

**NH Vaccine Association – Annual Board of Directors Meeting
June 21, 2016 – 9:30 – 11:30 a.m.**

KidsVax® Offices

Presiding Officer: Susan Tenney, Chair

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

Directors:

Susan Tenney, Chair – Harvard Pilgrim Health Care
Laura Condon – Public Board Representative
David Fredenburg, M.D. – Healthcare Provider
Colleen Haggerty – DHHS [Personal Representative for
M. Bobinsky]
Elaine Koskela – Cigna
Everett Lamm, M.D. – Healthcare Provider
Jason Margus – Anthem
David Sky, NHID – Governmental Representative

Absent:

Edward Moran – Public Board Representative
Marcella Bobinsky – Governmental Representative

Others:

Larry Hart – Compass Health
Mark McCue, Esq. – Hinckley Allen
Monica Meyer (T)
Beth Ptak – Meritain (T)

KidsVax®:

Fred L. Potter (T)
Nicole G. Price
Julia G. Walter (T)
Claire Roberge
Terry Mills

II. Summary of Actions Taken and/or Recommended

A. Actions Taken (votes adopted)

1. To adjourn the Annual Meeting of the Members at approximately 9:35 a.m.
2. To approve the Board Meeting minutes of the March 9, 2016 meeting, as presented.
3. To approve the Special Board Meeting minutes of the June 3, 2016 meeting, as presented.
4. To approve the slate of officers for both the Board of Directors and Finance/Audit Committee, as presented.
5. To authorize KidsVax®, acting through their designees, Claire M. Roberge or Theresa M. Mills, to transfer funds from the BNH investment account to the BNH operating account as needed in accordance with NHVA established policies and procedures, as recommended by the Audit Committee.
6. To adopt the budget recommended by the Audit Committee, as presented.
7. To deny Blue Cross Blue Shield of Vermont's request for refund for what they characterize as a double payment for fourth quarter of fiscal year 2014.
8. To reduce Blue Cross Blue Shield of Vermont's interest down to 1%.

B. Follow-up Tasks / Action Items

1. Ms. Price will follow-up with regard to the open self-insured Board position.
2. Mr. Sky requested that DHHS consider having a representative from NHVA as a stakeholder or participant in the education and outreach process. Ms. Haggerty indicated her willingness to bring the suggestion back to Ms. Bobinsky.
3. Ms. Mills was asked by Mr. Sky to organize an Assessment Task Force meeting between mid-July and mid-August to review the recommendations of DHHS in preparation for the September 27 assessment setting.
4. Ms. Roberge will communicate the Board's decisions to Blue Cross Blue Shield of Vermont.
5. Ms. Price will keep Mr. Sky informed regarding the Gobeille case and the SIIA case.

Annual Meeting

The first order of business was the report on proxy submissions. Ms. Price reported that seven proxies were received by KidsVax®(KV) through June 20, 2016, at 12:00 p.m., representing 87,842 child covered lives received and recorded by proxy out of a possible 168,635 child covered lives or 52% of the child covered lives in New Hampshire. All proxies were voted in favor of the Board nominees currently holding Board positions as follows: Jason Margus with Anthem, Elaine Koskela with Cigna, and Susan Tenney with Harvard Pilgrim. Ms. Tenney asked if any entity submitting 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 were elected for another term.

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

VOTED: To adjourn the Annual Meeting of the Members at approximately 9:35 a.m.

Board Meeting

Welcome and Introductions

At approximately 9:35 a.m., a quorum having been established, Ms. Tenney asked for individuals on the telephone to identify themselves. She then called the meeting to order. Colleen Haggerty attended the meeting as the personal representative for Marcella Bobinsky. Ms. Tenney surveyed the Board for additional agenda items. Ms. Condon requested the addition of an item she wanted to share with the group under item 6, Other Matters from Board Members.

Consent Calendar

Meeting Minutes. The minutes from the March 9, 2016 and June 3, 2016 Board Meeting were brought before the Board. Hearing no discussion, Ms. Tenney asked for a motion to approve the Board Meeting minutes from March 9, 2016 and June 3, 2016.

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

VOTED: To approve the Board Meeting minutes of the March 9, 2016 meeting, as presented.

VOTED: To approve the Special Board Meeting minutes of the June 3, 2016 meeting, as presented.

Code of Ethics. Ms. Tenney reported for informational purposes that the Code of Ethics and Plan of Operation approved at the March 9, 2016 Board Meeting, underwent a few small refinements after the meeting. These revisions were sent to the Board for review and comment by Ms. Price. She received no comments back on either of these documents.

Ethics Affirmation Statements. Board members also received Ethics Affirmation Statements. Ms. Price indicated that she had received all but one back. She requested that everyone get those back to her at their earliest convenience so that they can be included with the approved minutes of this meeting. Reminders have been sent, but Ms. Price will also contact anyone with outstanding paperwork.

Annual Conflicts Questionnaire. The Annual Conflicts Questionnaires need to be completed and returned by all Board members. Ms. Price has several that remain outstanding. Additional questionnaires were distributed at the meeting. The completed questionnaires are submitted to the Board Chair and they are kept as part of the Association's records.

Annual Board Meeting Work

Election of Officers. The election of officers and appointment of committees was discussed. Ms. Tenney opened discussion for those desiring to propose changes or to volunteer to serve in any of these capacities. There were no recommended changes to the current slate, as presented.

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

VOTED: To approve the slate of officers for both the Board of Directors and Finance/Audit Committee, as presented.

Oath of Office. The Oath of Office was given to each Board member as they arrived at the meeting. The Board had earlier agreed this would be done for new Board members, as stated in the Bylaws. It was the sense of the Board that it would be a best practice to have all current members sign the Oath as well. Attorney McCue issued the Oath of Office to the entire Board in group fashion.

Business Updates

Executive Director Report. The amended Articles of Agreement, the Bylaws, and the Plan of Operation have all been signed and returned from the commissioners. The Bylaws and Plan of Operation are posted on the website, and the Articles will soon be posted there as well. The Articles now move on to the Secretary of State for the Certificate of Filing. Dr. Fredenburg was asked to sign that Certificate before he leaves today so that it can be submitted to the Secretary of State. Ms. Price reported that she has reached out to the Governor's office regarding the open Board position for a representative for self-insureds. Several suggestions were made from members, including polling self-insured payers to determine what interest there may be in serving on the Board or contacting employer groups. Ms. Price will follow-up on this matter. Ms. Price reported that Mrs. Roberge has the check available for signing to submit to the State for \$18 M for NHVA. Ms. Price thanked everyone for welcoming her.

NHVA Quarterly Financials. Mrs. Roberge reported that the available financials are from March 31, 2016. She is beginning preparation for the upcoming audit. Dr. Fredenburg has signed the audit engagement letter and the audit should begin within the next few weeks. There have been no significant changes in the financials. The lockbox agreement has worked out very well. All May 15 collections were received via the lockbox. KV did not receive any payments directly. There were nine payers who utilized the ACH system. The next report that will be provided to the Board will be the audited financials. Mrs. Roberge also reported that there were no delinquencies in the assessment payments that were due as of May 15. KV now has a new system in place for charging additional interest if payments are made beyond the two-week notice period. The new system will be tested beginning with the August 15 assessment.

Audit Committee Recommendations. Dr. Fredenburg reported that Carew & Wells is on an annual renewal with respect to year-end audit preparation. They held their fee to the same amount as last year.

Bank of New Hampshire (BNH) requested Board authorization for fund transfer authorization to Claire M. Roberge and Theresa M. Mills for purposes of allowing transfer of funds as needed between the NHVA investment account and operating account. The suggested phrasing approved by the Audit Committee and brought to the full Board for approval is, "The Board votes to authorize KV, acting through their designees, Claire M. Roberge or Theresa M. Mills, to transfer funds from the BNH investment account to the BNH operating account as needed in accordance with NHVA established policies and procedures." Ms. Condon stated that the reason she was opposed to the recommendation is because transfers are generally done only once a year, and this transfer could be authorized as the need arises without adopting this particular policy. Ms. Roberge stated that for a refund request greater than \$50,000, she would need to request Board authorization as well because the operating account balance is held at \$50,000. The Board would need to meet far enough in advance each time a disbursement greater than \$50,000 was required so that there would be time to authorize the transfer, have the transfer completed and posted to the account. Attorney McCue added that the vote would have to be recorded and a written copy of the vote transmitted to the bank with each request. Ms. Tenney stated that she feels there are enough checks and balances within the system and any time there is a check for greater than \$5,000 that is disbursed out of the account, two Board members need to sign the check. Further, the transfers would be made within the only two accounts held by the Association and bank statements are distributed to the entire Board on a monthly basis.

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

VOTED: To authorize KidsVax®, acting through their designees, Claire M. Roberge or Theresa M. Mills, to transfer funds from the BNH investment account to the BNH operating account as needed in accordance with NHVA established policies and procedures, as recommended by the Audit Committee.

Dr. Fredenburg provided a brief overview of the 2016/2017 Expense Budget worksheet. He noted that actual expenses have been lower in every area other than the \$25,000 approved for TRICARE. There are no special projects anticipated for 2016/2017. The administrative costs are on a percentage increase that was part of the contracting. The increased bank fee is due to the lockbox services that will be incurred for a full year rather than a half year as was the case for 2015/2016.

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

VOTED: To adopt the budget recommended by the Audit Committee, as presented.

