

AGENDA

Board Meeting

January 16, 2019

9:30am-11:30am

1 Pillsbury Street, 3rd Floor Conference Room, Concord, NH

<https://zoom.us/j/856866150>

Phone #: +1 646 876 9923

Meeting ID: 856 866 150

Time	Agenda Item
9:30-9:40	1. Welcome & Introduction to New Board Member Janice Valmassoi, MD (Tenney)
9:40-9:45	2. Review and Acceptance of Minutes (Tenney) <ul style="list-style-type: none"> a. September 26, 2018 Board Meeting Minutes – Vote b. September 26, 2018 Executive Committee Meeting Minutes – Vote c. December 21, 2018 Executive Committee Meeting Minutes – Vote d. January 3, 2019 Board Meeting Minutes – Vote
9:45-10:10	3. Executive Director Report (Miller) <ul style="list-style-type: none"> a. Financials - Year to Date –July 2018 to December 2018 b. Assessment Model Update c. Bank of New Hampshire Investments and Potential for RFP for Financial Management Services
10:10-10:30	4. TRICARE Update (Tenney) <ul style="list-style-type: none"> a. Washington Vaccine Association Request for Funds Discussion
10:30-10:45	5. DHHS Updates (Daly)
10:45-11:00	6. New Matters (Tenney)
11:00-11:05	7. Public Comment (Tenney)
11:05-11:30	8. Executive Session (Tenney)
11:30	9. Adjournment

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

DRAFT Posted October 3, 2018

MINUTES

Board of Directors Meeting

September 26, 2018

10:00am

Presiding Officer: Susan Tenney, Chair

A meeting of the of the Board of Directors of the New Hampshire Vaccine Association (NHVA) was held in person at the offices of Helms & Company, Inc. in Concord, NH with a quorum present.

The meeting was called to order by Susan Tenney at 10:00am.

I. Welcome and Introductions

Attendance – The following individuals attended the meeting, including by phone (P) as indicated:

Committee Members:

Susan Tenney, HPHC, Chair
Laura Condon, Public Member
Elizabeth Daly, NH DHHS
Patricia Edwards, MD, Healthcare Provider
Sean Lyons, Cigna
Edward Moran, Public Member, *absent*
Jason Margus, Anthem
David Sky, NHID

Other Attendees:

Patrick Miller, Helms & Company, Inc.
John Hastings, Helms & Company, Inc.
Mike Degnan, Helms & Company, Inc.
Erin Meagher, Helms & Company, Inc.
Keith Nix, Helms & Company, Inc.
Karen Carew, Carew & Wells
Colleen Haggerty, NH DHHS
Mark McCue, Esq., Hinckley Allen
Fred Potter, KidsVax, (P), *Executive Session Only*
Cheryl Rounds, Derry, NH, Member of the Public

Ms. Tenney acknowledged this was the first meeting with the new Administrative Team of Helms & Company, Inc. She thanked everyone for all of the hard work through the transition process and the development of the new rate setting process. She also thanked and acknowledged all the work KidsVax did historically. They were instrumental in getting the organization up and running years ago when the assessment process was first implemented. They were also instrumental in getting us through a revision in the covered lives to include the self-insured lives as well as refining the assessment to include only pediatric lives. KidsVax has done a lot of work over the years in regards to the national forums. The NHVA would like to publicly thank KidsVax for all the work they have done.

II. Review of May 22 and June 20, 2018 Minutes

Ms. Tenney asked if there were any updates to the May 22, 2018 minutes. No changes were presented.

VOTE RECORDED: *On a motion by Mr. Sky, seconded by Ms. Condon, it was unanimously*

VOTED: *To accept the May 22, 2018 minutes as presented.*

Ms. Tenney asked if there were any updates to the June 20, 2018 minutes. Changes include:

- DHHS Update – Ms. Daly indicated on page 3 that “2021” should read “FY2020-2021.” This will be corrected on lines 3, 5, and 7.

