

**NH Vaccine Association – Board of Directors Meeting
October 6, 2015 – 8:30 – 10:00 a.m.
Via Teleconference and
Onsite Location – KidsVax Offices
Presiding Officer: Susan Tenney, Chair**

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

Directors:

David Fredenburg, M.D. – Healthcare Provider (P)
Susan Tenney, Chair – Harvard Pilgrim Health Care (T)
Jason Margus – Anthem (T)
Elaine Koskela – Cigna (T)
David Sky – NHID (P)
Everett Lamm, M.D. – Healthcare Provider (T)
Marcella Bobinsky – DHHS (T)
Laura Condon – Public Board Representative (T)

Absent:

Edward Moran – Public Board Representative

Others:

Mark McCue, Esq. – Hinckley Allen (P)

Public:

Gina Powers – Rath & Young / Merck (P)

KidsVax:

Fred L. Potter (P)
Claire Roberge (P)
Terry Mills (P)
Julia Walter (T)

II. Summary of Actions Taken and/or Recommended

A. Actions Taken (votes adopted)

1. To approve the Audit Committee minutes and Annual Meeting minutes of the September 9, 2015 meetings as amended by Ms. Condon.
2. To ask the Audit Committee to review and revise the Late Payment Policy as recommended at the Board meeting.
3. To adopt the 2015/2016 NHVA Meeting Calendar as amended at the meeting.
4. To authorize KidsVax to seek qualified Washington, DC counsel who would, on a contingent fee basis, pursue NHVA's assessment claims with respect to the equitable share attributed to beneficiaries of the Defense Health Agency, along with the claims of similar programs in other states, and to bring its recommendation(s) concerning such counsel back to the Board for final action.

B. Follow up Task/Action Items

1. KidsVax will send the Late Payment Policy to the Audit Committee for further review and revision prior to adoption.
2. KidsVax will provide the governance documents to the entire Board by the end of October for review and revision within a two-week timeframe. Directors can contact Ms. Tenney to form a subcommittee if the need arises.
3. Mr. Potter will contact the Governor's office regarding the appointment of a representative of a self-insured entity to the Board.
4. KidsVax will supply Mr. Sky certain information on TPAs as discussed at the meeting.

III. Minutes

Welcome and Introductions

At approximately 8:45 a.m., a quorum having been established, Ms. Tenney called the meeting to order. Ms. Tenney surveyed the Board for additional items to be added to the agenda.

Consent Calendar

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

VOTED: To approve the Audit Committee minutes and Annual Meeting minutes of the September 9, 2015 meetings as amended by Ms. Condon.

The Late Payment Policy was discussed at length. Ms. Condon expressed concern about the inconsistency in terminology used within the document between “policy” and “guidelines,” as well as certain other matters. She feels the language needs to be consistent and should be referred to as a policy of the New Hampshire Vaccine Association (“NHVA”) rather than directions for the administrator. Mr. Potter indicated that this document is responsive to a request by the auditor that the policies or practices that had actually been followed be put in writing. After further discussion, it was the sense of the Board to refer the Late Payment Policy back to the Audit Committee for further review and revision prior to adoption.

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

VOTED: To ask the Audit Committee to review and revise the Late Payment Policy as recommended at the Board meeting.

The 2015/2016 meeting calendar was discussed. Ms. Condon had concerns that the meeting calendar does not match the NHVA governance documents. Mr. Potter explained that with the new assessment cycle, the governance documents will need to be revised to better match data availability. After brief discussion, Mr. Potter indicated that he will send the draft governance documents to Board members for review and revision by the end of October and requested that any suggested changes be returned within a two-week timeframe so that the governance documents can be discussed and voted on at the December meeting. If additional concerns arise at that time, a subcommittee will be formed.

Mr. Sky requested that the meeting scheduled for Tuesday, October 4, 2016 be changed to a later date. At his request it was the sense of the Board to move the meeting to Tuesday, October 11, 2016. Mr. Potter indicated that an additional agenda item would be included for the June meeting to prepare recommendations concerning the next fiscal year expense budget.

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

VOTED: To adopt the 2015/2016 NHVA Meeting Calendar as amended at the meeting.

DHHS Update

Ms. Bobinsky provided an update based on information collected over time regarding school-based influenza clinics. New Hampshire has only two local health departments, Nashua and Manchester. Approximately 10 years ago the Department of Health and Human Services (“DHHS”) developed what are called public health regions throughout the state. Ms. Bobinsky explained that this presentation provides additional information to payers on how many children are receiving vaccines through these school-based clinics. She felt it likely that the payers might not otherwise have this information on in their own databases. In 2011/2012, five of the public health regions took a contract with DHHS to participate in these school-based clinics. The data that has been collected shows that each year there has been a steady increase to where there are now 13 participating regions. There has been no cost to the payers associated with the school-based clinics of either vaccines or administration fees. The administration fees were paid through federal funding to the Immunization Program from CDC and DHHS contracted with the public health networks to start these programs. Ms. Bobinsky estimated that DHHS sent out approximately \$10,000 to each region and they pulled together volunteer nurses, in some situations, to vaccinate. In other situations they would contract with the Visiting Nurse Association (“VNA”) or some other similar organization to come to their site to give the vaccines. A great number of vaccines have been distributed in the upper valley, around the Lebanon/Hanover area. They are working hard with their schools and have adopted this program as a health measure. Last year the number of doses distributed through this program was over 7,000 with 37.31% of the distributed vaccines being Medicaid/Non-insureds and 62.9% being Insureds. Ms. Condon inquired if there was any outcome-based evidence being collected for this program. Further discussion ensued.

In follow-up to the last meeting, Ms. Bobinsky reported that the wastage information previously requested by Mr. Sky was not yet available with sufficient specificity to be helpful. She has sent it back and is asking for further clarification. Ms. Bobinsky also asked her Finance Department to break down the \$30,000 reported as received from providers, but she has not yet received an answer. Ms. Bobinsky has asked Delores Cooper, a representative from Finance, to participate in the task force to improve the assessment process.

Ms. Bobinsky asked Mr. Potter if he had an opportunity to contact the Governor’s office regarding the appointment of a representative of a self-insured entity to the Board. Mr. Potter apologized that he had not yet made that contact, but indicated that he would follow through on that task. Mr. Sky inquired whether or not the Insurance Department should be involved in that. Mr. Potter offered to provide Mr. Sky with a listing of the TPA payers, ranked by covered lives from highest to lowest.

Public Comment

There was no public comment.