DHHS Update

Ms. Haggerty, acting as Ms. Bobinsky's representative, reported that the adult immunization program is moving forward under a grant received in September to provide education and outreach throughout the State on the adult standards. This involves looking for ways to decrease barriers for adults to receive vaccines. The program is moving along very well.

The administrative rules passed related to the full implementation of the immunization information system (IIS). DHHS is in the process of developing an implementation plan. It is in the planning stages now, but additional information will follow as time goes on. Ms. Haggerty did not have a definitive date on the completion of the work, but indicated there have been numerous calls with their partners and stakeholders looking at timelines. Mr. Sky inquired where DHHS is in the RFP process. Ms. Haggerty indicated that they have had a system for several years, but the stop came when there was some question related to the administrative rule interpretation, so they were not able to fully implement the system at that time. The vaccine ordering side of the system was implemented, but not the patient database side. Ms. Condon reported that the Executive Council passed the Scientific Technologies contract back in April 2014. Ms. Condon asked if her understanding that the IIS was funded 93% by general funds and the balance is funded by federal funds is correct. Ms. Haggerty stated she was not prepared to respond to Ms. Condon's inquiry regarding funding, but could bring those questions back to the program to be addressed. Ms. Condon asked who the adult grant had been received from and how much had been received. Ms. Haggerty reported that it had come through the CDC as a federal grant in the amount of \$897,150 over a two-year period. Ms. Haggerty indicated that the grant is for the purpose of education and outreach and not for the purchase of vaccines. After further discussion, Mr. Sky requested that DHHS consider having a representative from NHVA as a stakeholder or participant in the process. Ms. Haggerty indicated her willingness to bring the suggestion back to Ms. Bobinsky. Further discussion ensued. It was the sense of the Board that having involvement of both a physician representative and a representative from KV for both a functional interest and a financial interest would be helpful to the Board, if acceptable to DHHS.

Other Matters from Board Members

Assessment Process Improvement Task Force Update. Mr. Sky reported that progress has slowed a bit. Ms. Cooper at DHHS has been working diligently to reconcile some of the numbers. When the Committee last met, there was an accounting discrepancy of nearly \$3 M. With additional work, the discrepancy is down to approximately \$800,000. Mr. Sky, Ms. Cooper, and several others from DHHS have a meeting scheduled for Friday, June 24 to work through the matter further. Mr. Hart asked for a timeframe for when the Task Force would be wrapping up in anticipation of the September meeting. Mr. Sky stated that a target date for completion has not been set to date. Mr. Sky indicated the assessment setting for 2016/2017 may have to be set based on the prior method if the work of the Task Force is not completed. Ms. Tenney asked if there would be pieces of the work done by the Task Force that could be used in September to assist with

assessment rate setting. Mr. Sky indicated that may be possible, but what drives the assessment setting process is the information received from DHHS. The formula used doesn't matter as much as the strength of the forecasting number received from DHHS. Mr. Potter indicated KV's willingness to roll out a partial transition of the simplification and formatting changes proposed by the Task Force for this year's assessment setting cycle if that is the sense of the Board. Mr. Hart indicated that having a format and knowing what the calculation is going to look like by mid-August would give him plenty of time to do the work necessary to allow for a September 20 delivery date. Mr. Sky requested Ms. Mills to organize an Assessment Task Force meeting sometime between mid-July and mid-August to go over whatever DHHS is able to provide and perhaps make a recommendation for a presentation and an assessment recommendation for the full Board for consideration at the September 27 Board meeting.

Announcement and Invitation. Ms. Condon reported that there is a new documentary called "Vaxxed" that is showing across the country. A group of parents, doctors, and nurses have brought this documentary to the Hooksett Cinemagic IMAX theater for a one-week showing beginning June 24, 2016. Ms. Condon stated that with the Board's interest in public health and its particular mission, that the Board needs to be concerned with not just injection rates and the amount of vaccine distributed, but to look more toward health outcomes. Because of recommendations by the CDC, NHVA needs to ensure the ethical operations of vaccine safety studies and approvals to maintain proper trust and confidence in the programs that it runs.

New Matters

Ms. Tenney reported that there has been a request made for interest paid and double payment by Blue Cross Blue Shield of Vermont. Mr. Sky asked if KV had any documentation or could verify that they received the notification letter from KV dated October 31, 2013. This payer was found when NHVA began self-reporting and KV started comparing with other states to see if there were any companies paying for child vaccines in another state that they weren't paying in New Hampshire. Blue Cross Blue Shield of Vermont was one of those companies that was found at that time. KV did some research on whether or not NHVA actually has ever refunded interest before for this particular issue and found that it has not come up in the past, so there is no precedent regarding a refund of interest here in New Hampshire. KV does work with other states that have established certain practices, but in New Hampshire this has never been done before regarding an interest payment. Mr. Potter recommended that the Board consider an abatement policy which would provide some motivation for carriers to respond promptly when they have been picked up by KV's servicing identification process. Mr. Potter further suggested abating down to 1% per annum, which is roughly double the amount of NHVA's earnings because that facilitates KV's work once it has identified these folks, as saying KV wants to work with them and if their performance, now that they have been identified, is timely and thorough, the Board has considered interest abatements in the past. Extensive discussion ensued.

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

VOTED: To deny Blue Cross Blue Shield of Vermont's request for refund for what they characterize as a double payment for fourth quarter of fiscal year 2014.

Upon motion duly made by Ms. Condon and seconded by Dr. Fredenburg, by 6 – 2 it was

VOTED: To reduce Blue Cross Blue Shield of Vermont's interest down to 1%.

Ms. Roberge will communicate the Board's decisions to Blue Cross Blue Shield of Vermont.

Public Comment

There was no public comment.

Parking Lot Questions/Concerns

There were no concerns brought forward.

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

VOTED: To move into Executive Session.

Executive Session (with KV personnel present)

The Board of Directors (the "Board") of the New Hampshire Vaccine Association ("NHVA") voted by unanimous roll call vote to enter into executive session at 10:45 a.m. to discuss legal issues and employment matters. With KV present, Ms. Walter provided a brief TRICARE update. The TRICARE matter is currently in the 2016/2017 NDAA, which passed the Senate version as of 6/15/16. There is currently permissive language requiring TRICARE to participate in the existing State system as it stands, but it is not mandatory and it does not cover the arrears. An alternate plan was proposed to have TRICARE pay 95% of their maximum allowable charge rather than submitting covered lives reports as other payers do. This would help the various states cover the arrears over time. Attorney McCue indicated that there is a possibility that the Plan of Operation may need to be amended to address the specific payment methodology for TRICARE.

Ms. Price provided a brief update on a case before the Supreme Court regarding Self-Insured Institute of America (SIIA) who sued the Governor of Michigan. Michigan established an act that assessed a tax on payers to cover their Medicaid expenses. Additionally, there were certain filing requirements that were the submission of quarterly returns. The State originally dismissed the case and it was moved to the 6th Circuit Court of Appeals who also went through the various points of SIIA's claim, but also dismissed the case. It was then appealed to the Supreme Court who remanded the case back to the 6th Circuit because of the Gobeille case that was decided a few weeks prior to SIIA coming before the Supreme Court. This is another case regarding the ERISA pre-emption. KV is monitoring it, but it has not yet come up on the 6th Circuit docket. Mr. Sky requested that Ms. Price keep him informed on this case.

The Board of Directors (the "Board") of the New Hampshire Vaccine Association ("NHVA") then excused the executive director and staff from the executive session at approximately 11:25 a.m. to conduct its annual review of the performance of KidsVax under its contract with NHVA.

A discussion followed regarding KidsVax' performance under its contract over the previous twelve months. Upon motion by Dr. Fredenburg and seconded by Ms. Koskela, the Board unanimously approved the amount to be awarded to KidsVax for the previous year. The Board then unanimously voted to seal the minutes of this executive session because they pertain to employment relations and matter of performance and reputation.

By unanimous roll call vote, the Board voted to end the executive session at 11:35 a.m.

Adjourned 11:35 a.m.

Respectfully submitted,

Mark S. McCue

Secretary pro tem

What: New Hampshire Vaccine Association (NHVA) Annual Meeting
Date and Time: Tuesday, June 21, 2016 / 9:30 a.m. – 11:30 a.m.
Location: KidsVax® Conference Room, 125 North State Street, Concord, NH
Call-In:

Please register at:

Registration URL: <https://attendee.gotowebinar.com/register/2859445289653927427>