- 38 ▪ Executive Session – Ms. Condon indicated on page 3 regarding the vote to continue negotiating the
39 TRICARE proposal that she had requested a roll call vote. She was the single dissenter on this vote
40 and would like it reflected in the minutes. This will be corrected on line 41.
41 ▪ Secretary pro tem – Mark indicated on page 3 he was the Secretary pro tem for the Executive Session
42 only. The minutes should be signed by KidsVax. This will be corrected on lines 63 and 65.
43

44 **VOTE RECORDED:** *On a motion by Mr. Sky, seconded by Dr. Edwards, it was unanimously*

45 **VOTED:** ***To accept the June 20, 2018 minutes with amendments as outlined above.***

46 Ms. Daly abstained from the vote as she was not present at the June 20, 2018 meeting.
47

48 **III. Report of the Audit Committee**

49

50 Mr. Sky explained that the Audit Committee met earlier in the day and Ms. Karen Carew from Carew & Wells was
51 present. Ms. Carew reported there was nothing remarkable in the audit; there were no significant changes in the
52 financial numbers from last year to this year, the controls and systems in place made it very easy to complete the
53 audit, and KidsVax was very cooperatives during the audit process. Ms. Carew did draw attention to the Notes
54 section.
55

56 Section A – Nature of Activities & Summary of Significant Accounting Policies; Upcoming Accounting 57 Pronouncements – Page 8:

58 Ms. Carew stated that given the FASB changes in upcoming accounting pronouncements there were no material
59 issues at this time. In the future, the temporary net assets will be presented in a different format. This is the only
60 area that Ms. Carew is still working on understanding how this will affect NHVA.
61

62 Section E – Commitments and Contingencies: TRICARE Assessment – Page 10:

63 Ms. Carew mentioned that this section is new this year, and she asked if there were any questions. There was brief
64 discussion about the following sentence in Paragraph 2:

65 *“The DHA subsequently hired Kennel and Associates, Inc. to assist the DHA with implementation of Section*
66 *719”*

67 Mr. Sky questioned this sentence and advised that the Washington Vaccine Association hired Kennel and
68 Associates on behalf of several state vaccine associations to negotiate/develop a process with the DHA for TRICARE
69 to participate in the vaccine assessment process. After discussion, the Committee believes this should be
70 reworded. Ms. Carew agreed to go back and review the documentation she has, and she will make appropriate
71 changes.
72

73 Ms. Tenney asked if Martin’s Point was the only agent currently paying into NHVA. As of June 2018, Humana is also
74 acting as an agent for TRICARE and it was confirmed they did submit an assessment in August.
75

76 Section E – Commitments and Contingencies: Minuteman Health, Inc. Assessment:

77 This is a new section that reflects the uncertainty of the assessment payment and reflects the claim NHVA has
78 filed.
79

80 Section C – Related Party Transactions: State of New Hampshire; Paragraph 2 – Page 9:

81 Ms. Tenney questioned the term “providing vaccines” in this sentence:

82 *“The Association transfers monies to the State of New Hampshire to fund a specified portion of the cost of*
83 *providing vaccines for children in the State of New Hampshire.”*

84 The Committee agreed to change the word “providing” to “purchasing.”
85

86 Mr. Sky advised the Board that the Audit Committee voted unanimously to recommend the full Board accept the
87 report.

88
89 **VOTE RECORDED:** *On a motion by Mr. Sky, seconded by Ms. Daly, it was unanimously*
90 **VOTED:** *To accept the Financial Statements for the Fiscal Years Ended June 30, 2018 and*
91 *2017 with the two amendments outlined above.*
92

93 **IV. CY2019 Payer Assessment Process and Proposed FY2019 Administrative Budget**
94

95 Mr. Sky reviewed the proposed FY2019 administrative budget (July 1, 2018 through June 30, 2019) included in the
96 meeting packet (next to last page of enclosed slide deck).