TRICARE

Ms. Walter gave a brief update on the status of TRICARE and indicated that the State of Washington and the Washington Vaccine Association ("WVA") hired a lobbying firm, Crowell & Moring, to pursue legislative change at the national level. The general proposed strategy for Washington right now is to seek an amendment to the National Defense Authorization Act ("NDAA"). The NDAA needs to be passed every year because it allows the national defense budget to be appropriated from year-to-year. The lobbying effort on behalf of the WVA, which affects all universal vaccine states, is to get an amendment for an appropriation for this year to pay the arrearage. Crowell & Moring has indicated that because this action is being pursued at such a late stage of the drafting of that Act, it does not look like there is a good chance that a change will actually be effectuated this year. There is, however, significant support from senators and representatives that Crowell & Moring has contacted to get a change included in the NDAA for 2016. Since initial drafts were circulated earlier in the year, it is important to work now to build consensus and support for next year.

Crowell & Moring has suggested having a communications firm support these efforts. They would handle coordinating attention grabbing pieces into key markets, such as high-profile publications. The feeling is that senators and representatives would see the need to support the passage of TRICARE's authorization of payment into the state vaccine programs and would get their chiefs of staff involved at the congressional level. KidsVax suggested that NHVA consider funding that effort. Idaho is currently helping to support KidsVax's efforts for the multi-state TRICARE Task Force. Alaska is also considering helping fund the communications expense. It is expected not to exceed \$35,000 and would be divided between New Hampshire and Alaska, if Alaska participates.

Ms. Tenney asked if there was other recourse against TRICARE other than what is being proposed at the meeting. Mr. Potter clarified that there is a potential legal claim against TRICARE's New England Region Administrator and that is something that the Board could consider pursuing. KidsVax is suggesting and has interviewed a firm at length to accept states other than Washington on a contingent fee collection case and is trying to determine what the best terms are that can be obtained from them if they are willing to accept it. If not, KidsVax will be pursuing other Washington, DC firms familiar with the Federal Claims Act. After extensive discussion, a motion was made by Dr. Fredenburg to proceed with the authorization of reimbursement of up to \$35,000 of a communications firm. However, this motion did not receive a second so it was not considered further at this meeting.

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

VOTED: To authorize KidsVax to seek qualified Washington, DC counsel who would, on a contingent fee basis, pursue NHVA's assessment claims with respect to the equitable share attributed to beneficiaries of the Defense Health Agency, along with the claims of similar programs in other states, and to bring its recommendation(s) concerning such counsel back to the Board for final action.

Executive Session [Prepared by outside general counsel, Attorney Mark McCue of Hinckley Allen. KidsVax representatives were excused.]

The Board of Directors (the "Board") of the New Hampshire Vaccine Association ("NHVA") then voted by unanimous roll call vote to enter into executive session to discuss personnel matters at 10:25 a.m.

The Board inquired as to the process that should be followed for the RFP for administrative services approved at the last meeting. Attorney McCue confirmed that the current KidsVax contract does not expire until July 30, 2018, and the Board agreed that there was no urgency to the RFP process. Attorney McCue agreed to outline the RFP process and recommended timing, and to forward the outline to Mr. Sky who is chairing the task force.

By unanimous roll call vote, the Board voted to end the executive session at 10:35 a.m.

Respectfully submitted,
Fred L. Potter
Secretary pro tem

What: New Hampshire Vaccine Association (NHVA) Meeting
Date and Time: Tuesday, October 6, 2015 / 8:30 a.m. – 10:00 a.m.
Location: KidsVax® Conference Room, 125 North State Street, Concord, NH
Call-In: **Please register at:**

<https://attendee.gotowebinar.com/register/5803032525039836674>

After registering, you will receive a confirmation email containing information about joining the webinar.

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

Approx. Time	Topic/[Anticipated Action]	Presented by:
8:30-8:35 a.m.	1. Welcome and Introductions	S. Tenney
	a. Survey of Other Matters from Board Members	
	b. Request for identification of individuals on conference phone	
8:35-8:40 a.m.	2. Consent Calendar Items	S. Tenney
	* a. Approve Audit Committee Meeting Minutes and Annual Meeting Minutes, respectively (September 9, 2015)	
	* b. Final Review and Approval of the Late Payment Policy	
	c. Final confirmation of 2015/2016 meeting dates	
8:40-8:50 a.m.	3. Business Updates	F. Potter
	a.	
	b.	
	c.	
8:50-9:10 a.m.	4. DHHS Update	M. Bobinsky
	a. Presentation regarding distribution of Influenza Vaccine to schools	
	b.	
9:10 – 9:20 a.m.	5. Other Matters from Board Members	F. Potter
	a.	
	b.	
9:20 – 9:25 a.m.	6. Public Comment (if any)	
9:25 – 9:30 a.m.	7. Parking Lot Questions/Concerns (If time allows)	
	a.	
	b.	
9:30 – 10:00 a.m.	8. Executive Session	J. Walter/ F. Potter
	a. TRICARE	
	i. To engage a communications firm to support work of legislative counsel engaged by WVA	
	* ii. Take next steps in evaluation of litigation to pay past unpaid NHVA assessments	
	9. [Intentionally Omitted]	
10:00 a.m.	[Adjourn]	
	10. Reference Documents	
	* a. Contact Directory	
	* b. Governing Statute	
	* c. 2015/16 Meeting Schedule	
	* d. Proposed form of votes for this meeting	
	* e. Directions to meeting location	

*Indicates agenda item attached

NH Vaccine Association – Audit Committee Meeting
September 9, 2015 – 8:30 – 9:30 a.m.
Conference Room – KidsVax
Presiding Officer: David Fredenburg, M.D.

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

<u>Directors:</u>	<u>Carew & Wells, PLLC:</u>
David Fredenburg, M.D., Chair – Healthcare Provider (P)	Karen Carew, CPA (P)
Susan Tenney – Harvard Pilgrim Health Care (P)	
Jason Margus – Anthem (P)	<u>Others:</u>
David Sky – NHID (P)	Mark McCue, Esq. – Hinckley Allen
Everett Lamm, M.D. – Healthcare Provider (P)	Robert Luria - GlaxoSmithKline
Marcella Bobinsky – DHHS (P)	
Laura Condon – Public Board Representative (P)	<u>KidsVax:</u>
	Fred L. Potter (P)
<u>Absent:</u>	Claire Roberge (P)
Edward Moran – Public Board Representative	Terry Mills (P)

II. Summary of Actions Taken and/or Recommended

A. Actions Taken (votes adopted)

1. To recommend publication of the 2014/2015 Audited Financial Statements to the Board of Directors.
2. To defer discussion regarding the Late Payment Policy until the November meeting.

