appointed by the commissioner.
 - (c) The commissioner of the department of health and human services, who shall serve as an ex-officio member.
 - (d) The commissioner of the department of insurance who shall serve as an ex-officio member.
 - (e) One member appointed by the governor and council who shall represent self-insured entities.
 - (f) One public member appointed by the speaker of the house of representatives.
 - (g) One public member appointed by the president of the senate.
- IV. The directors' terms and appointments shall be specified in the plan of operation adopted by the New Hampshire vaccine association.
- V. The board of directors of the association shall:
 - (a) Prepare and adopt articles of association and bylaws.
 - (b) Prepare and adopt a plan of operation.
 - (c) Submit the plan of operation to the commissioner of insurance for approval after the consultation with the commissioner.

updated RSA 126-Q

- (d) Conduct all activities in accordance with the approved plan of operation.
- (e) On an annual basis, no later than November 1 of each year, establish the amount of the assessment for the succeeding year.
- (f) Enter into contracts as necessary or proper to collect and disburse the assessment.
- (g) Enter into contracts as necessary or proper to administer the plan of operation.
- (h) Sue or be sued, including taking any legal action necessary or proper for the recovery of any assessment for, on behalf of, or against members of the association or other participating person.
- (i) Appoint from among its directors, committees as necessary to provide technical assistance in the operation of the association, including the hiring of independent consultants as necessary.
- (j) Determine an assessment amount and collect payments from assessed entities in accordance with RSA 126-Q:4.
- (k) Submit an annual report to the commissioner of insurance, in a manner and form determined by the commissioner, listing the association membership base, providing a count of assessable lives by assessable entity, identifying changes in assessable lives by assessable entity, describing the collection of assessments, listing payment delinquencies, and containing such other related information as the commissioner may require.
- (l) Allow each assessable entity up to 45 days after the closing of each calendar quarter to report its assessable lives and remit its corresponding assessment amount as calculated pursuant to RSA 126-Q:4.
- (m) Collect assessments from assessable entities as calculated under RSA 126-Q:4 and deposit said assessments less the association's administrative costs annually and reserves with the state treasurer to the credit of the vaccine purchase fund established pursuant to RSA 141-C:17-a. At the written request of the association following a majority vote of the board of directors, any funds forwarded to the state treasurer for the vaccine purchase fund remaining unexpended for childhood vaccines, shall promptly be returned to the association.
- (n) Be authorized to enter into one or more agreements with other applicable authorities in surrounding states to reduce the risk of duplicate assessments and to assure availability of vaccines for children who are residents of this state but who receive vaccination services in other states. Any costs relating to any such agreement shall be considered additional vaccine costs of the program for purposes of determining the association's assessments.
- (o) Adopt procedures by which affiliated assessable entities calculate their assessment on an aggregate basis and procedures to ensure that no assessable life is counted more than once. Unless otherwise determined by the board, the assessable entity responsible for the payment of the provider's administrative costs for childhood vaccines shall be the entity responsible for reporting assessable lives and payment of the

updated RSA 126-Q

- corresponding assessment.
- (p) Submit an annual report regarding the association's activities, its financial reports, and any newly-approved vaccines adopted by the department of health and human services to the president of the senate, the speaker of the house of representatives, and the governor.
- (q) Perform any other functions as may be necessary or proper to carry out the plan of operation.

126-Q:4 Assessment Determination.

- I. The board shall determine an assessment for each assessable entity in accordance with this section. An assessment determination made pursuant to this section is a pharmaceutical cost and not a regulatory cost for purposes of calculating the carrier's medical loss ratio.
- II. In determining the assessment amount, the board shall:
 - (a) Estimate the total non-federal program cost for the succeeding year;
 - (b) Add its anticipated operating costs for the succeeding year and such additional working capital reserves as may be established by the board from time to time;
 - (c) Add a reserve of up to 10 percent of the anticipated cost under subparagraph (a) for unanticipated costs associated with providing vaccines to children covered; and
 - (d) Subtract the amount of any unexpended assessments collected in the preceding year along with any unexpended interest accrued to the fund during the preceding year.
- III. The board shall include in its plan of operations, details regarding the timing for assessment collections, and the form and format assessable entities shall use to calculate assessments.
- IV. The board shall include in its plan of operation details regarding payment due dates, grace periods, late payment fees, interest, and other details regarding the collection of assessments.
- V. The board may determine an interim assessment for new vaccines or unanticipated shortfalls in the association's ability to meet childhood vaccine funding needs. The board shall calculate the interim assessment in accordance with paragraph II, and the interim assessment is payable the calendar quarter that begins no less than 30 days following the establishment of the federal contract price. The board shall not impose more than one interim assessment per year, except in the case of a public health emergency declared in accordance with state or federal law.
- VI. In the event that the association discontinues operation for any reason, any unexpended assessments, including unexpended funds from prior assessments in the state vaccine purchase fund, shall be refunded to payees in proportion to the respective assessment payments by payees over the most recent 8 quarters prior to discontinuation of association operations.