- 97 ■ The first column reflects the FY2018 budget as a comparison point for the proposed budget.
- 98 ■ Items highlighted in green are additional expenses that had not been accounted for in the prior year's
99 budget as the Administrator transition had not been anticipated as well as the additional dollars for the
100 TRICARE work that the Washington Vaccine Association/KidsVax are doing on behalf of NHVA.
- 101 ■ The next to last column list the totals for the proposed FY2019 budget, again with the additional expenses
102 highlighted in green.
- 103 ■ The final column reflects the proposed budget without the unanticipated one-time costs. This allows
104 comparison of FY2018's budget to FY2019's budget to show there would be a reduction in the FY2019
105 budget amount if not for these additional expenses.
- 106 ■ The Audit Committee has also questioned the July 2018 Administrator Contract fee of \$10,660 as it does
107 not appear to be the actual monthly administrator fee NHVA had been paying KidsVax. Mr. Miller stated
108 in the Audit Committee meeting that he would reconcile the numbers from the G/L and report back to the
109 Audit Committee.

110
111 Mr. Sky advised the Board that the Audit Committee voted unanimously to recommend the full Board accept the
112 proposed budget with the amendment of Administrator Contract correction.

113
114 **VOTE RECORDED:** *On a motion by Mr. Sky, seconded by Ms. Daly, it was unanimously*
115 **VOTED:** *To accept the Proposed FY2019 Administrative Budget with the amended*
116 *Administrator Contract amount as outlined above.*
117

118 Mr. Miller and Mr. Hastings provided a presentation which outlined proposed changes to the rate setting process
119 and the proposed assessment rate for CY2019. Mr. Miller started with a brief history of what the Administrator's
120 focus has been since June 2018. The Administrator met with key stakeholders and was charged with examining the
121 assessment rate setting process and making recommendations to simplify the process.

122
123 Mr. Miller walked the group through the historical data outlining the shrinking assessed lives, variability in
124 assessed rate, increasing state vaccine expenditures, and stability in the proportion of the vaccine expenditures
125 paid by the payers. Assumptions used in the rate setting process included: retrieval of the \$9.9M advance payment
126 from DHHS; increasing cash reserves to \$5M; reducing variability in the payer assessment in future years;
127 membership declines of 1.3% per year; and the approximate \$3M CDC credit announced at the beginning of
128 October of each federal fiscal year.

129
130 Mr. Hastings walked the group through the redesigned assessment model details. A side by side comparison was
131 provided reflecting both the prior model and the proposed model. Historically, assessed entities contributed
132 approximately 60% of the requested funds by DHHS with 40% falling under the Vaccines for Children (VFC)
133 program and state general funds. The Administrator recommended an assessment rate of \$5.78 pcpm for CY 2019.
134

135 There was then discussion regarding the DHHS carry forward balance and how it has grown significantly in recent
136 years, largely due to the annual CDC credit. The question was raised regarding if NHVA can simply reimburse the
137 state less funds in June 2019 to offset the large, existing balance at the state. Attorney McCue provided insight into

138 the statute. NHVA sets an assessment rate taking into consideration NHVA’s cost and reserves, and the primary
139 obligation is to collect the assessment while keeping needed reserves and depositing the balance with the state.
140 Attorney McCue stated it is reasonable to use the unexpended amount as a credit towards future funding instead
141 of requesting funds back from the state. This historically has not occurred.
142

143 Part of the assessment model estimated the upcoming CDC credit at \$3M. During the discussion Ms. Daly indicated
144 they are anticipating the credit amount to be closer to \$2M. This change would result in the anticipated payment
145 to DHHS in FY2020 increasing from \$10.2M to \$11.2M. Mr. Hastings walked the group through the model reducing
146 the anticipated credit amount by \$1M, increasing the anticipated payment by \$1M and as a result, the Board
147 members agreed to a proposed assessment rate for CY2019 of \$6.47 pcpm – \$0.69 greater than the assessment
148 rate initially recommended by the Administrator.
149

150 Other, general discussion included: verification that NHVA cannot pick and choose which vaccines to fund; that
151 DHHS will contact NHVA in the event there be any shortfall, and the \$5M reserve fund proposal should cover
152 shortfalls; and the fact that the NHVA is part of a federal program that allows the bulk purchasing of vaccines
153 which enables a lower purchase price and results in a lower cost overall to supply vaccines to NH providers.
154

155 Several of the spreadsheets contained in the presentation documents were edited in real time during the meeting,
156 and the presentation will be updated and included as part of the minutes for reference.
157