B. Follow up Task/Action Items

1. KidsVax will send notification to all payers regarding the new address and ACH information being provided on the updated website assessment transmittal.
2. Mrs. Roberge will send the July 2015 financial statements, bank statement, and reconciliation to Ms. Condon for her review.
3. KidsVax will inquire about the status of a self-insured employer appointment to the NHVA Board.
4. KidsVax will request the Bank of New Hampshire (“BNH”) investment team prepare a presentation regarding the investment program for the December meeting.

III. Minutes

Welcome and Introductions

At approximately 8:30 a.m., a quorum having been established the meeting was called to order.

Mrs. Roberge reported that two checks made payable to the State of Alaska was deposited into the New Hampshire Vaccine Association (“NHVA”) account in error. Ms. Tenney, as well as individuals at the bank, were notified of the error immediately. A refund check from the NHVA account in the amount of \$70.50 was issued to the State of Alaska to correct this oversight.

Mrs. Roberge reported that the lockbox is now up and running. It is anticipated that the lockbox system will alleviate most, if not all, deposit errors going forward. Mrs. Roberge will be working with SolutionWorx to get the website transmittal updated with the new address and ACH information and KidsVax will send a notification of these changes to all payers. Mr. Potter thanked Attorney McCue for his review of the lockbox proposals.

Ms. Carew stated there were no significant audit findings and no problems working with management or questions as to the presentation or form of the financial statements. She reported that for clarification, she expanded the audit findings themselves with respect to estimates. She felt that vaccine expense and accounts receivable are the two estimates that are the most sensitive. The actual vaccine expense is controlled by the State of New Hampshire, but the remittance from NHVA is based on their estimate. The accounts receivable are based on the assumption that the amount of covered lives self-reported by each payer is accurate and not subject to material change. There were no difficulties encountered in performing the audit and no uncorrected misstatements. She did not find anything she felt needed to be included in the financial statements that should be changed. A change was made with respect to allocating the investment income. For financial statement presentation, the individual pieces were reviewed and broken out. Ms. Carew indicated that the move to a lockbox system for assessment collections will address the past recommendation to segregate the deposits from the reconciliations. During her review of the Plan of Operation, she noted that the interest calculations on late assessments and the timing of when those are received is not well-defined in the Plan and suggested revising the policy to specifically clarify the grace period during which additional interest will not be assessed by NHVA. After that time, a new assessment for the interest on the overdue balance would be created and followed up on. It was noted that there has not historically been a significant amount of lost interest. Further discussion ensued.

Ms. Condon indicated that it was not yet clear to her whether the deficiency noted by the auditors last fall with respect to internal audit controls regarding the segregation of deposits and reconciliation had been implemented and is now being performed on an ongoing basis. Ms. Carew reported that there was a segregation in staff duties immediately implemented last fall and she feels the Association has responded appropriately to the recommendation of the auditors. Ms. Carew further recommended that the lockbox system be implemented as well. It was noted by Mr. Potter that the implementation is complete and the first payments processed utilizing the lockbox system will be the assessment payments due November 15, 2015. All NHVA payments received directly between now and that time will be mailed by KidsVax, unopened, to the NHVA lockbox for processing.

Ms. Condon requested clarification with respect to the late payment interest and whether there was a significant amount of interest monies that were not being collected. Ms. Carew had addressed this concern prior to Ms. Condon's arrival to the meeting and indicated there is not a significant amount of monies or opportunities at this point, but rather that the policy for when the date interest will be assessed could be made more clear. This is not material in any way and Ms. Carew is not concerned that there has been a significant loss of revenue at any time.

Ms. Condon noted that one of the other recommendations from NHVA's auditors last fall was that the Board receive the monthly financials, including the bank statements and the reconciliations, but has not received this information since June 2015. After brief discussion, Mrs. Roberge indicated that she would send the information to Ms. Condon.

Ms. Carew reported that there were a couple of changes on the financial statements themselves. The notes were flushed out and there minor changes in the presentation were made. The financial statements are fairly stated and there is nothing significant or material missing or omitted. It is considered a clean opinion by the auditors. No significant changes were made to the Statements of Financial Position in terms of presentation. The only change made to the Statements of Activities and Changes in Net Assets was with the condensing of the expenses. The Statement of Cash Flows had no significant changes concerning how it is presented. The notes were changed to more clearly describe the NHVA's organization and what its purpose is. On Note "A", a description was added stating that the RSA requires all assessment revenue, including the assessments and investments, be considered temporarily restricted net assets. Further discussion and explanation followed. To provide a better understanding of how the organization operates and how any subsequent adjustments are recorded, minor changes were made in the wording pertaining to the RSA, where appropriate, with respect to receivable collection, recording of revenue, and specifically about NHVA not having a requirement to identify or verify the self-reported covered lives. If there is an adjustment, it is revenue at the time it is reported and does not go back and become revenue in another year. An additional note was added with respect to Related Party Transactions. The RSA requires NHVA to have payers who are on the Board and those payers have significant transactions with the organization. That being said, Ms. Carew felt it was important to note that there are no transactions that are outside of the ordinary course of business and nothing unusual about those transactions as compared to those of all other assessed entities.

Dr. Fredenburg inquired whether there now are four payer representatives on the Board. Ms. Tenney indicated that there is supposed to be a self-insured employer representative appointed to the Board, but that position was never appointed by Governor and Council. Mr. Potter indicated that he inquired about the appointment last fall, but will once again follow-up on the status of that appointment.

It was reported that a note was also included under Concentrations to clarify for anyone reviewing the financial statements that the Association derives nearly all of its revenue from assessments of licensed insurers in the State of New Hampshire, with 58% of the assessments derived from three assessable entities. Due to the requirements of RSA 126-Q, the Plan of Operation, and the industry in which assessable entities operate, management does not believe the Association is exposed to significant risk from the concentration of assessment revenue, nor from a concentration with a particular entity.

With respect to Short Term Investments, Ms. Carew explained that in the past everything had been considered cash equivalents. They were very short term, with typically less than three months until maturity. That is no longer the position, so this note is required and all of the detail is presented there. This relates to one journal entry that Ms. Carew proposed and posted allocating the entry between the various types of investment return and showing how it gets summarized in the financial statements. The current investments are very secure and not every unrealized gain or loss that is shown will be recognized, but there are some.