Webinar ID: 145-110-475

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

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

Approx. Time	Topic/[Anticipated Action]	Presented by:
9:30-9:35 a.m.	0. Annual Meeting of Members a. Report on Proxy Submissions b. Count and Certify Votes for 3 representatives of Assessable Entities c. Adjourn Annual Meeting	S. Tenney T. Mills
9:35-9:40 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
9:40-9:50 a.m.	2. Consent Items * a. Approve Board Meeting Minutes (March 9, 2016 & June 3, 2016) b. Code of Ethics and Plan of Operation Approved at the March 9, 2016 Board Meeting c. Ethics Affirmation Statements d. Annual Conflicts Questionnaire	S. Tenney
9:50-10:00 a.m.	3. Annual Board Meeting Work * a. Election of Officers & Appointments of Committees b. Oath of Office c. Other	All M. McCue
10:00-10:25 a.m.	4. Business Updates * a. Executive Director Report * b. NHVA Quarterly Financials as of 3/31/2016 c. Report on Delinquencies * d. Action on Audit Committee Recommendations i. Auditor Selection for FYE 6/30/16 ii. 2016/2017 Expense Budget	N. Price C. Roberge C. Roberge D. Fredenburg
10:25-10:35 a.m.	5. DHHS Update a. Adult Immunization Expansion b. Immunization Information System	M. Bobinsky
10:35-10:40 a.m.	6. Other Matters from Board Members a. Assessment Process Improvement Task Force Update b.	S. Tenney D. Sky
10:40-10:50 a.m.	7. New Matters * a. Blue Cross Blue Shield of Vermont – Request for interest Paid and double payment 8. Public Comment (if any)	S. Tenney C. Roberge
	9. Parking Lot Questions/Concerns (If time allows) a.	S. Tenney
10:50-11:30 a.m.	10. Executive Session a. TRICARE Update (with KidsVax personnel present) * b. Supreme Court Decision - SIJA Review (with KidsVax personnel present) c. Annual KidsVax® Contract Review (without KidsVax personnel present)	S. Tenney J. Walter N. Price S. Tenney
11:30 a.m.	[Adjourn] 11. Reference Documents * a. Contact Directory * b. Governing Statute * c. 2015/16 Meeting & Annual Governance Calendar * d. Proposed form of votes for this meeting * e. Directions to meeting location	

*Indicates agenda item attached

**NH Vaccine Association – Board of Directors Meeting
March 9, 2016 – 1:00 to 4:00 p.m.
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:

Susan Tenney, Chair – Harvard Pilgrim Health Care (P)
Laura Condon – Public Board Representative (P)
David Fredenburg, M.D. – Healthcare Provider (P)
Colleen Haggerty – DHHS [Personal Representative for
M. Bobinsky] (P)
Everett Lamm, M.D. – Healthcare Provider (P)
Jason Margus – Anthem (T)
David Sky, NHID (P)

Others:

Mark McCue, Esq. – Hinckley Allen (P)
Larry Hart – Compass Health Analytics, Inc. (T)

Public:

Bjorn Hubbard – United Healthcare (T)

Absent:

Elaine Koskela – Cigna
Edward Moran – Public Board Representative

KidsVax®:

Fred L. Potter (P)
Nicole G. Price (P)
Julia G. Walter (T)
Claire Roberge (P)
Terry Mills (P)
Thomas Philbrick – WebEx Monitoring (P)

II. Summary of Actions Taken and/or Recommended

A. Actions Taken (votes adopted)

1. To approve the Board Meeting minutes of December 15, 2015, as amended by Ms. Condon at this meeting.
2. To authorize David Fredenburg, M.D., as Treasurer, to execute on behalf of New Hampshire Vaccine Association the Wealth Management Services Agreement with the Bank of New Hampshire.
3. To approve the following NHVA governance documents as revised to conform to RSA 126-Q, as amended with the changes suggested at this meeting.
 - a. Articles of Agreement
 - b. Bylaws
 - c. Plan of Operation
4. That the Administrator be instructed to continue the practice of segregating late payment interest from investment returns in the regular financial reporting of the New Hampshire Vaccine Association.
5. To approve the Late Payment Policy as recommended by the Audit Committee.
6. To approve the adoption of the NHVA Anti-Trust Policy as presented.
7. To approve the adoption of the NHVA Code of Ethics Policy, as amended at this meeting.

B. Follow-up Task/Action Items

1. KidsVax® will incorporate Attorney McCue's changes to the executive session section in the minutes of December 15, 2015, before posting the approved minutes to the website.
2. Mr. Potter will follow up with the Governor's office to offer information on how other states have gone about finding a self-insured representative.
3. KidsVax® will make all requested revisions to the various documents and will prepare them for submission to the Commissioners for review and approval.

Welcome and Introductions

At approximately 1:00 p.m., a quorum was established, and Chairman Tenney called the meeting to order. Colleen Haggerty attended as the personal representative for Marcella Bobinsky. Chairperson Tenney indicated that the agenda had changed a bit from the prior distribution. These changes reflect resequencing of agenda items. Chairperson Tenney surveyed the Board for additional agenda items.

Consent Calendar

Ms. Condon expressed her concerns regarding the roll call vote taken during executive session at the December 15, 2015, meeting. She requested that the minutes not only reflect her vote in opposition, but also indicate that the Department of Health wanted to abstain and that Elaine Koskela did not remain on the call for the vote. Attorney McCue stated that he would make the requested revisions to the executive session portion of the minutes. KidsVax® will incorporate Attorney McCue's changes to the executive session section in the minutes of December 15, 2015, before posting the approved minutes to the website.

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

VOTED: To approve the Board Meeting minutes of December 15, 2015, as amended by Ms. Condon at this meeting.

Ms. Condon asked if the Board would also be approving the minutes of the January 27, 2016, Audit Committee Meeting. It was the sense of the Board that the Audit Committee minutes would be approved by the Audit Committee at its next scheduled meeting. For informational purposes, copies of the January 27, 2016, Audit Committee minutes were distributed during the meeting.

Business Updates

Mr. Potter proposed that the details of the Executive Director report not be reviewed extensively at this meeting to allow sufficient time for work on the governance documents, including the Late Payment Policy and Investment Policy, as recommended by the auditor. As indicated in his report, Mr. Potter advised that NHVA is on track, everything appears to be running smoothly, and the lockbox transition has gone well. In response to the Board's direction regarding more resources and improved timeliness, KidsVax® led a search for additional senior management resources. Mr. Potter indicated he was pleased to welcome Nicole G. Price as the Deputy Executive Director for the NHVA. She plans to meet with the Directors individually as schedules allow. Mr. Potter further advised that KidsVax® has also engaged Larry Hart of Compass Health Analytics, who previously served as a Director on this Board, to serve as both a mentor and analytics expert to Ms. Price as she steps into the position of Deputy ED for NHVA and hopefully prepare to become the ED. Starting with the next meeting, Mr. Hart will sit beside her at NHVA meetings and assist with the specific operations of a vaccine association, and will take the lead on the assessment work once the task force has instructed the Board how they would like the assessment setting worksheet presented.

Mr. Potter advised that it is a good practice for each Director to maintain a personal file in which they have the D&O insurance policy and the annual audit reports. A complete copy of the new D&O insurance policy is provided in the Board packet for review.

Mr. Potter reported that in the course of the January Audit Committee Meeting, Bank of New Hampshire (BNH) made an investment proposal to NHVA in which they matched the favorable rates KidsVax® negotiated in Washington. At that time, Mr. Sky immediately noted that it was a good deal and urged the Board to lock down the offered services. The Audit Committee recommends the Board authorize KidsVax® to retain BNH's investment group and to lock down their three (3) year commitment to NHVA at a fixed fee of .12% of the invested portfolio market value.

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

VOTED: To authorize David Fredenburg, M.D., as Treasurer, to execute on behalf of New Hampshire Vaccine Association the Wealth Management Services Agreement with the Bank of New Hampshire.

Mr. Hart joined the meeting via telephone. He indicated it had been a pleasure to serve on the NHVA Board in the past and looks forward to working with Ms. Price and the Board on the assessment calculations for the upcoming year. Mr. Potter advised for the record that Mr. Hart's fee and Ms. Price's salary is paid entirely by KidsVax® and is not a supplemental cost to the Association. Based on the comments of the Board, KidsVax® realized that the Board was expecting a higher service level, and these steps are intended to be fully responsive to that request.

Mr. Sky provided a brief update on the status of the work undertaken by the Assessment Process Improvement Task Force. The Committee has made significant progress, and Dolores Cooper from the Department of Health & Human Services (DHHS) has been very helpful in this regard. Ms. Cooper is working to obtain additional information for the Committee in preparation for a follow-up meeting. Ms. Condon complimented Mr. Sky for his significant efforts on assessment improvements, noting that he has brought materials to the Committee in a well thought out and well-prepared manner which has assisted in the progress made to date. Ms. Tenney stated her agreement.

Attorney McCue provided a brief oral update of the recent Supreme Court case of Gobeille v. Liberty Mutual Insurance Company. On March 1, 2016, in a 6 to 2 decision, the Supreme Court held that required claims data reporting by self-insured plans under TPAs is preempted by ERISA, the federal law that governs health insurance plans in three areas: 1) any state law that tries to mandate either benefits or choices of who provides those benefits is preempted by federal law; 2) if there is any state law that tries to alter the enforcement remedies under ERISA, those are preempted; and 3) if they affect and burden plan administration or structure, then they are preempted. The court concluded that the very essence of ERISA is to have a national uniform system of administering self-insured plans, and having reporting requirements state-by-state imposed an unfair burden on the administration of those plans. Further discussion ensued.

Ms. Walter joined the meeting via telephone to afford the Board a brief oral update regarding TRICARE. Since last speaking with the Board, some progress has been made with TRICARE directly and in the Senate Armed Services Committee (SASC), which is where KidsVax® is seeking to source the proposed statutory fix. The initial version of the bill will mandate that TRICARE pay both the arrears and go-forward payments into all universal vaccine programs whether on a per capita basis or a dosage based system. It is hoped that this legislation can be written into the 2016-2017 fiscal year National Defense Authorization Act (NDAA). The backup strategy is to have the language in an independent bill if for any presently unforeseen reason NDAA fails to pass this legislation. Further discussion ensued.