158 **VOTE RECORDED:** *On a motion by Dr. Edwards, seconded by Ms. Daly, it was unanimously*
159 **VOTED:** *To approve the estimated payment to DHHS at \$9,234,656 on June 30, 2019.*
160 Ms. Condon abstained from the vote.
161

162 **VOTE RECORDED:** *On a motion by Mr. Lyons, seconded by Dr. Edwards, it was unanimously*
163 **VOTED:** *To set the CY2019 assessment rate at \$6.47pcpm.*
164

165 **V. Board Governance.** Due to time limitations, this item was tabled.
166

167 **VI. DHHS Update.** Due to time limitations, this item was tabled.
168

169 **VII. Executive Director Report.** Due to time limitations, this item was tabled.
170

171 **VIII. Executive Session**
172

173 *Notes to be included shortly.*
174

175 By unanimous roll call vote, the Board voted to end the executive session at 12:35 p.m., and then the Board voted
176 to close the meeting.
177

178 Executive Session minutes without Administrator present respectfully submitted,
179 Mark S. McCue
180 Secretary pro tem
181

182
183 Draft Board minutes respectfully submitted by
184 Patrick Miller, Helms & Company, Inc.
185 October 2, 2018
186

187 # # #

*Board of Directors - Execution Session Minutes
09/26/18*

The Board of Directors (the "Board") of the New Hampshire Vaccine Association ("NHVA") voted by unanimous roll call vote to enter executive session at approximately 12:30 p.m. to discuss personnel matters.

The Board discussed the transition of administrators, and acknowledged that it was a difficult time of the fiscal year to complete such a transition. The Directors concurred that the transition has been very successful, and they expressed appreciation for the professionalism and collaboration of both KidsVax and Helms and Company.

There was no other business for executive session.

By unanimous roll call vote, the Board voted to end the executive session at 12:35 p.m., and then the Board voted to close the meeting.

Respectfully submitted,

Mark S. McCue

Secretary pro tem

**NHVA Board Meeting Minutes
EXECUTIVE SESSION
December 21, 2018**

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1. Ms. Tenney asked Mr. Miller to describe to the board the issue at hand with TRICARE. Mr. Miller stated that the authorization voted on at the September 2018 board meeting for Ms. Tenney and Mr. Sky to be able to negotiate the final TRICARE settlement was time limited through October 31, 2018. Earlier this week, NHVA received via Mr. Fred Potter of KidsVax an updated settlement offer which increased the cash offer component to nearly \$4.1M. The issue left to finalize on the TRICARE settlement has to do with how the remaining arrearage of \$1.144M will be handled via a special assessment process; it may take up to seven years to recoup. It is expected that this final settlement item should be completed by January 31, 2019 with the assistance of Mr. Potter. Based upon a call this past Monday with Mr. Potter, Mr. Miller, Mr. Sky and Mr. Brian Maxwell of Sen. Shaheen’s office, it is conceivable a final offer could be received by the end of the year. The holidays and looming government shutdown may extend this into January. A motion was made and roll call vote taken:

MOTION #2: To extend the authority of Susan Tenney and David Sky to negotiate the final settlement with TRICARE until the end of January 2019. [Roll call vote taken.]				
	Motion	2nd	Yes	No
Laura Condon			X	
Beth Daly	X		X	
Patricia Edwards, MD		X	X	
Sean Lyons			X	
Jason Margus			X	
Edward Moran				Not in attendance
David Sky				Not on call yet; no vote recorded
Susan Tenney			X	
Janice Valmassoi, MD			X	

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Respectfully submitted,

Patrick B. Miller, MPH
Executive Director, NHVA
December 21, 2018

Meeting Minutes
NHVA Board of Directors Telephonic Meeting
January 3, 2019, 7:30am

1. Welcome and Introductions (Tenney).

a. The board meeting was called to order by Chairwoman Tenney at 7:32AM.

b. Mr. Miller recorded attendance:

NAME	Y/N/E
Patrick Miller	Yes
Laura Condon	Yes
Beth Daly	Yes
Patricia Edwards, MD	Yes
Sean Lyons	Yes
Jason Margus	Yes
Edward Moran	Yes
David Sky	Yes
Susan Tenney	Yes
Janice Valmassoi, MD	Excused Absence
Mark McCue, Esquire	Yes
Other: Public Member Leah Chase	Yes

c. Ms. Condon stated that she was recording the meeting.