Ms. Condon asked about a seeders program being used for NHVA's investments. Mr. Potter indicated that it is not being used as an investment tool right now, but is being used as a cash collected protection tool. Ms. Carew clarified the current process used for short term investments and indicated that the account being referred to is only on the deposit bank account and not the investment account. Mr. Potter stated that KidsVax anticipates that the BNH investment team will provide a full presentation concerning the investment program at the November Audit Committee meeting. Mr. Potter indicated that the current investment strategy is extraordinarily conservative, as decided by the Board, but the Board may determine that it is acceptable for NHVA to have some limited corridor of risk that is entirely a Board policy.

Ms. Carew stated that since there are no plans to dissolve, the Association does not record a commitment or contingency related to Termination of the Association and this was referenced in Note "E" in further detail.

Executive Session Summary [Prepared by outside general counsel, Attorney Mark McCue of Hinckley Allen.]

The Audit Committee of the Board of Directors (the "Committee") of the NHVA then voted by unanimous roll call vote to enter into executive session to discuss personnel and proprietary financial matters at 9:15 a.m.

1 The Committee inquired of NHVA's auditor, Karen Carew of Carew & Wells, PLLC, whether her firm's audit revealed any concerns
2 with NHVA's administrator, KidsVax, or with NHVA's administrative practices or procedures. Ms. Carew informed the Committee that
3 she did not have any concerns, and complimented KidsVax for its cooperation and attentiveness to the audit process and the financial
4 materials provided. In response to an inquiry, Ms. Carew also outlined the segregation of duties and oversight that was implemented by
5 KidsVax following the concern raised in last year's audit regarding the monthly banking and reconciliation process. Ms. Carew stated
6 that the current process adequately addressed the audit concern, and that the institution of a lockbox was an additional security measure.
7

8 Upon a motion by Mr. Sky, seconded by Dr. Fredenburg and by unanimous roll call vote, the Committee voted to end the executive
9 session at 9:30 a.m.

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11 Respectfully submitted,

12
13 **Mark S. McCue**
14 Secretary pro tem
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16 At 9:30 a.m., the Audit Committee reconvened with KidsVax personnel present.

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

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20 VOTED: To recommend publication of the 2014/2015 Audited Financial Statements to the Board of Directors.
21

22 Upon further discussion, it was unanimously

23
24 VOTED: To defer discussion regarding the Late Payment Policy until the November meeting.
25

26 At 9:35 a.m., it was unanimously voted to adjourn.

**NH Vaccine Association – Board of Directors Annual Meeting
September 9, 2015 – 9:30 – 11:30 a.m.
Conference Room – KidsVax
Presiding Officer: Susan Tenney, Chair**

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

Directors:

David Fredenburg, M.D. – Healthcare Provider (P)
Susan Tenney, Chair – Harvard Pilgrim Health Care (P)
Jason Margus – Anthem (P)
Elaine Koskela – Cigna (P)
David Sky – NHID (P)
Everett Lamm, M.D. – Healthcare Provider (P)
Marcella Bobinsky – DHHS (P)
Laura Condon – Public Board Representative (P)

Others:

Mark McCue, Esq. – Hinckley Allen (P)
Colleen Haggerty – NHIP (P)

Public:

Robert Luria – GlaxoSmithKline (P)
Gina Powers – Rath & Young / Merck (P)
Leigh Omara – Sanofi Pasteur (P)

Absent:

Edward Moran – Public Board Representative

KidsVax:

Fred L. Potter (P)
Claire 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 30, 2015 Board meeting as presented.
2. To approve the Communications Policy as presented.
3. To approve the slate of officers for both the Board of Directors and Audit Committee as listed on page 03.a.1 of the Board packet, as amended with the additions of David Sky as Vice-Chair and Dr. Lamm serving on the Audit Committee.
4. To approve accept and approve publication of the 2014/2015 Audited Financials as recommended by the Audit Committee.
5. To form a Legislative Task Force comprising Mr. Sky, Ms. Tenney, Ms. Bobinsky, Ms. Koskela, and Dr. Lamm to seek legislative support for various matters, most importantly to resolve questions about assessment payments by MCOs.
6. To reimburse the State the carryforward amount of \$1,107,265 for vaccines purchased in FYE 6/30/2012 as requested.
7. To form a Task Force comprising Mr. Sky, as Chair, Ms. Condon, Ms. Tenney, and Mr. Margus was formed to work on updating the presentation format of the assessment setting worksheet to better inform the Board's decision-making with respect to assessment setting in the future.
8. To set the 2016 and 2017 assessment rates at \$9.95 per month.
9. To approve KidsVax to represent, on behalf of the Association, that the Board encourages the New Hampshire delegation to support legislation that would require TRICARE to pay vaccine assessments to the State.
10. To form a committee of the Board to prepare an RFP for administrator services to become effective at the end of the current contract with KidsVax.
11. To engage the legal services of Hinckley, Allen and Snyder LLP to assist the RFP committee.

B. Follow up Task/Action Items

1. KidsVax will facilitate the new NHVA Legislative Committee work to identify legislators who might sponsor corrective legislation with respect to RSA 126-Q legislation concerning the assessment of MCOs.
2. KidsVax will, in the upcoming Annual Report, notify the legislative leadership of additional vaccines that have been added to the schedule.
3. KidsVax will post Ms. Haggerty's handout regarding meningococcal B vaccines to the website immediately following today's meeting.
4. KidsVax will incorporate Mr. Sky's recommendation to include actual versus projected costs of vaccines in the worksheet for next year's assessment.
5. KidsVax will post the State's request for reimbursement of the 2015 carryforward amount to the Handouts section of the Event Calendar.
6. Ms. Bobinsky will make detailed vaccine wastage information available to Ms. Condon.
7. Ms. Bobinsky will provide Mr. Sky with the contact information for the DHHS Vaccine Program finance person.
8. Mr. Sky will schedule a meeting with the newly-formed Legislative Task Force members (Mr. Sky, Ms. Tenney, Ms. Bobinsky, Ms. Koskela, and Dr. Lamm) regarding various legislative matters and resolution of questions about assessment payments by MCOs.
9. KidsVax will mail the assessment rate increase communication to the payers by November 1, 2015.
10. KidsVax will poll for a conference call date in late September or early October to continue discussion on the Parking Lot agenda items.
11. Mr. Potter will draft a letter to Senator Shaheen regarding TRICARE and will circulate the draft in advance to the entire Board and will provide a comment period prior to mailing the letter.
12. Any Board member having comments on the draft Late Payment Policy was asked to forward those to Mr. Potter in the near future so they can be incorporated into the next draft.