Governance Documents

Articles of Agreement. Mr. Potter advised the Board that the redlined governance documents show all revisions suggested by the Board. There are three documents requiring attention; the Articles, the Bylaws, and the Plan of Operation. Mr. Potter urged the Board to move to approval on these documents because the appointment cycle for the payer representatives will be coming up later this year, and there are protocols that KidsVax® will be following if these documents are adopted. NHVA has been operating under a Letter of Understanding, and at a minimum, unless the Board instructs KidsVax® differently, it would propose to operate under the current draft as closely as possible. The Late Payment Policy and Investment Policy, which were thoroughly vetted at several Audit Committee meetings, are now coming to the Board with the Audit Committee's recommendation that those policies be adopted, per the audit point in the management letter, prior to the next audit. It was the sense of the Board to address the documents individually.

There was extensive discussion with respect to Article IX, Distributions at Dissolution, in the Articles of Agreement. Ms. Condon again expressed her concern that Article IX appears to be in conflict with the statute. Further discussion and clarification ensued. It was the sense of the Board to incorporate language into the Plan of Operations affirmation stating that no plan of dissolution will be considered until the liabilities, including the refund obligations of all assessments, are paid, in accordance with 126-Q.

Bylaws. The changes shown are in response to Ms. Condon's comment last fall that this Board cannot remove an appointed member. Mr. Potter reported that he has spoken with the Governor's office. He was told they would like to move forward with the appointment of a self-insured representative, and are willing to entertain assistance with respect to getting another appointee. Mr. Potter will follow up with them to suggest how other states have gone about finding a self-insured representative. Mr. Potter advised that the other change to the Bylaws reflects that a quorum shall be a simple majority of the total number of Directors then appointed or selected without counting any position in which there is a vacancy at the time.

Plan of Operation. Mr. Potter stated that many of the changes in the Plan of Operation are designed to tighten up the defined terms so that the language is used consistently. The calendar has been revised in response to Ms. Condon's reference to the current calendar being out of sync with the old calendar. The changes tie into the new calendar and push the Annual Meeting back to June rather than September so that new Board representatives are available in the fall for the assessment setting work. The article concerning the transitional assessment rule has been removed because the transitional period is over. Mr. Potter expressed that a new provision needs to be included per the Board's earlier conversation regarding Distributions at Dissolution. He suggested including language under Article VIII., Termination, of the Plan of Operation as follows: "Prior to any liquidation and distribution pursuant to the Articles of Agreement, all statutory liabilities under RSA 126-Q will be satisfied in full." Ms. Condon offered further suggested changes to the Exhibit A calendar for clarification and consistency purposes. Chairperson Tenney suggested changing the language from "third Tuesday" of the month to "third week." Mr. Potter also suggested adding the parenthetical phase, "if needed" to the October meeting on Exhibit A.

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

- VOTED: To approve the following NHVA governance documents as revised to conform to RSA 126-Q, as amended with the changes suggested at this meeting.
- a. Articles of Agreement
 - b. Bylaws
 - c. Plan of Operation

Mr. Potter requested that the Board next take up the Late Payment Policy and Investment Policy. They are policies that similarly have some urgency to them as audit precipitated policies. Dr. Fredenburg advised that the Audit Committee revised the Late Payment Policy required by NHVA's 2014/2015 audit to be as simple as possible. Ms. Condon expressed her ongoing concern that NHVA have a provision in the Late Payment Policy that would require the collection of interest monies to be accounted for and reported separate from regular assessment collections. Mr. Potter indicated that this isn't really an accounting policy document but that KidsVax® certainly will follow any accounting policy set by the Board. Administratively it doesn't affect NHVA's costs because KidsVax® is already doing this. It was the sense of the Board that the provision does not belong in the Late Payment Policy.

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

- VOTED: That the Administrator be instructed to continue the practice of segregating late payment interest from investment returns in the regular financial reporting of the New Hampshire Vaccine Association.

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

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

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

- VOTED: To approve the Investment Policy as recommended by the Audit Committee.

Mr. Potter indicated that the remaining policies are unchanged. There were two policy additions that Ms. Condon requested when she came on the Board. Under the KidsVax® contract it agreed to bring the Board a complete policy kit which would echo what it would recommend to a not-for-profit under current best practices. That kit would include an Ethics Policy and Joint Venture Policy.

Interrogatories about the existence of a Joint Venture Policy are now on the Form 990, along with the Whistleblower Policy and Record Retention Policy. Attorney McCue advised that an Ethics Policy has become standard and notable more in its absence, but is something that is important to contemplate. The Joint Venture Policy is something that he typically wouldn't think of in an organization such as NHVA. NHVA does not currently file Form 990's, so it does not pose an immediate concern. There was further brief discussion concerning the Anti-Trust Policy. Attorney McCue advised that the Anti-Trust Policy is important and should be adopted. Dr. Lamm noted that the formatting of the headers are inconsistent in the Ethics Policy on page two, Sections V. and VI. Attorney McCue also recommended numbering some of the other headings that don't currently have numbers: Diversity and Evaluation.

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

VOTED: To approve the adoption of the NHVA Anti-Trust Policy as presented.

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

VOTED: To approve the adoption of the NHVA Code of Ethics Policy, with the changes suggested at this meeting.

With respect to all policies, Mr. Potter indicated that per the Board's instruction KidsVax® will include them on the Reference page of the website. With respect to the Plan of Operation, Bylaws, and Articles of Agreement, KidsVax® has to first prepare them and then transmit them to the Commissioners, and await the Insurance Commissioner's approval of the Plan of Operation and the concurrence of the Commissioner of DHHS. Mr. Potter's understanding is that the Board has instructed KidsVax® to pursue those with all due diligence to get them completed. At Mr. Sky's request, the sense of the Board is hereby documented in the minutes: KidsVax® will hold the Joint Venture Policy draft and bring it back for the Board's consideration in the event that NHVA ever starts filing Form 990s.

Public Comment

There was no public comment.

Parking Lot Concerns

There were no concerns brought forward.

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

VOTED: To move into Executive Session.

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") voted by unanimous roll call vote to enter into executive session at 2:40 p.m. to discuss legal matters with counsel and personnel issues. The Board briefly reviewed the TRICARE situation and proposed federal legislation. The Board then discussed the new personnel at KidsVax®, and expressed its appreciation that the Executive Director was taking action to address concerns previously raised by the Board.

Upon motions by Dr. Fredenburg and seconded by Dr. Lamm, the Board voted to end the executive session and then to adjourn the Board meeting at 2:45 p.m.

Respectfully submitted,
Mark S. McCue
 Secretary pro tem

**NH Vaccine Association – Board of Directors Meeting
June 3, 2016 – 9:00 – 10:00 a.m.**

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:

Susan Tenney, Chair – Harvard Pilgrim Health Care (P)

Laura Condon – Public Board Representative (T)

David Fredenburg, M.D. – Healthcare Provider (T)

Elaine Koskela – Cigna (T)

Jason Margus – Anthem (T)

Others:

Mark McCue, Esq. – Hinckley Allen (T)

KidsVax®:

Fred L. Potter (T)

Nicole G. Price (P)

Claire Roberge (P)

Terry Mills (P)

Absent:

Everett Lamm, M.D. – Healthcare Provider

Edward Moran – Public Board Representative

David Sky, NHID – Governmental Representative

Marcella Bobinsky – Governmental Representative

II. Summary of Actions Taken and/or Recommended

A. Actions Taken (votes adopted)

1. To authorize the appointment of Susan Tenney and David Fredenburg as proxies for the director selection at the June 21, 2016, Annual Meeting of members.
2. To list the four director candidates on the proxy and invite individual entities to spread their covered lives votes over the four candidates. A notation will be added that if the allocation is left blank, the candidates from the three largest insurance companies will be moved forward.

Welcome and Introductions

At approximately 9:00 a.m., Chair Tenney asked for individuals on the telephone to identify themselves. She then called the meeting to order.

The purpose of this special meeting was to appoint proxies for director selection and appoint a slate of candidates for director selection at the upcoming Annual Board Meeting to be held on Tuesday, June 21, 2016. Ms. Price guided the discussion. In the past the Board has appointed two proxies to serve for assessable entities to use the proxies for their vote. If on the day of the meeting the proxies were available in person, they could change their vote and revoke the proxy if that was their choice at that time. The proxies are to help entities be able to vote in a manner that is most convenient for the entity. Susan Tenney and David Fredenburg have agreed to be proxies for this election cycle.

Ms. Condon asked if there is a required quorum for the proxies that are returned to the Association. Ms. Price explained that there is a required quorum of assessable lives, not necessarily individual proxies. Each entity represents a certain number of assessable lives, so there's a quorum regarding the number of assessable lives represented that have to be returned, but not individual proxies from each company. Ms. Condon asked how many assessable entities are not part of this selection process because they have fewer than 100 assessable lives. Further discussion ensued. Mrs. Roberge reported that there are a total of 88 carriers that filed and of those, there are 47 that have 100 or greater assessable lives and 41 that have fewer than 100 assessable lives. Mr. Potter indicated that the director selection process can be found under Article IV, Section 3 of the Bylaws. There being no further discussion, Chair Tenney called for a motion.

Upon motion duly made by Ms. Koskela and seconded by Mr. Margus, it was unanimously

VOTED: To authorize the appointment of Susan Tenney and David Fredenburg as proxies for the director selection at the June 21, 2016, Annual Meeting of members.

Mr. Potter explained that the purpose of this designation is to have names that KidsVax® can deploy for Board authorization to solicit proxies in advance of the meeting to open participation for companies that normally wouldn't bear the expense of coming in-person to the meeting. Any company can name their own proxy; this is just the Board saying whose names will be on the proxy forms KidsVax® mails out for solicitation. This process will make it more streamlined in the future.