2. Review and Approval of Annual Report (Miller) – Vote Required

a. Chairwoman Tenney stated that the purpose of today’s meeting was to review and approve the 2017-18 Annual Report document previously circulated to the board members by Mr. Miller. Chairwoman Tenney asked if any members of the board had comments on the report. Ms. Condon stated that she did have comments. She began by thanking Mr. Miller for his work on the draft report. She stated that it was fact-based. On page 1, paragraph 2, sentence three, she asked if the words “higher vaccinations rates” could replace the words “higher immunization rates” for consistency purposes. There were no objections to this request. Ms. Condon stated that she did not believe that the letter and graphic on page 2 from the New Hampshire Department of Health and Human Services (DHHS) should be included in the Annual Report. Ms. Condon stated that the letter made it appear as if vaccines

23 were being marketed, and given that some vaccines have had harmful effects for
 24 specific individuals, that the DHHS message was insensitive to those harmed. Ms.
 25 Condon had specific objection to the section of the DHHS message which referenced
 26 the awards received in 2018 by DHHS from the US Centers for Disease Control and
 27 Prevention (CDC). There was group discussion regarding Ms. Condon’s comments.
 28 Ms. Daly stated that a letter from DHHS had been requested by the board and was
 29 included in previous annual reports, and that Ms. Condon’s concerns were
 30 addressing those of a very small minority. There was additional group discussion
 31 regarding the inclusion of the DHHS letter in the annual report, and with the
 32 exception of Ms. Condon, there were no objections to inclusion.

33 b. Chairwoman Tenney asked if there was any additional comment on the draft 2017-
 34 18 Annual Report document, and if not, if someone would make a motion to accept
 35 the report. A motion was made by Mr. Sky: “To accept the Annual Report as drafted
 36 with the change in wording on page 1, paragraph 2, sentence three, from the words
 37 “higher immunization rates” to “higher vaccination rates”.” The motion was
 38 seconded by Mr. Moran. Ms. Condon asked for a roll call vote, the results being
 39 recorded as:

Motion: “To accept the Annual Report as drafted with the change in wording on page 1, paragraph 2, sentence three, from the words “higher immunization rates” to “higher vaccination rates”.					
	Motion	2nd	Yes	No	
Laura Condon				X	
Beth Daly			X		
Patricia Edwards, MD			X		
Sean Lyons			X		
Jason Margus			X		
Edward Moran		Second	X		
David Sky	First		X		
Susan Tenney			X		
Janice Valmassoi, MD					Excused Absence

40
 41 c. Chairwoman Tenney stated that the motion had passed, and subsequently thanked
 42 the board members for their review and discussion of the 2017-18 Annual Report.
 43 d. Mr. Miller stated that he would forward a cover letter, the Annual Report, and
 44 copies of the Audited Financial Statements to the Governor, Senate President, and
 45 House Speaker as required by statute.
 46

47 3. Adjournment

- 48 a. A motion was made by Mr. Moran to adjourn the meeting. It was seconded by Dr.
49 Edwards. There was no discussion and all voted in favor. The meeting was adjourned
50 by Chairwoman Tenney at 7:49AM, and she thanked all attendees for their
51 participation.