III. Minutes

Annual Meeting

The first order of business was the report on proxy submissions. Ms. Tenney reported that six proxies were received by KidsVax through September 8, 2015 at 5:00 p.m., representing 350,772 out of a possible 499,230 child covered lives or 70% of the child covered lives in New Hampshire. All proxies were voted in favor of the nominees from the Board as follows; Jason Margus with Anthem, Elaine Koskela with Cigna, and Sue Tenney with Harvard Pilgrim. Ms. Tenney asked if any entity that submitted a proxy prior to the meeting would like to revoke their proxy at this time. Hearing none, Ms. Tenney deemed the annual election closed with the current payer representatives on the Board elected for another term. Ms. Tenney adjourned the Annual Meeting of the Members at approximately 9:40 a.m.

Board Meeting

Welcome and Introductions

At approximately 9:40 a.m., a quorum having been established, Ms. Tenney called the meeting to order. Ms. Tenney surveyed the Board for additional items to be added to the agenda. Ms. Bobinsky requested that if time allowed, she would like to provide the Board with a brief informational update regarding the distribution of influenza vaccines at schools. Mr. Potter advised that there were no meeting participants on the conference line and as a consequence, the Board instructed that the line be closed.

Consent Calendar

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

VOTED: To approve the minutes of the June 30, 2015 Board meeting as presented.

Ms. Tenney asked if there was further discussion from the Board regarding the Revised Communication Policy. In response to an inquiry by Mr. Sky, Mr. Potter reported that he had incorporated all comments made at the June meeting into the final update and, as instructed, had distributed it to the Board approximately a week after the June meeting. There was no further discussion.

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

VOTED: To approve the Communications Policy as presented at the meeting.
[Ms. Condon abstained from voting; all others voted in favor.]

Election of Officers

During the Annual Meeting of Members it was reported that six proxy votes were received. All votes were cast for the slate of officers recorded on the proxy card. This slate of officers represents the three largest carriers in the State. The existing carrier representative directors were re-elected.

At the Board's request, KidsVax had solicited each Director for potential interest to serve as officers or on committees. Mr. Potter reported that KidsVax did not receive any responses. Ms. Tenney opened discussion for those desiring to change positions or fill the open position of Vice-Chair. Mr. Sky volunteered to take the position of Vice-Chair for the coming year. The remaining slate of current officers expressed their willingness to continue in their current positions. The current slate of Audit Committee members expressed their willingness to continue to serve on the Committee. Dr. Lamm also volunteered to become an Audit Committee member for the coming year.

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

VOTED: To approve the slate of officers for both the Board of Directors and Audit Committee as listed on page 03.a.1. of the Board packet, as amended with the additions of David Sky as Vice-Chair and Dr. Lamm serving on the Audit Committee.

Business Updates

Mr. Potter suggested that in light of other substantive business, including assessment setting, he would not review the ED Report included in the Board materials. He indicated his willingness to answer any questions from the Board. Ms. Tenney inquired if there was any discussion with respect to the ED Report. Hearing none, Ms. Tenney moved on to the action and recommendations of the Audit Committee.

Dr. Fredenburg, Audit Committee Chair, reported that the financial audit was recommended to the Board to be accepted and published. There were very few questions of the auditor. The remaining outstanding issue was the need to get the lockbox up and running. The Audit Committee did not address the clarification of the process of interest allocation. That will be discussed at the next meeting. That issue concerns when the Association will seek to collect past due interest from payers. Mr. Potter stated that a draft of the Late Payment Policy is included in the Board packet for review. He invited Board members to comment back to him with any suggestions and he will do his best to incorporate them prior to the next Audit Committee meeting. The Audit Committee can then review the policy and make a recommendation to the Board. It would then be ready for Board action at the next meeting.

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

VOTED: To accept and approve publication of the 2014/2015 Audited Financials as recommended by the Audit Committee.

Attorney McCue presented the Board with an update on the status of NHVA legislative changes. The corrective legislation to make it clear that the MCOs are not assessable entities for the Vaccine Association assessment is included in the Budget Bill currently at an impasse due to the political wrangling over the budget itself. The leaders of the Senate and the House believe they have achieved a way around the impasse with a few details to be worked out. The session opens up again on September 16th with the legislation leadership's hope being that the Governor's veto can be overridden with an amendment to the existing Budget Bill adopted and approved with an effective date of October 1. If that happens, the MCO exclusion and the amendment to RSA 126-Q will happen and will become effective. Mr. Sky advised that the Insurance Department's position remains unchanged: It does not presently intend to waive an

assessment on MCOs for a second consecutive year. Absent new legislation that is adopted in time, the Association will have to consider how to deal with the MCOs in its assessments.

Ms. Tenney asked Attorney McCue if the Association would need to submit an LSR as a placeholder. Attorney McCue proposed waiting until November to see what happens in the latter part of September. He indicated that in the event the legislation does not go through, and the Association cannot get some form of expedited legislation, which would be difficult, there is a possibility of adding a provisional section to the Plan of Operation to assess the MCOs annually prior to June 30 rather than quarterly. This would provide time to develop a legislative solution. Without a legislative solution, theoretically the MCOs would pay, which would cause an overfunding that would then roll into the next year and be considered in the subsequent year's assessment. Further discussion ensued. It was the sense of the Board that the MCOs do not have the funds to pay the assessment. They are not paid by the State for this and it would potentially put two organizations under and run the risk of losing millions of dollars in federal grant money. Ms. Tenney inquired about the need to begin soliciting legislators for support in the event that the budget issue is not resolved. Mr. Potter suggested reactivating the Legislative Committee. Ms. Bobinsky stated that DHHS would be very interested in this legislation. Ms. Tenney asked for volunteers to make up a Legislative Committee that can speak with the government affairs people to seek legislative support for various matters, most importantly, to resolve questions about assessment payments by MCOs. Mr. Sky, Ms. Tenney, Ms. Bobinsky, Ms. Koskela, and Dr. Lamm expressed their willingness to serve on the committee. KidsVax was requested to facilitate the identification of legislative sponsors with respect to the RSA 126-Q legislation concerning the assessment of MCOs. Ms. Tenney intends to take the matter back to Harvard Pilgrim's lobbyists to ask for their support.

DHHS Update

Ms. Bobinsky deferred her update regarding the influenza vaccine until the next meeting. Ms. Bobinsky introduced Colleen Haggerty, who is a member of the Immunization Program staff. She has been filling in since Ms. Bobinsky's departure. Susan Meyers has recently been employed as the Immunization Section Chief. Unfortunately, she was unable to attend today's meeting and sent Ms. Haggerty as her representative. Ms. Haggerty provided a handout for the Board's review with respect to the meningococcal B ("MenB") vaccines. KidsVax will post this handout to the website immediately following today's meeting.