Ms. Price indicated that the next item on the agenda was the selection of candidates for the director selection. This year there are four representatives from the assessable entities available for the three Board positions. The Board can choose to make a recommendation of how they would like the proxies to vote or the Board can decide to send out a blank proxy without nominees or representatives listed and each entity would have to fill in their own names. After further discussion, a motion was made to move forward with the recommendation made by Mr. Margus to list the four candidates on the proxy and invite individuals to spread their covered lives over the four candidates, with a notation that if the allocation is left blank, the candidates from the three largest insurance companies will be moved forward.

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

VOTED: To list the four director candidates on the proxy and invite individual entities to spread their covered lives votes over the four candidates. A notation will be added that if the allocation is left blank, the candidates from the three largest insurance companies will be moved forward.

Chair Tenney asked if there were other items for discussion at today's meeting. Mr. Potter offered to provide a brief update on the status of TRICARE. He reported that the New Hampshire delegation came through and in Section 757 of the Senate Armed Services Committee TRICARE bill for 2016 there is language that authorizes TRICARE to pay into state assessment programs. However, Congressional staffers changed the mandatory language to permissive and they added a test that TRICARE only participates if the assessments are less than TRICARE would have paid under its private reimbursement model, which must be demonstrated. There is no guidance as to how or when that is demonstrated. TRICARE acknowledges that it has had authorizations for over six years while this issue has been pending initially with the State of Washington and then later with the State of New Hampshire and now with four other states. KidsVax® has let the Senate Committee know that there is concern about that and want the language to at least be mandatory. Additionally, the payment of the arrearage is not included at the current time. The Governors' offices of New Hampshire, Washington, Alaska, and Idaho have already committed to send a letter to the Chairman and ranking members of both House and Senate Committees commending them for recognizing the importance of TRICARE's participation in these State vaccination programs, but urging that the language be made mandatory. Meanwhile, KidsVax® has met with TRICARE Office of General Counsel and have pending with them, a proposed alternative language which would remove the test each year and provide that TRICARE would reimburse at 95% of what it is paying on the private market for that vaccine in quarterly checks to the various state programs. KidsVax® will be bringing this back to the Multi-State Committee for comment in each state. It would be mandatory and the states would agree to forego any litigation to collect the arrearage. The thinking being that so long as TRICARE actually performs, the receipt of 95% of the private pay number when our assessments typically are the equivalent of 70%, would provide a substantial margin which would do three things: 1) would make up some of the arrearage over an extended period of time, 2) would allow for any costs that the states might incur to monitor TRICARE compliance, and 3) would make up for what is an inevitable shortfall of provider submissions of TRICARE reimbursement requests showing the zero or any state supplied vaccine code on the claim filed with TRICARE. The Committee's counsel in Washington indicates that this matter is going to be on the agenda for an early Conference Committee. There is agreement among House and Senate leadership given the number of conflict items between the two bills that they will start conferencing on this bill as soon as it passes the Senate—it already passed the House—and try to eliminate as many issues as possible. KidsVax® believes that the House leadership has agreed that they will accede to the Senate's version on TRICARE and will allow the reimbursement language to fall into the final bill emerging from the Conference Committee. The joint Governors' letter signed by each of these four Governors on a single document will be accompanied by further public information as funded by New Hampshire Vaccine Association (NHVA). The remaining strategy is to advance this mandatory language and one of the Senators will be proposing an amendment to that effect. In any event, it will be on the Conference Committee docket and KidsVax® believes they will tell their leadership to accede to the Senate version once that is finalized.

There being no further business to come before the Board, a Motion was made by Dr. Fredenburg and seconded by Ms. Condon to adjourn the meeting at 9:37 a.m.

NEW HAMPSHIRE VACCINE ASSOCIATION
Annual Meeting of Directors
June 21, 2016

Election of Officers			Appointment of Committees		
Position	Incumbent	Nominees	Finance/Audit	Incumbent	Nominees
Chair	Susan Tenney		Chair	David Fredenburg, M.D.	
Vice-Chair	David Sky		Vice-Chair	Susan Tenney	
Treasurer	David Fredenburg, M.D.			Jason Margus	
Secretary	Elaine Koskela			David Sky	
				Laura Condon	



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 fax 1.855.KidsFax (543.7329)
 www.nhvaccine.org

**June 21, 2016
 Executive Director Report**

Self-Reporting Assessment Results		
	For the Assessment Quarter Due on 02/15/2016 (As of 06/01/2016)	For the Assessment Quarter Due on 05/15/2016 (As of 06/01/2016)
Applicable Assessment Rate:	\$0.14	\$9.95
Number of carriers who have filed:	69	71
Average monthly child covered lives:	168,590	168,635
Assessment due:	0	0
Reported by Payers this Quarter for Prior Quarters:		
Assessment Income for quarters:	\$70,807.94	\$5,033,744.80
Interest dollars collected:	\$40.19	\$0.65
Remittance paid to the State of NH in June 2015:		\$12,410,298
Remittance paid to the State of New in September 2015:		\$1,107,265
Cash and Investment as of 05/31/2016:		\$22,550,184.09
Remittance due to State of New Hampshire in June, 2016:		\$18,511,434.00

This report serves to update the Board on the progress of action items delineated at the conclusion of the last board meeting; provide an update on the work done to move forward items voted on by the board; give an overview of items being worked on as required by NHVA governance documents; a brief synopsis of the progress on TRICARE; and matters coming before the board during the June meeting.

We now have the revisions needed for the December 15, 2015 Meeting Minutes and these have been posted to the NHVA website in their final format. Additionally, the Late Payment Policy, Anti-Trust Policy, Investment Policy and Code of Ethics as approved by the Board have been posted to the NHVA website. The Amendment and Full Restatement of the Articles of Agreement and Bylaws have been forwarded to the Commissioner for the Department of Health and Human Services for his signature. Upon the return the Articles, I will forward these to the Secretary of State as well as the Town Clerk for appropriate filing of this document. The Plan of Operation has been sent to the Insurance Commissioner as is required. Finally, I have reached out to the Governor's office regarding the vacant seat on the Board for a representative for self-insured entities. I am waiting on a response and hope to have a more full report at the board meeting in a few weeks of further progress on this action item.

In addition to the above action items, I have made substantial progress on meeting the requirements of the NHVA Code of Ethics and Conflict of Interest Policy. Both policies contain an annual reporting requirement for each board member. All board members have received a request to complete an Annual Ethics Affirmation Statement as well as a Conflicts of Interest Questionnaire. In reviewing NHVA documents and reports including the NHVA governing statute, I noticed a report that needed to be filed. This is the report required in RSA 126-Q:3.V.(k) which includes a listing of the membership base, assessable lives by entity, a description of the collection of assessments and a listing of delinquencies. I would like to thank David Sky for his assistance in securing the manner and form by which this report

must be generated for the Insurance Commissioner. This is an annual report due within 90 days of the close of the fiscal year.

I am pleased to report that for the month of May, all checks were sent to the lockbox for payment. 100% of payers paid on time with 12% (9 of 71) of payers using ACH amounting to \$999,188.95. Additionally, we are prepared to send a check for \$18 million to the state of New Hampshire. Claire Roberge will have the check ready for signing at the board meeting. NHVA is in a strong financial position.

As a brief update on TRICARE, the Senate's National Defense Authorization Act includes discretionary that TRICARE pay states that have universal vaccine programs for the cost of vaccines provided to covered beneficiaries. A joint governors letter has been sent to the HASC (House Armed Services Committee) and SASC (Senate Armed Services Committee) leadership requesting that TRICARE be required to reimburse states for universal vaccine programs. Currently there is not language in the House NDAA. On both sides of Congress, there is work being done to either add language regarding TRICARE (the House) and to make reimbursement mandatory (Senate). Additionally, NHVA has contributed \$25,000 for a public information campaign. I want to thank our governmental representatives for their participation in the TRICARE multi-state meetings and keeping the New Hampshire Commissioners informed on this topic. KV Staff Attorney Julia Walter and Fred Potter also continue to meet with TRICARE's general counsel's office as their cooperative tone has remained regarding reimbursement to state vaccine programs.

As we prepare for the Annual meeting, we are pleased to report that the Directors currently serving from Assessable Entities are willing to stand for election again this year. Additionally, we received one response from other Assessable Entities to our solicitation for additional nominees. Therefore, this year there will be four nominees for the three board positions for Assessable Entities.

Finally, a portion of Executive Session time has been set aside for the Board's annual review of the KidsVax® contract performance and determination concerning payment of the holdback amount. This year has seen the completion of a full set of governance documents, introduction of the lockbox system, and increased timely assessment payments. We will be happy to provide any additional information which may be helpful to you for your review.

Thank you for the warm welcome I have received since joining KV. I look forward to working together on ensuring NHVA remains in compliance with the governing statute as well as fulfill the purpose for the creation of the NHVA. I welcome the opportunity to serve with you in this important work.



Nicole G. Price, writing June 7, 2016 for the June 21, 2016 board meeting.