126-Q:5 Powers and Duties.

In addition to the duties and powers enumerated elsewhere in this chapter:

- I. The commissioner of insurance shall, after notice from the association, issue a show cause order to any assessable entity that fails to comply with the association's plan of operation. In addition to late fees and other penalties imposed by the association, assessable entities may, after a finding of just cause, be subject to a minimum fine of \$5,000, a maximum fine of 25 percent of the total amount of delinquent assessments, and licensure suspension.
- I-a. The insurance commissioner shall annually review the assessment report required under RSA 126-Q:3, V(k) to ensure that all assessable entities are participating in the association and that all assessable entities have accurately reported assessable lives. The association shall remedy any problem identified by the commissioner with respect to assessable entities and assessable lives.
- II. The commissioner and the commissioner of insurance may adopt rules, pursuant to RSA 541-A, as necessary to carry out the purposes of this chapter.

126-Q:6. Examinations and Annual Reports

The board of directors shall submit to the commissioner, no later than 120 days after the close of the association's fiscal year, a financial report in a form approved by the commissioner.

126-Q:7. Exemption From Taxes

The association shall be exempt from payment of all fees and all taxes levied by this state or any of its subdivisions, except taxes levied on real property.

126-Q:8. Immunity From Liability

There shall be no liability on the part of and no cause of action of any nature shall arise against any association member or its agents or employees, the association or its agents or employees, members of the board of directors, or the commissioner or the commissioner's representatives, for any action or omission by them in the performance of their powers and duties under this chapter.

126-Q:9. Severability of Chapter

If any provisions of this chapter or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the chapter which can be given effect without the invalid provisions or applications, and to this end the provisions of this chapter are severable.

Annual Fiscal Year Event & Meeting Calendar – 6/30/2014 through 6/30/2015

August 2014			
Board of Directors Meeting	Tuesday, August 19, 2014	KidsVax.org® Concord	8:30 a.m.
September 2014			
Audit Committee Meeting (In-Person) Annual Board of Directors Meeting	Tuesday, September 30, 2014 (We will work to confirm this meeting date.)	KidsVax.org® Concord	8:00 a.m. 8:30 a.m.
October 2014			
Board of Directors Meeting	Tuesday, October 21, 2014	KidsVax.org® Concord	8:30 a.m.
March 2015			
Audit Committee Meeting Board of Directors Meeting	Tuesday, March 17, 2015	KidsVax.org® Concord	8:00 a.m. 8:30 a.m.
June 2015			
Board of Directors Meeting	Tuesday, June 23, 2015	KidsVax.org® Concord	8:30 a.m.

August 19, 2014
Proposed Form of Votes - New Hampshire Vaccine Association

The following are suggested forms of votes only. They are intended to be an aid to facilitate work by individual directors. All board policy and the final form of votes is exclusively the province of the Board acting collectively as a Board of Directors.

Item under Agenda Section 2:

VOTED: To approve the minutes of the June 3, 2014 Board meeting.

[To approve the minutes of the June 3, 2014 Board meeting with the changes suggested at this meeting.]

Item under Agenda Section 3:

VOTED: To authorize Susan Tenney (current), David Fredenburg, M.D. (current), _____, and _____ as signing parties for the NHVA for all checks. Two signatures will be required for any check over \$5,000.