Ms. Bobinsky reported that DHHS has received its National Immunization Survey Report for childhood vaccines. New Hampshire is once again over the 80% mark, which is the 2020 goal set for all states. Many of the vaccines jumped up over 90%. Ms. Bobinsky expressed that once again, NHVA is having a tremendously favorable impact by assuring that all recommended vaccines are available, without charge, on the vaccines that are distributed to New Hampshire children.

DHHS has selected and included two MenB vaccines to the vaccine list for distribution. Mr. Potter indicated that one of the specific duties of the Board is to notify the NH legislature of additions to the vaccine list. Accordingly, KidsVax will notify the legislative leadership of additional vaccines added to the schedule. Mr. Potter felt that Gardasil 9 should be added to the active vaccine list as well. The Board concurred. Ms. Haggerty noted that the NH Immunization Program is waiting for the Advisory Committee on Immunization Practices ("ACIP") to publish their permissive recommendation before the Program puts any information out to the healthcare providers who are currently only providing the vaccine to those individuals who are high risk. Extensive discussion ensued regarding the expected costs of the vaccines being purchased for the NH Immunization Program for SFY 2016, including the factors involved in estimating the potential number of doses required and how the costs and doses are adjusted in correlation with vaccine usage. The purchases are not locked in, so only what is actually used will be purchased. This is adjusted on a quarterly basis throughout the year. Any remaining funds roll over into next year's assessment or are used to cover the uptick of another vaccine. The vaccine costs are reconciled at the end of each year and the overage or underage flows into the following year's assessment.

Ms. Condon inquired whether NHVA was credited for purchase of any of the two influenza vaccines that were recalled last year. Ms. Bobinsky said that the State did not purchase any of those vaccines and there were no recalls on any of the State purchased vaccines last year. Mr. Sky asked what made last year's actual expenses of \$26.1 million so much higher than the \$23.9 million that had been estimated. Ms. Bobinsky stated she has not had an opportunity to analyze the cause, but suggested that, in part, it is likely due to the statistically significant increase in male HPV vaccines last year. Mr. Sky suggested that for future presentations, it would be helpful to add actual versus projected costs by vaccine. KidsVax agreed to implement that suggestion for next year's assessment, subject to receiving the necessary data from DHHS.

DHHS has received notice from CDC that the cost estimate of VFC vaccines coming into the State this year is an upper limit of \$9.5 million. The State is currently carrying a negative balance for the NHVA line item and the Association owes \$1,107,265 for 2014/15. Historically, NHVA has never been faced with a cash call from the State. Further discussion ensued, including the implications of this for NHVA's reserve levels.

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

VOTED: To reimburse the State the carryforward amount of \$1,107,265 for vaccines purchased in FYE 6/30/2012 as requested.

There was a brief discussion regarding vaccine wastage. Ms. Condon inquired if the providers had, in fact, reimbursed for wastage and if the funds go to DHHS or NHVA. Ms. Bobinsky stated that the funds are put back into the NHVA restricted fund, which then purchases additional vaccine. Ms. Condon asked if there is a detailed breakdown regarding vaccine wastage. Ms. Bobinsky has that information as well as detail as to why it was wasted. Ms. Condon requested a copy of that information. Lengthy discussion ensued.

Assessment Setting

Mr. Potter stated that the spreadsheet structure is the same as in prior years. The first assessment that can be effected, consistent with current NH Insurance Department guidance, is the assessment that will be for the measuring period January through March and effective in May 2016. The Board's vote will be in effect for at least one year; therefore, two years are shown in the spreadsheet because the first year is minimally impacted by the Board's action. The collection prior to the 2015/2016 year is for only one month. The \$0.14 rate will still be in effect for one quarter's collection and then the new rate will be available in the last quarter as the May 15th collection.

Mr. Potter gave a lengthy overview of how the figures displayed in the spreadsheet were calculated. The spreadsheet seeks to raise \$19 million to be sent to the State Treasurer in June of each of the next two years. The control points used have not been changed from last year's factors. Maintaining these control

points as presented is a Board decision. The worksheet as presented calculates the annual assessment rate at \$119.34 annually or \$9.95 per month. Extensive Board discussion ensued.

Mr. Sky recommended formation of a Presentation Task Force to work throughout the coming year on a presentation worksheet that will better inform the assessment setting process. Ms. Tenney agreed with Mr. Sky's recommendation. Mr. Sky, Ms. Condon, Ms. Tenney, and Mr. Margus indicated their willingness to serve on this task force. Ms. Bobinsky will request the assistance of her finance person for this work as well. Mr. Sky volunteered to chair the task force. Ms. Bobinsky will provide Mr. Sky with the contact information for her finance person. Extensive discussion continued. A communication regarding the assessment rate increase will be mailed to the payers by November 1, 2015.

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

VOTED: To set the 2016 and 2017 assessment rate at \$9.95 per month.

Public Comment

There was no public comment.

TRICARE

Mr. Potter provided a brief report regarding the status of the TRICARE matter. There is now a multi-state effort to develop a legislative mandate for TRICARE to pay all universal state assessments. KidsVax would ask that New Hampshire urge its congressional delegation to support the multi-state effort. The lobbying firm hired by the State of Washington has already been to Senator Shaheen's office several times because she is the ranking senate member of the Appropriations Committee for the Armed Services Bill, expected to pass prior to the end of December.

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

VOTED: To approve for KidsVax to represent, on behalf of the Association, that the Board encourages the New Hampshire delegation to support legislation that would require TRICARE to pay vaccine assessments to the State.

Chairman Tenney indicated that the remaining TRICARE topics would be held over until the next meeting.

Parking Lot Items

The following parking lot items will be deferred until the next NHVA Board Meeting:

1. Review and approval of the Late Interest Payment Policy;
2. Ms. Bobinsky's presentation regarding distribution of influenza vaccines at schools; and
3. Further discussion regarding TRICARE.

At the request of Ms. Bobinsky, Mr. Potter will draft a letter to Senator Shaheen and other members of the congressional delegation, as recommended by outside legislation counsel, and will circulate the draft to the entire Board. A short comment period will be provided prior to mailing the letter.

Executive Session [Prepared by outside general counsel, Attorney Mark McCue of Hinckley Allen. KidsVax representatives were excused.]