New Hampshire Vaccine Association

Statement of Financial Position

March 31, 2016

	A	B
1	ASSETS	
2	Current assets	
3	Cash and cash equivalents	
4	Cash	\$ 419,404.97
5	Short-term investments	17,123,838.95
6	Prepaid expenses	4,961.66
7	Assessments receivable	1.02
8		<hr/>
9	Total current assets	17,548,206.60
10		<hr/>
11	Total assets	\$ 17,548,206.60
12		<hr/>
13		
14	LIABILITIES AND NET ASSETS	
15	Current liabilities	
16	Accounts payable	-
17	Assessment payable	-
18		<hr/>
19	Total current liabilities	-
20		
21	Net assets	
22	Unrestricted net assets	250,000.00
23	Temporarily restricted net assets	17,298,206.60
24		<hr/>
25	Total net assets	17,548,206.60
26		
27	Total liabilities and net assets	\$ 17,548,206.60
		<hr/>

Unaudited - For Management Purposes Only
Prepared by KidsVax, LLC

New Hampshire Vaccine Association
Statement of Activities and Changes in Net Assets

NHVA Annual Board Meeting 2016-06-21 04.b. 2

	A	B	C	C	D	E
	3 Months	3 Months	3 Months	9 Months	Approved	Remaining
	Qtr Ending	Qtr Ending	Qtr Ending	Year to Date	Budget	Budget
	09/30/15	12/31/15	03/31/16	03/31/16		
1 Unrestricted net assets						
2 Revenue and other support						
3 Net assets released from restrictions						
4 Assets released for operations	\$ 38,876.66	\$ 31,949.28	\$ 32,526.04	\$ 103,351.98	\$ 153,199.00	\$ 49,847.02
6 Expenses						
7 Administration expenses						
8 Administrative services						
9 Fixed compensation	27,066.67	27,317.70	27,317.70	81,702.07	106,109.00	24,406.93
10 Variable compensation	-	-	-	-	11,790.00	11,790.00
11 Professional fees						
12 Professional fees - legal	1,562.50	2,517.50	2,842.50	6,922.50	15,000.00	8,077.50
13 Professional fees - audit	8,500.00	-	-	8,500.00	10,700.00	2,200.00
14 Total administration expenses	37,129.17	29,835.20	30,160.20	97,124.57	143,599.00	46,474.43
16 Office expenses						
17 Licenses and fees	-	-	-	-		-
18 Bank fees	125.00	491.59	964.46	1,581.05	500.00	(1,081.05)
19 Public information	-	-	-	-	1,000.00	1,000.00
20 Website	-	-	-	-	-	-
21 Total office expenses	125.00	491.59	964.46	1,581.05	1,500.00	(81.05)
23 Board expenses						
24 Insurance	1,622.49	1,622.49	1,401.38	4,646.36	7,500.00	2,853.64
25 Publications	-	-	-	-	600.00	600.00
26 Conferences	-	-	-	-	-	-
27 Board meetings	-	-	-	-	-	-
28 Total board expenses	1,622.49	1,622.49	1,401.38	4,646.36	8,100.00	3,453.64
30 Total expenses	38,876.66	31,949.28	32,526.04	103,351.98	153,199.00	49,847.02
32 Increase (decrease) in unrestricted net assets	-	-	-	-	-	-
34 Temporarily restricted net assets						
35 Assessment income	69,966.96	284,144.80	77,477.74	431,589.50		
36 Investment return						
37 Interest Income from late Assessments	3,021.10	52,872.31	1,505.72	57,399.13		
38 Interest Income - Investments	6,957.53	39,344.44	10,675.94	56,977.91		
39 Unrecognized gain / (loss) on investments	(6,130.40)	-	-	(6,130.40)		
40 Recognized gain/loss on investments	(8,871.85)	(18,196.95)	2,040.90	(25,027.90)		
41 Net assets released from restrictions						
42 Remittance to the State of New Hampshire	(1,107,265.00)	-	-	(1,107,265.00)	19,618,699.00	18,511,434.00
43 Assets released for operations	(38,876.66)	(31,949.28)	(32,526.04)	(103,351.98)		
45 Increase in temporarily restricted net assets	(1,081,198.32)	326,215.32	59,174.26	(695,808.74)		
47 Increase (decrease) in net assets	(1,081,198.32)	326,215.32	59,174.26	(695,808.74)		
49 Net assets, beginning of period	18,244,015.34	17,162,817.02	11,012,112.77	18,244,015.34		
51 Net assets, end of period	\$ 17,162,817.02	\$ 17,489,032.34	\$ 11,071,287.03	\$ 17,548,206.60		
88 Assessment quarter	6/30/2015	9/30/2015	12/31/2015			
89 Child covered lives for the quarter	499,755	501,265	499,511			
99 Assessment rate per child covered life	0.14	0.14	0.14			



May 2, 2016

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

We are pleased to confirm our understanding of the services we are to provide for New Hampshire Vaccine Association for the year ended June 30, 2016.

We will audit the financial statements of New Hampshire Vaccine Association, which comprise the statement of financial position as of June 30, 2016, the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements (the financial statements).

Audit Objective

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. We will issue a written report upon completion of our audit of New Hampshire Vaccine Association's financial statements. Our report will be addressed to the Board of Directors of New Hampshire Vaccine Association. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from this engagement.

Audit Procedures

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from the Organization's attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Organization or to acts by management or employees acting on behalf of the Organization.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our audit will include obtaining an understanding of the Organization and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

The audit documentation for this engagement is the property of Carew & Wells, PLLC and constitutes confidential information. However, we may be requested to make certain audit documentation available to State of New Hampshire pursuant to authority given to it by law or regulation. If requested, access to such audit documentation will be provided under the supervision of Carew & Wells, PLLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the State of New Hampshire. The State of New Hampshire may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

Other Services

We will assist in preparing the financial statements of the Organization in conformity with U.S. generally accepted accounting principles based on information provided by you.

We will perform the services in accordance with applicable professional standards, including the Statements on Standards for Tax Services issued by the American Institute of Certified Public Accountants. The other services are limited to the financial statement and tax services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. We will advise management with regard to tax positions taken in the preparation of the tax return, but management must make all decisions with regard to those matters.

Management Responsibilities

You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles. You are also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the organization from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Organization involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Organization received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring the Organization complies with applicable laws and regulations.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You agree to assume all management responsibilities for the tax services, financial statement preparation services, and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

Karen M. Carew, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit on approximately July 26, 2016 and to complete your information returns and issue our report no later than August 18, 2016.

Our fees for the audit will be **\$8,500**, which includes 5 bound copies of the financial statements. You will also be billed for travel and other out-of-pocket costs such as report production, word processing, postage, etc. No additional expenses are estimated at this time. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. ***Our invoices for these fees will be due according to the following schedule: \$3,000 with the signed engagement letter, \$3,500 upon the start of fieldwork, and the balance of \$2,000 upon delivery of the draft financial statements.***

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Carew & Wells, PLLC

RESPONSE:

This letter correctly sets forth the understanding of New Hampshire Vaccine Association.

Signature: _____

Title: _____

Date: _____



Detail Image Listing

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Rpt Gen : 01/04/2016 12:15:06

Business Unit : New Hampshire Vaccine Assoc

Deposit Date: 01/04/2016

Batch	Transaction	Item	Item Type	Amount
12-20160104-1	2	2	STATEMENT	\$0.00



**BlueCross BlueShield
of Vermont**

An Independent Licensee of the Blue Cross and Blue Shield Association

December 30, 2015

Claire Roberge, Controller
New Hampshire Vaccine Association
c/o Kidsvax.org
PO Box 1885
Concord, NH 03302-1885

Re: Vaccine Assessment Payments and Protests filed on behalf of Blue Cross and
Blue Shield of Vermont and The Vermont Health Plan, LLC

Dear Ms. Roberge:

Thank you for taking the time to speak with Patrick McGrath and Jackie Hughes on
December 22 about the New Hampshire program that assesses payers to fund vaccinations for
New Hampshire resident children.

We have enclosed two checks with this letter. One for \$242,962.69 is paid on behalf of
Blue Cross and Blue Shield of Vermont and the other for \$23,872.73 is paid on behalf of its
affiliate The Vermont Health Plan, LLC, representing the total outstanding balances for each
company from July 1, 2013 through June 30, 2015, as calculated using your on-line invoicing
system. We have also enclosed hard copies of the invoices for the same period. Please note that
we have previously submitted and paid the invoices for the third quarter of 2015.

Appeal of interest payment: The enclosed payments include \$52,868.55 in interest paid
by BCBSVT and \$52,868.55 which we are paying under protest. We hereby request that all
interest paid be fully refunded.

We reviewed the New Hampshire vaccine program law as first enacted (Chapter 126-Q,
2005, 177:112 and 2002, 126-Q:4 (IV)) and that law was clear that BCBSVT and TVHP were
not within its scope because neither company is licensed in New Hampshire (nor do they transact
business in New Hampshire but rather they both incidentally cover New Hampshire resident
children who are dependents of persons who obtain group health coverage through their Vermont
employers). We now understand that the New Hampshire law was amended in July 2013 to
expand the scope of the entities held responsible to fund New Hampshire's children vaccine
program.

On December 22, 2015, you sent us a letter dated October 31, 2013 explaining the 2013
legislative changes to the program. We have no record of receiving this letter when you
originally sent it out to affected entities and note that that is probably due to the fact that the
records used to determine which entities were sent the letter would not have included BCBSVT
or TVHP ("you are receiving this mailing because the records of either the New Hampshire
Vaccine Association or the New Hampshire Insurance Department reflect that you likely are an
'assessable entity'"). The letter is addressed to "All Licensed New Hampshire Health

P.O. Box 186 • Montpelier, VT 05601-0186
Corporate Office (802)225-6131 • Subscriber Service (800)247-BLUE
www.bcbsvt.com



Detail Image Listing

Business Unit : New Hampshire Vaccine Assoc
 Deposit Date: 01/04/2016

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 Rpt Gen : 01/04/2016 12:15:06

Batch	Transaction	Item	Item Type	Amount
12-20160104-1	2	3	STATEMENT	\$0.00

Maintenance Organizations . . . and Health Service Corporations,” and therefore did not appear to apply to BCBSVT or TVHP in any event because neither company is licensed in New Hampshire (nor does either transact business there).