[To authorize Susan Tenney, David Fredenburg, M.D., _____, and _____ as signing parties for the NHVA for all checks. Two signatures will be required for any check over \$5,000 with the changes suggested at the meeting.]

Item under Agenda Section 4:

VOTED: To adopt the provisional 2014/15 budget as presented to the meeting.

[To adopt the provisional 2014/15 budget with changes suggested at the meeting.]

VOTED: To set the assessment rate of \$_____ per child covered live per month.

[To tentatively set the assessment rate of \$_____ per child covered live per month and to schedule further review at the board's next meeting.]

Item under Agenda Section 6:

VOTED: To approve (i) the accounting policies set in Article VI of the Draft Plan of Operation, and (ii) forwarding the Draft Plan to the Commissioners for approval once we have word back on the Attorney General's response to the DHHS request.

[To approve (i) the accounting policies set in Article VI of the Draft Plan of Operation, and (ii) forwarding the Draft Plan to the Commissioners for approval with the changes suggested at the meeting.]

Driving Directions to NHVA Board Meeting Locations

KidsVax.org®

From the North: Take Interstate 93 South toward Concord. Take Exit 14. Turn right off the exit. At the top of hill (Holiday Inn on your right) turn right onto North Main Street. Take your first right onto Storrs Street. Follow down the hill, around the bend, and under the bridge. Turn right onto Dixon Avenue. We are at 14 Dixon Avenue, Suite 201, adjacent to the top parking area.

From the South: Take Interstate 93 North toward Concord. Take Exit 14. Turn left off the exit. At the top of hill (Holiday Inn on your right) turn right onto North Main Street. Take your first right onto Storrs Street. Follow down the hill, around the bend, and under the bridge. Turn right onto Dixon Avenue. We are at 14 Dixon Avenue, Suite 201, adjacent to the top parking area.

New Hampshire Insurance Department (NHID)

From Interstate 93, take the I-89 exit West to Exit 2; Exit right onto Clinton Street into Concord. At the second set of traffic lights, turn left onto Fruit Street. Continue to 21 Fruit Street to the Walker Building (large brick office building) located on the right just before the traffic lights at the corner of Fruit and Pleasant Streets. Enter the circular driveway, park, and enter the building through the front center entrance. Take the elevator to the 2nd Floor. Take a left when leaving the elevator and then take a right. Follow the hallway to the end. Take a left and follow the hallway until you see the sign for the conference room, which is on the right.

Harvard Pilgrim Health Care (HPHC)

From the North: Take Interstate 93 South toward Manchester. After the toll, keep left to take I-293 South/Everett Turnpike toward Manchester Airport/Manchester/Nashua. Take the Granite Street exit, Exit 5, keep left to take the ramp toward Elm Street/The Millyard/Canal Street. Turn left onto Granite Street. 650 Elm Street is on the corner of Granite and Elm Streets. The parking garage is accessible by taking a left into the garage off of Granite Street. Proceed to level 3 – Radisson Hotel. Follow the signs for the office tower to the 7th Floor.

From the South (Nashua): Take the Everett Turnpike North toward Manchester/Concord. Take the Granite Street exit, Exit 5, keep right to take the ramp toward Elm Street/The Millyard/Canal Street. Turn right onto Granite Street. 650 Elm Street is on the corner of Granite and Elm Streets. The parking garage is accessible by taking a left into the garage off of Granite Street. Proceed to level 3 – Radisson Hotel. Follow the signs for the office tower to the 7th Floor.

Hinckley, Allen & Synder LLP (Hinckley Allen)

From the North: Take Interstate 93 South toward Concord. Take the RT-9/Loudon Road exit, Exit 14, toward the State Offices. Turn right onto RT-9/Loudon Road. Take the 2nd left onto North Main Street/US-3/US-202/RT-9. Continue to follow North Main Street to 11 South Main Street on the left. Your destination is just past Pleasant Street Ext. If you reach Freight Street, you've gone a bit too far.

From the South (Nashua): Take Interstate 93 North toward Concord. Take the US-3 N exit, Exit 13, toward Downtown/Main Street. Turn left onto US-3/Manchester Street. Continue to follow US-3 to 11 South Main Street on the right. Your destination is just past Freight Street. If you reach Pleasant Street Ext., you've gone a bit too far.