The Board of Directors (the "Board") of the New Hampshire Vaccine Association ("NHVA") then voted by unanimous roll call vote to enter into executive session to discuss personnel matters at 11:35 a.m.

The Board expressed continued concern about the timeliness and accuracy of Board meeting materials prepared and distributed by KidsVax. The Board requested that Ms. Tenney remind KidsVax of the Board's need to receive accurate information sufficiently in advance of Board meetings to allow them to review the materials, particularly given the complexity of the information and the volunteer nature of the Board.

The Board also discussed the propriety of issuing requests for proposals (RFP) at regular intervals for contracted services. The Board concluded that it was good governance practice to conduct RFPs occasionally, regardless of the performance of the contractor. The Board then discussed whether it would be appropriate to conduct an administrator services RFP, and the preparations required so that the process could be completed prior to the expiration of the current KidsVax contract.

Upon a motion by Mr. Sky, seconded by Ms. Condon, it was unanimously

VOTED: To form a committee of the Board to prepare an RFP for administrator services to become effective at the end of the current contract with KidsVax.

Mr. Sky agreed to chair the RFP committee, and Ms. Condon agreed to serve on it. A representative of the Department of Health and Human Services or other member may be added to the committee in the future.

Upon a motion by Ms. Bobinsky, and seconded by Ms. Tenney, it was unanimously

VOTED: To engage the legal services of Hinckley, Allen and Snyder LLP to assist the RFP committee.

By unanimous roll call vote, the Board voted to end the executive session at 11:50 a.m.

Respectfully submitted,
Fred L. Potter
Secretary pro tem

NHVA Annual Board Meeting
September 9, 2015

Policy Title:	New Hampshire Vaccine Association (NHVA) Late Payment Interest Policy	
Policy Number:		EFFECTIVE: September __, 2015
Purpose:	To afford guidance to NHVA's Executive Director and Assessment Administrator with respect to collection for late payment interest.	

This Late Payment Interest Policy (the "Policy") will guide the NHVA Executive Director and Assessment Administrator and its staff with respect to follow-up to collect interest on overdue assessments paid to NHVA by assessable entities.

A. CONSIDERATIONS

For purposes of this policy,

1. NHVA desires to remain an entity which is "easy to do business with" for payers who make payments, generally on a quarterly basis, with respect to NHVA assessments.
2. NHVA has a remarkable history of voluntary reporting and compliance, including a record of very high levels of timely compliance by the payers.
3. NHVA recognizes that payers themselves have internal processes which require certain turnaround time for payment processing.
4. Increasingly, envelopes arrive with the assessment payments which have no readable postmark or postage cancellation date.
5. Interest rates have been quite low for an extended period of time.

B. GUIDANCE

1. NHVA will, through its automated system, continue to compute interest automatically as due through the date reported as the anticipated payment date by assessable entities. Those amounts will be calculated and included in the system-generated NHVA invoices.
2. NHVA will consider payments received within two (2) weeks of the due date to have been made on the due date for all assessment payments.
3. Absent repeated late payments, the Assessment Administrator will not pursue interest for assessments received within thirty (30) days of the due date.
4. Absent repeated late payments from an assessable entity, notwithstanding any of the other guidelines, the Assessment Administrator is authorized to forego pursuit of any past due interest amount under \$100.

C. ENFORCEMENT, REVIEW AND REVISION:

This Policy may be updated from time to time by the Board.

DATE ADOPTED: September __, 2015

LAST REVISED: _____

TRICARE assessment arrearage estimates

A	B	C	D ^a	E	F	G	H	I	J	K	L
			Est. Child	Program	Per Child Per Month Assessment Rate						
Line	State	Notes	Covered Lives	start year	2010	2011	2012	2013	2014	2015	Total
01.	WA	^b	84,339	2010	N/A - Dosage Based Assessment Method						6,387,313 ^m
02.	NH	^c	4,432	2002				10.61	12.96	0.14	1,260,993
03.	ME	^d	6,832	2011		6.98	6.59	8.16	8.16	8.16	3,119,491
04.	VT	^e	2,235						12.49	11.61	646,362
05.	AK	^f	26,496	2015						6.85	2,177,971
06.	ID	^g	7,864								1,800,000
07.	RI	^h	5,206	2016							0
			137,404							subtotal:	15,392,130
21.	CT	ⁱ	10,906	2014							0
22.	NM	^j	18,975	2015							0
23.	MA	^k	12,355								0
24.	GA	^l	111,536	2016							0
			153,772							subtotal:	0
			291,176							total:	15,392,130 ⁿ

Notes:

^a From 12/05/2012 FOIA response from TRICARE. Numbers appear to be low.

However, does not exclude on-base immunizations. These should be excluded.

^b Washington arrearage for early years (TriWest administration) is agreed # between KV & TRICARE analysts. Remaining arrearage is estimated based upon that base period.

^c The New Hampshire program was amended to include TPAs for self-funded plans starting in 2013.

^d

^e These numbers are only for the period of KV administration (starting in 2014). There may be liability for prior periods.

^f

^g Prior to 2013 CDC allowed \$317 funds to be used to cover ID costs for TRICARE beneficiaries.

Governor Otter's January 2, 2014 to the US Dept. of Defense estimated ongoing costs of \$600K/year.

^h Rhode Island has a new statute effective 1/1/2016. It has selected KV for administration then.

ⁱ

^j

^k

^l Georgia is just starting to look into implementing a program.

^m If the WA claim proceeds to litigation the total amount claimed will exceed \$21 million.

ⁿ If statutory interest and penalties were added, the total would be substantially larger.

These are initial good faith estimates for the states where data is shown as of the time of printing.

** Subject to material revision up or down. **

BOARD OF DIRECTORS

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Anthem Blue Cross & Blue Shield
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Hooksett, NH 03106

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Susan Tenney
Manager, Network Contracting
Harvard Pilgrim Health Care-NE
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Healthcare Provider Representatives [RSA 126-Q:3, III.(b)]

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Governmental Representatives [RSA 126-Q:3, III.(c)&(d)]

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Representatives of Self-Insured Entities [RSA 126-Q:3, III.(e)]

[Currently vacant]
(Appointed by the Governor and Council)

Members of the Public [RSA 126-Q:3, III.(f)&(g)]

Edward P. Moran
Former State Legislator
19 Ministerial Road
Bedford, NH 03110
(Appointed by the Speaker of the House)

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Laura Condon
12 Brick Mill Road
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(Appointed by the President of the Senate)

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NEW HAMPSHIRE GOVERNMENTAL AUTHORITIES

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New Hampshire Insurance Department
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BOARD GOVERNANCE ROLES

Officers

Chair: Susan Tenney
 Vice-Chair: David Sky
 Treasurer: David Fredenburg, M.D.
 Secretary: Elaine Koskela

Finance/Audit Committee

David Fredenburg, M.D. – Chairman
 Susan Tenney – Vice-Chair
 David Sky
 Laura Condon
 Jason Margus
 Everett Lamm, M.D.