BCBSVT and TVHP have recently learned that your office views the July, 2013 amendments to the law expanding the scope of assessable entities to include entities like BCBSVT and TVHP. Had BCBSVT and TVHP been notified of this view when the law was amended in mid-2013, they would have registered and paid any amounts due as provided in the law. They only do business in Vermont and, as required by federal and Vermont law, offer coverage to eligible dependents of Vermont subscribers, regardless of where the dependents reside. BCBSVT is a non-profit company and is maintained and operated solely for the benefit of its subscribers. It is charged by Vermont law with providing subscriber benefits at minimum cost under efficient and economical management. See, chapter 123 of title 8 V.S.A. TVHP is treated the same as BCBSVT for all relevant purposes. The payment of interest under these circumstances undermines the companies’ missions to cover their members’ health services at the least cost possible and adds to the administrative cost trend which makes health insurance less affordable for their subscribers.

Appeal of Double Payment for Fourth Quarter of Fiscal Year 2014 or First Quarter of Fiscal Year 2015: The payment amounts enclosed also include \$39,322.78 (of which \$7,778.14 is interest) for BCBSVT and \$2,811.08 (of which \$556.04 is interest) for TVHP in payment of the base assessment and interest as reflected in the August 15, 2014 invoice enclosed. As stated in the October 31, 2013 program memo you sent to us December 22, 2015, “NHVA will collect *all four quarterly assessments for the state fiscal year ending June 30, 2014* in the last quarter of the fiscal year . . . based upon child covered lives during the first quarter of calendar year 2014. . . .” Given this statement and the instruction in the letter and on your website to multiply the product of the base number of lives times the \$10.61 rate *by four*, it is clear that either:

- 1) the payment referred to in the letter due August 15, 2014 has already been calculated and included in the “transitional year” payment amount for fiscal year ending June 30, 2014, payable May 15, 2014, if payments are due 45 days after the end of the quarter; or,
- 2) if the intent of the August 15 due date was to make an exception for the first quarter of FY 2015 from the payment being due 45 days after the end of the quarter, then the next payment due 11/15/2014, which the program memo treats as payment for the first quarter of FY 2014 (“due 45 days after the end of the quarter”), duplicated the payment due August 15, 2014 (which also was for the first quarter of FY 2014).

As a result, the companies’ separate invoices and payments for the payment due August 15, 2014, amount to double payments either for the fourth quarter of fiscal year ending June 30, 2014 or the first quarter of fiscal year ending June 30, 2015 and are paid under protest. There is no support in the enabling law to collect or assess a double payment for a fiscal year quarter as the October 31, 2013 letter appears to direct payers to do. The New Hampshire Vaccine Association should not have requested double payment for the same quarter. BCBSVT and TVHP request a full refund of the amounts paid on the separate invoice payable August 15, 2014



Detail Image Listing

Business Unit : New Hampshire Vaccine Assoc
 Deposit Date: 01/04/2016

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 Rpt Gen : 01/04/2016 12:15:06

<u>Batch</u>	<u>Transaction</u>	<u>Item</u>	<u>Item Type</u>	<u>Amount</u>
12-20160104-1	2	4	STATEMENT	\$0.00

as having been paid either with the invoice covering "all four quarterly assessments" invoice for fiscal year ending June 30, 2014 or the payment due for the first quarter FY 2015 due November 15, 2014.

Please don't hesitate to contact me if you have any questions.

Sincerely,

Melanie Gilman, Manager, General Accounting

Encl.



Detail Image Listing

Business Unit : New Hampshire Vaccine Assoc

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Deposit Date: 01/04/2016

Rpt Gen : 01/04/2016 12:15:06

Batch	Transaction	Item	Item Type	Amount
12-20160104-1	1	5	STATEMENT	\$0.00

Blue Cross Blue Shield

Fiscal Year	Beginning Date	Ending Date	Month 1	Month 2	Month 3	Total	Rate	Assessment	Amount Due	Interest Rate	Days	Overdue	Total Late Fee	Due Date	Payment Date	Total Payment Due
Q3 2013/2014	1/1/2014	3/31/2014	759	772	772	2303	\$10.61	\$97,739.32	0.000493151	582			\$28,534.54	5/15/2014	12/28/2015	\$126,273.86
Q4 2013/2014	4/1/2014	6/30/2014	809	811	814	2434	\$12.96	\$31,544.64	0.000493151	500			\$7,778.14	8/15/2014	12/28/2015	\$39,322.78
Q1 2014/2015	7/1/2014	9/30/2014	818	818	842	2478	\$12.96	\$32,114.88	0.000493151	408			\$6,461.69	11/15/2014	12/28/2015	\$38,576.57
Q2 2014/2015	10/1/2014	12/31/2014	842	838	854	2534	\$12.96	\$32,840.64	0.000493151	316			\$5,117.74	2/15/2015	12/28/2015	\$37,558.38
Q3 2014/2015	1/1/2015	3/31/2015	912	908	902	2723	\$0.14	\$0.14		277			\$42.68	5/15/2015	12/28/2015	\$423.90
Q4 2014/2015	4/1/2015	6/30/2015	910	913	904	2727	\$0.14	\$0.14		135			\$25.42	8/15/2015	12/28/2015	\$407.20
Total								\$195,002.48					\$47,960.21			\$242,962.69



Detail Image Listing

Page 1 of 24

Business Unit : New Hampshire Vaccine Assoc

Rpt Gen : 01/04/2016 12:15:06

Deposit Date: 01/04/2016

Batch	Transaction	Item	Item Type	Amount
12-20160104-1	1	1	STATEMENT	\$0.00

NEWH02		NEW HAMPSHIRE VACCINE ASSOCIATI BCVT1				12/30/2015	
Ref/Nbr	Invoice Nbr	Inv Date	Invoice Amount	Amount Paid	Disc Taken	Net/Check Amt	
324258	NHVA RETRO BCBS	12/28/15	242,962.69	242,962.69		242,962.69	
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Deposit Date: 01/04/2016

Batch	Transaction	Item	Item Type	Amount
12-20160104-1	1	2	STATEMENT	\$0.00



Detail Image Listing

Business Unit : New Hampshire Vaccine Assoc

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Deposit Date: 01/04/2016

Rpt Gen : 01/04/2016 12:15:06

Batch	Transaction	Item	Item Type	Amount
12-20160104-1	2	5	STATEMENT	\$0.00

The Vermont Health Plan

Fiscal Year	Beginning Date	Ending Date	Month 1	Month 2	Month 3	Total Quarter	Rate	Assessment Amount Due	Interest Rate	Days Overdue	Total Late Fee	Due Date	Payment Date	Total Payment Due
Q3 2013/2014	1/1/2014	3/31/2014	95	99	91	285	\$10.61	\$12,095.40	0.000493151	593	\$3,531.30	5/15/2014	12/28/2015	\$15,636.60
Q4 2013/2014	4/1/2014	6/30/2014	58	57	59	174	\$13.96	\$1,255.04	0.000493151	509	\$556.04	8/15/2014	12/28/2015	\$2,811.08
Q1 2014/2015	7/1/2014	9/30/2014	60	61	57	178	\$12.96	\$1,306.88	0.000493151	468	\$644.16	11/15/2014	12/28/2015	\$2,711.04
Q2 2014/2015	10/1/2014	12/31/2014	62	62	51	175	\$12.96	\$1,268.00	0.000493151	316	\$533.44	2/15/2015	12/28/2015	\$2,611.44
Q3 2014/2015	1/1/2015	3/31/2015	49	47	47	143	\$0.14	\$60.02	0.000493151	227	\$228	5/15/2015	12/28/2015	\$12.26
Q4 2014/2015	4/1/2015	6/30/2015	46	45	45	136	\$0.14	\$59.04	0.000493151	135	\$127	8/15/2015	12/28/2015	\$20.31
Total								\$18,964.38			\$4,908.34			\$23,872.72 Total Payment

Batch	Transaction	Item	Item Type	Amount
12-20160104-1	2	1	STATEMENT	\$0.00
NEWNH02	NEW HAMPSHIRE VACCINE ASSOCIATI The Vermont Health Plan			12/31/2015
Ref/Nbr	Invoice Nbr	Inv Date	Invoice Amount	Amount Paid
028109	NHVA RETRO LVHPS	12/28/15	23,872.73	23,872.73
			Disc Taken	Net/Check Amt



April 2016

Dear Board Chairs:

We are writing to provide you with a supplemental report on the recent ERISA pre-emption case, Gobeille v. Liberty Mutual Insurance Company, that KidsVax® (KV) has identified as having a potential impact upon universal vaccine purchase states. On March 7, 2016, the Supreme Court vacated the judgment in a 6th Circuit Court of Appeals case, Self-Insurance Institute of America, Inc. v. Rick Snyder, Governor of Michigan, et. al., and remanded the case for further consideration in light of Gobeille. In Self-Insurance Institute of America, Inc., the lower courts dismissed the claims made by Self-Insurance that ERISA-covered entities were exempt from the Michigan Health Insurance Claims Assessment Act. The Act generates revenue to fund Michigan's obligations under Medicaid. To accomplish this goal, the Act imposes a tax on all paid claims by carriers or third party administrators to healthcare providers for services in Michigan for Michigan residents and requires the submission of quarterly returns.