52

53 Respectfully submitted by

54 Patrick B. Miller, MPH

55 Executive Director

56 January 8, 2019

DRAFT

NHVA
Statement of Financial Position
 Six Months Ended
 December 31, 2018

	<u>Jun 30, 18</u>	<u>Sep 30, 18</u>	<u>Dec 31, 18</u>
	FYE 18	FY 19 - Q1	FY 19 - Q2
	Audited		
ASSETS			
Current Assets			
Checking/Savings			
Bank of NH - ICS	\$ 3,647,484	\$ 6,885,993	\$ 10,159,334
Bank of NH #851031104	\$ 50,000	\$ 41,667	\$ 36,837
Total Checking/Savings	<u>\$ 3,697,484</u>	<u>\$ 6,927,660</u>	<u>\$ 10,196,171</u>
Accounts Receivable			
Accounts Receivable (A/R)	\$ 58,204	\$ 58,231	\$ 58,270
Allowance for Account Receivable	\$ (58,270)	\$ (58,270)	\$ (58,270)
Total Accounts Receivable	<u>\$ (66)</u>	<u>\$ (39)</u>	<u>\$ -</u>
Other Current Assets			
Prepaid Expenses	\$ 3,473	\$ 1,985	\$ 496
Short Term Investments	\$ 256,143	\$ 257,295	\$ 258,592
Total Other Current Assets	<u>\$ 259,616</u>	<u>\$ 259,280</u>	<u>\$ 259,088</u>
Total Current Assets	<u>\$ 3,957,034</u>	<u>\$ 7,186,901</u>	<u>\$ 10,455,259</u>
TOTAL ASSETS	<u>\$ 3,957,034</u>	<u>\$ 7,186,901</u>	<u>\$ 10,455,259</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable	\$ 4,334	\$ 13,502	\$ -
Other Current Liabilities			
Liquidity Reserve	\$ 250,000	\$ 250,000	\$ 250,000
Total Current Liabilities	<u>\$ 254,334</u>	<u>\$ 263,502</u>	<u>\$ 250,000</u>
Total Liabilities	<u>\$ 254,334</u>	<u>\$ 263,502</u>	<u>\$ 250,000</u>
Equity			
Fund Balance to be Distributed	\$ 1,846,029	\$ 1,846,029	\$ 1,846,029
Retained Earnings	\$ 2,248,022	\$ 1,856,672	\$ 1,856,672
Net Income	\$ (391,350)	\$ 3,220,699	\$ 6,502,558
Total Equity	<u>\$ 3,702,700</u>	<u>\$ 6,923,399</u>	<u>\$ 10,205,259</u>
TOTAL LIABILITIES & EQUITY	<u>\$ 3,957,034</u>	<u>\$ 7,186,901</u>	<u>\$ 10,455,259</u>

NHVA
Statement of Changes in Net Assets
 Six Months Ended
 December 31, 2018

	<u>Q1-19</u> <u>Actual</u>	<u>Q2-19</u> <u>Actual</u>	<u>6 mos</u> <u>Actual</u>	<u>6 mos</u> <u>Budget</u>	<u>Favorable</u> <u>(Unfav)</u>	<u>Annual Budget</u>
Ordinary Income/Expense						
Income						
Assessment Income	\$ 3,351,943	\$ 3,342,422	\$ 6,694,365	\$ 6,630,708	\$ 63,657	\$ 13,080,777
Interest Income - Assessments	\$ 1	\$ 0	\$ 1	\$ -	\$ 1	\$ -
Interest Income - Investments	\$ 14,519	\$ 36,686	\$ 51,205	\$ 4,295	\$ 46,910	\$ 9,770
TRICARE Settlement	\$ -	\$ (6)	\$ (6)	\$ -	\$ (6)	\$ -
Total Income	<u>\$ 3,366,463</u>	<u>\$ 3,379,102</u>	<u>\$ 6,745,565</u>	<u>\$ 6,635,003</u>	<u>\$ 110,562</u>	<u>\$ 13,090,547</u>
Expenses						
Advertising	\$ 137	\$ -	\$ 137	\$ -	\$ (137)	
Bank Service Charges	\$ 747	\$ 731	\$ 1,478	\$ 2,160	\$ 682	\$ 4,320
Board Meetings Expense	\$ -	\$ -	\$ -	\$ 300	\$ 300	\$ 500
Dues & Subscriptions	\$ -	\$ -	\$ -	\$ 240	\$ 240	\$ 600
Insurance	\$ 1,489	\$ 1,489	\$ 2,977	\$ 4,200	\$ 1,223	\$ 8,400
Licenses and Fees	\$ -	\$ 75	\$ 75	\$ -	\$ (75)	\$ -
Management Fees	\$ 58,318	\$ 25,000	\$ 83,318	\$ 92,347	\$ 9,029	\$ 142,345
Postage & Shipping	\$ -	\$ -	\$ -	\$ 150	\$ 150	\$ 300
Professional Fees - Audit	\$ 9,500	\$ -	\$ 9,500	\$ 6,750	\$ (2,750)	\$ 12,000
Professional Fees - Legal	\$ 15,574	\$ 7,914	\$ 23,488	\$ 12,750	\$ (10,738)	\$ 25,500
Public Information	\$ -	\$ -	\$ -	\$ 3,625	\$ 3,625	\$ 3,871
TRICARE - Washington	\$ 60,000	\$ 60,000	\$ 120,000	\$ 120,000	\$ -	\$ 120,000
Vaccine Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,234,656
Website	\$ -	\$ 2,034	\$ 2,034	\$ 1,125	\$ (909)	\$ 1,250
Total Expenses	<u>\$ 145,764</u>	<u>\$ 97,243</u>	<u>\$ 243,007</u>	<u>\$ 243,647</u>	<u>\$ 640</u>	<u>\$ 9,553,742</u>
Net Ordinary Income	<u>\$ 3,220,699</u>	<u>\$ 3,281,860</u>	<u>\$ 6,502,558</u>	<u>\$ 6,391,356</u>	<u>\$ (640)</u>	<u>\$ 3,536,805</u>
Net Income	<u>\$ 3,220,699</u>	<u>\$ 3,281,860</u>	<u>\$ 6,502,558</u>	<u>\$ 6,391,356</u>	<u>\$ (640)</u>	<u>\$ 3,536,805</u>