Legislative Task Force

Susan Tenney
 David Sky (or his designee)
 Ms. Bobinsky
 Ms. Koskela
 Everett Lamm, M.D.
 Fred Potter (provide assessment administrator assistance)
 Mark McCue, Esq. (provide legal counsel)

Governance Committee

David Sky – Chairman
 Susan Tenney
 Laura Condon
 Fred Potter (provide assessment administrator assistance)
 Mark McCue, Esq. (provide legal counsel)

**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.

Meeting Schedule – 2015/2016

September 2015			
Audit Committee Meeting Annual Board of Directors Meeting	Wednesday, September 9, 2015	KidsVax®, LLC Concord	8:30 – 9:30 a.m. 9:30 – 11:30 a.m.
October 2015			
Board Conference Call [90-minutes] Agenda Items: <ul style="list-style-type: none"> • Approve minutes of 9/9/15 (Audit & Annual Meeting) • Review and approval of the Late Interest Payment Policy • Ms. Bobinsky's presentation regarding distribution of influenza vaccines at schools • Further discussion regarding TRICARE. 	Tuesday, October 6, 2015	Teleconference & In-Person at KidsVax®	8:30 – 10:00 a.m.
December 2015			
Audit Committee Meeting Agenda Items: <ul style="list-style-type: none"> • Investment Policy Board of Directors Meeting Agenda Items: <ul style="list-style-type: none"> • Governance Document Review • MCO Assessment Follow-up 	Tuesday, December 15, 2015	KidsVax®, LLC Concord	8:30 – 9:15 a.m. 9:30 – 11:30 a.m.
March 2016			
Audit Committee Meeting Board of Directors Meeting	Tuesday, March 15, 2016	KidsVax®, LLC Concord	8:30 – 9:15 a.m. 9:30 – 11:30 a.m.
June 2016			
Audit Committee Meeting Agenda Items: <ul style="list-style-type: none"> • Preparation for Audit Board of Directors Meeting	Tuesday, June 21, 2016	KidsVax®, LLC Concord	8:30 – 9:15 a.m. 9:30 – 11:30 a.m.
September 2016			
Audit Committee Meeting Annual Board of Directors Meeting Agenda Items: <ul style="list-style-type: none"> • Assessment Setting 	Tuesday, September 27, 2016	KidsVax®, LLC Concord	8:30 – 9:15 a.m. 9:30 – 11:30 a.m.
October 2016			
Board Conference Call [90 minutes] [To finalize assessment rate if needed.]	Tuesday, October 4, 2016	KidsVax®, LLC Concord	8:30 – 10:00 a.m.
December 2016			
Audit Committee Meeting Board of Directors Meeting	Tuesday, December 20, 2016	Teleconference & In-Peron at KidsVax®	8:30 – 9:15 a.m. 9:30 – 11:30 a.m.

October 6, 2015
Proposed Form of Votes

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.

Items under Agenda Section 2:

VOTED: To approve the Audit Committee minutes of the September 9, 2015 meeting.

[To approve the Audit Committee minutes of the September 9, 2015 meeting with the changes suggested at this meeting.]

VOTED: To approve the Annual Meeting minutes of the September 9, 2015 meeting.

[To approve the Annual Board minutes of the September 9, 2015 meeting with the changes suggested at this meeting.]

VOTED: To approve the Late Payment Policy as recommended by the Audit Committee.

[To approve the Late Payment Policy as recommended by the Audit Committee with the changes suggested at the meeting.]

VOTED: To approve final confirmation of the 2015/2016 NHVA Meeting Calendar.

[To approve final confirmation of the 2015/2016 NHVA Meeting Calendar with the changes suggested at the meeting.]

Items under Agenda Section 8:

VOTED: To authorize reimbursement of up to \$35,000 for engagement by KidsVax®, or Washington Vaccine Association's Washington, DC legislative counsel, of a firm to assist with communications and public information concerning efforts to compel the Defense Health Agency to pay its equitable share of universal state vaccine assessments.

[To authorize reimbursement of up to \$35,000 for engagement by KidsVax®, or Washington Vaccine Association's Washington, DC legislative counsel, of a firm to assist with communications and public information concerning efforts to compel the Defense Health Agency to pay its equitable share of universal state vaccine assessments with the changes suggested at the meeting.]

VOTED: To authorize KidsVax® to seek qualified Washington DC counsel who would, on a contingent fee basis, pursue NHVA's assessment claims with respect to the equitable share attributed to beneficiaries of the Defense Health Agency, along with the claims of similar programs in other states, and to bring its recommendation(s) concerning such counsel back to the Board for final action.

[To authorize KidsVax® to seek qualified Washington DC counsel who would, on a contingent fee basis, pursue NHVA's assessment claims with respect to the equitable share attributed to beneficiaries of the Defense Health Agency, along with the claims of similar programs in other states, and to bring its recommendation(s) concerning such counsel back to the Board for final action with the changes suggested at the meeting.]

DIRECTIONS TO KIDSVAX®

125 North State Street [at the corner of North State Street and Franklin Street], Concord, NH
Please call (603) 491-8044 or (855) 556-4103 with questions.

From the North:

- Take I-93 South.
- Merge onto US-202 W via Exit 15W toward US-3/North Main Street/Downtown.
- Turn left at the traffic lights onto North Main Street/US-3/US-202 W.
- Take the first right onto Franklin Street (Friendly's Restaurant is on the corner).
- At the rotary on Franklin and North State Streets, proceed half way around the rotary onto Franklin Street.
- Take the first right into the parking lot. KidVax® is located in the yellow Victorian house on the corner of Franklin and North State Streets.

From the South:

- Take I-93 North.
- Merge onto US-202 W via Exit 15W toward US-3/North Main Street/Downtown.
- Turn left at the traffic lights onto North Main Street/US-3/US-202 W.
- Take the first right onto Franklin Street (Friendly's Restaurant is on the corner).
- At the rotary on Franklin and North State Streets, proceed half way around the rotary onto Franklin Street.
- Take the first right into the parking lot. KidVax® is located in the yellow Victorian house on the corner of Franklin and North State Streets.