This procedural action suggests the Supreme Court may be encouraging a broader reading of the ERISA preemption provision than indicated by KV's previous analysis. Even if this ultimately proves to be the case, KV believes that the assessment and reporting required in Self-Insurance is distinguishable in purpose and scope from those required in KV administered states. The assessment required in universal vaccine authorizing statutes confers a cost savings benefit on health plans, not an additional tax. Additionally, the reporting requirement in KV administered states serves only to set the assessment rate and maintain adequate funds to support universal vaccine purchase which, in turn, passes on the added benefit to health plans of increased vaccine access to plan beneficiaries. KV's simple self-reporting assessment system does not require maintenance of additional data elements by self-insureds, but only the counting of beneficiaries already in their systems. Further, the single quarterly assessment payment is far less burdensome than adjudication and payment of individual vaccine claims which could have numbered in the hundreds or thousands for the same period.

We will continue to follow this case and intend to provide a further bulletin with any follow up decision which may affect universal vaccine system funding administration.

Thanks,

Julia G. Walter, M.A., Esq.
Associate General Counsel & Deputy Executive Director of AK & WA

Nicole G. Price, Esq.
Deputy Executive Director of NH





c/o KidsVax.org®
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 tel 1.855.KidsVax (543.7829)
 fax 1.855.KidsFax (543.7329)

BOARD OF DIRECTORS

Insurer Representatives [RSA 126-Q:3, III.(a)]

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 Manchester, NH 03101-1505

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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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 Public Health Services
 New Hampshire Department of Health and Human Services
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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)]

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 Former State Legislator
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Laura Condon
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NEW HAMPSHIRE GOVERNMENTAL AUTHORITIES

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NH Insurance Department

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New Hampshire Insurance Department
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KidsVax®

Fred L. Potter
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Supporting Independent Contractors

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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)

Assessment Process Improvement Task Force

David Sky – Chairman
Susan Tenney
Jason Margus
Laura Condon
Dolores Cooper, DHHS Finance Representative

**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, with the exception of children whose vaccines are paid for under the federal Vaccines for Children program, established under 42 U.S.C. section 1396s.
- 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.

updated RSA 126-Q

- XI. “Vaccine” means any preparations of killed microorganisms, living attenuated organisms, or living fully virulent organisms that are approved by the federal 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.

updated RSA 126-Q

- (c) Submit the plan of operation to the commissioner of insurance for approval after the consultation with the commissioner.
- (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

updated RSA 126-Q

provider's administrative costs for childhood vaccines shall be the entity responsible for reporting assessable lives and payment of the 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, except that no assessment shall be made based on children excluded from assessable lives whose vaccines are paid for under the federal Vaccines for Children program, established under 42 U.S.C. section 1396s. 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

updated RSA 126-Q

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.



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Meeting Schedule – 2016

March 2016			
Audit Committee Meeting Board of Directors Meeting	Tuesday, March 9, 2016	KidsVax®, LLC Concord	8:30 – 9:15 a.m. 9:30 – 11:30 a.m.
June 2016			
Special Board of Directors Meeting	Friday, June 3, 2016	KidsVax®, LLC Concord	9:00 – 10:00 a.m.
Audit Committee Meeting Annual 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 Board of Directors Meeting	Tuesday, September 27, 2016	KidsVax®, LLC Concord	8:30 – 9:15 a.m. 9:30 – 11:30 a.m.
October 2016			
Board Meeting [if needed]	Tuesday, October 11, 2016	Teleconference & In-Person at KidsVax®	8:30 – 10:00 a.m.



NHVA 2016 Calendar: Year at a Glance

Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Publish Q2 Quarterly Financial Report Annual Report to the Governor, Senate President & Speaker of the House Audit Committee Meeting	Quarterly Assessment	Board Meeting	Publish Q3 Quarterly Financial Report	Quarterly Assessment Annual Report to Comm. of Insurance	Audit Committee Meeting Annual Board Meeting		Quarterly Assessment Publish Q4/FYE Annual Financial Report	Draft VaxFacts Audit Committee Meeting Board Meeting to Set Assessment Rates	Publish Q1 Quarterly Financial Report Possible Conference Call (TBD) Submit to Comm. Financial reports from FYE Notify Payers of New Rate as of 1/1/17	Quarterly Assessment	Audit Committee Meeting Board Meeting



NHVA 2016 Quarterly Meeting Calendar

First Quarter

January	February	March
<p>Publish Q2 Quarterly Financial Report</p> <p>Annual Report – Governor, Senate President & Speaker of the House</p> <ol style="list-style-type: none"> 1. Association activities 2. Financial reports 3. Newly offered vaccines <p>Jan 27: Audit Committee Meeting</p> <p>[For Future Years: New Assessment Rate Effective January 1.]</p> <p>Other Activities</p>	<p>Feb 15: Quarterly Assessment</p> <p>Other Activities</p>	<p>Mar 9: Board Meeting</p> <ol style="list-style-type: none"> 1. Review 2016 calendar dates <p>Other Activities</p>

Second Quarter

April	May	June
<p>Publish Q3 Quarterly Financial Report</p>	<p>May 15: Quarterly Assessment</p> <p>Annual Report to Commissioner of Insurance</p> <ol style="list-style-type: none"> 1. Association membership base 2. Count of assessable lives by assessable entity 3. List of payment delinquencies 	<p>Jun 21: Audit Committee Meeting</p> <ol style="list-style-type: none"> 1. NHVA Expense Budget for 2016/2017 2. Review letter of engagement for Carew & Wells, auditors <p>Jun 21: Annual Board Meeting</p> <ol style="list-style-type: none"> 1. Report on Proxy Submissions 2. Count and Certify Votes for 3 representatives of Assessable Entities under HB664 3. Adjourn Annual Meeting 4. Review collection results 5. Recommend next year's expense budget 6. Select Directors for term beginning September 1 7. Elect Officers & Appoint Committees 8. Review Report of Administrator for year's operations 9. Review Discharge of Director Duties
<p>Other Activities</p>	<p>Other Activities</p> <ol style="list-style-type: none"> 1. Work with auditor on FYE 06/30/2016 audit. 	<p>Other Activities</p>

Third Quarter

July	August	September
	August 15: Quarterly Assessment Publish Q4/FYE Financial Report	Sep 27: Audit Committee Meeting with outside auditor <ol style="list-style-type: none"> Review audit report Executive Session Sep 27: Board Meeting <ol style="list-style-type: none"> Accept audit report & authorize release of prior year's financials Work on assessment for 2016-2017 Executive Session (Administrator's personnel excused)
Other Activities <ol style="list-style-type: none"> Work on FYE 06/30/2016 audit. 	Other Activities	Other Activities <ol style="list-style-type: none"> Draft annual report in condensed "VaxFacts" format

Fourth Quarter

October	November	December
<p>Publish Q1 Quarterly Financial Report</p> <ol style="list-style-type: none"> 1. Submit to Commissioner the financial reports from fiscal year end <p>October 11: Conference call</p> <ol style="list-style-type: none"> 1. Review Fiscal Year Cost Savings Analysis 2. Finalize New Assessment Rate Effective 01/01/17 <p>Other Activities</p> <ol style="list-style-type: none"> 1. Notify payers of new rate effective January 1. 	<p>November 15: Quarterly Assessment</p> <p>Other Activities</p>	<p>Dec 20: Board Meeting</p> <ol style="list-style-type: none"> 1. 2. <p>Other Activities</p> <ol style="list-style-type: none"> 1. Work on Annual Report for Governor, Senate President & Speaker of the House



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June 21, 2016
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 Board Meeting minutes of the March 9, 2016 meeting.

[To approve the Board Meeting minutes of the March 9, 2016 meeting with the changes suggested at this meeting.]

VOTED: To approve the Special Board Meeting minutes of the June 3, 2016 meeting.

[To approve the Special Board Meeting minutes of the June 3, 2016 meeting with the changes suggested at this meeting.]

Items under Agenda Section 3:

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.

[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 with the changes suggested at this meeting.]

Items under Agenda Section 4:

VOTED: To approve the Audit Committee's recommendation of Carew & Wells, PLLC as the New Hampshire Vaccine Association's program auditor and to authorize the Audit Committee chair to enter into an engagement letter for the 2015/2016 FYE audit.

[To approve the Audit Committee's recommendation of Carew & Wells, PLLC as the New Hampshire Vaccine Association's program auditor and to authorize the Audit Committee chair to enter into an engagement letter for the 2015/16 FYE audit subject to the changes suggested at this meeting.]

VOTED: To approve the Audit Committee's recommendation of the NHVA Expense Budget for 2016/2017.

[To approve the Audit Committee's recommendation of the NHVA Expense Budget for 2016/2017 subject to the changes suggested at this meeting.]

Items Under Agenda Section 7:

VOTED: To approve the refund request for interest paid and double payment as requested by Blue Cross Blue Shield of Vermont.

[To approve the refund request for interest paid and double payment as requested by Blue Cross Blue Shield of Vermont subject to the changes suggested at this 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.

Please click here for further details: <http://mapq.st/1DAoTFC>