Collection Data:

	CY Q2-18	CY Q3-18
Quarter being collected		
Payment Due Date	08/15/18	11/15/18
Projected Average Monthly Lives	164,943	164,943
Actual Average Monthly Lives	166,763	166,290
Avg Lives Variance +(-)	1,820	1,347
Approved Assessment Rate	6.70	6.70

NHVA
Statement of Cash Flow
Six Months Ended December 31, 2018

	Q1-19 Actual	Q2-19 Actual	6 mos ending 12/31/18 Actual	6 mos ending 12/31/18 Budget	Actual to Budget YTD Favorable (Unfav)	Annual Budget
Receipts						
Assessment Collections	3,351,943	3,342,417	6,694,360	6,630,708	63,652	13,080,778
Accounts Rec (Incr) decr	(27)	(39)	(66)	-	(66)	-
Interest Income - banks	14,520	36,686	51,206	4,295	46,911	7,996
Investment (Increase)	(1,153)	(1,297)	(2,449)	-	(2,449)	(1,540)
	<u>3,365,283</u>	<u>3,377,767</u>	<u>6,743,050</u>	<u>6,635,003</u>	<u>108,047</u>	<u>13,087,234</u>
Disbursements						
Expenses	145,764	97,243	243,007	243,647	(640)	319,086
Prepays & Payables change	(10,657)	12,013	1,357	-	1,357	-
Vaccine Costs - Pay DHHS	-	-	-	-	-	9,234,656
	<u>135,108</u>	<u>109,256</u>	<u>244,364</u>	<u>243,647</u>	<u>717</u>	<u>9,553,742</u>
Increase (Decrease)	3,230,176	3,268,511	6,498,686	6,391,356	107,330	3,533,492
Cash Balance - Beginning	3,697,484	6,927,660	3,697,484	3,697,484	-	3,697,484
Cash Balance - Ending	6,927,660	10,196,171	10,196,171	10,088,840	107,330	7,230,976

Summary:

- Helms has secured two rate increases with Bank of New Hampshire for the ICS Promontory account in mid-August and mid-November 2018 resulting in significant increases in earned interest. It is uncertain whether an additional increase will occur given the December 2018 Federal Reserve rate hike. It is unclear if the Reserve will increase rates further in 2019.
- In speaking with two investment managers and those of the Bank of New Hampshire, it may be possible to increase interest rates to 3%, and Helms believes an RFI/RFP process would help clarify any opportunity. With the target of a \$5M reserve fund being created in CY2019-20, developing an investment strategy for those funds is prudent.

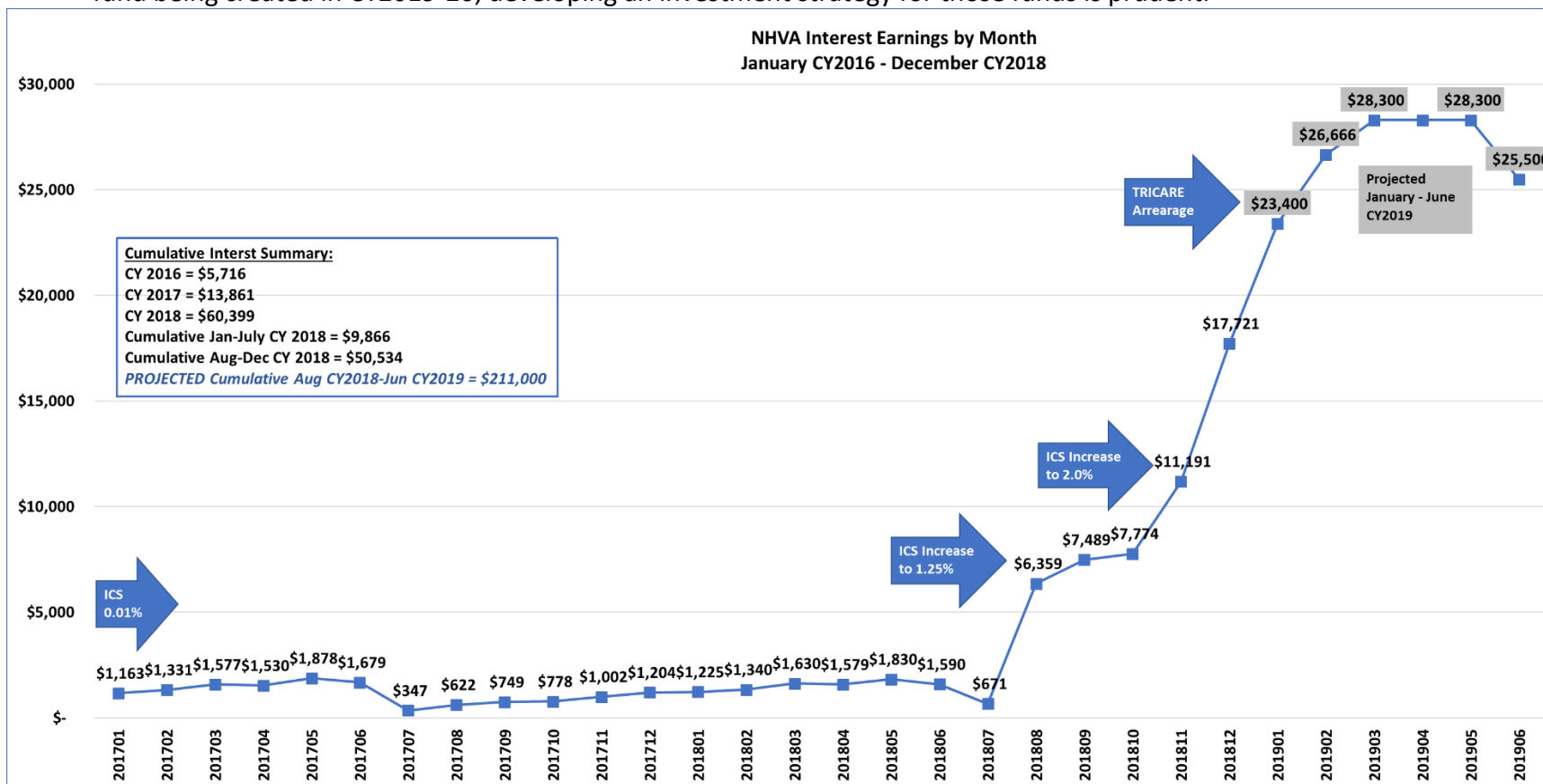


Figure Updated January 10, 2019