

## AGENDA

### Annual Meeting

June 19, 2019, 9:00am-11:00am

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

Call-In Number: 1-646-876-9923 Meeting ID: 605-955-629

Time	Agenda Item
9:00-9:05	<b>1. Welcome &amp; Roll Call (Tenney)</b>
9:05-9:30	<b>2. Annual Meeting of Members (Tenney)</b> <ol style="list-style-type: none"> <li>Report on Proxy Submissions</li> <li>Count and Certify Votes for Three Assessable Entity Representatives – <b>VOTE</b></li> <li>Adjourn Annual Meeting of Members</li> </ol>
9:30-9:50	<b>3. Annual Board Meeting Items (Tenney)</b> <ol style="list-style-type: none"> <li>Election of Officers and Committee Member Appointments – <b>VOTE</b></li> <li>Oath of Office</li> <li>Conflict of Interest Statement</li> <li>Governor and Council Appointment Update</li> </ol>
9:50-9:55	<b>4. Review and Acceptance of Minutes (Tenney)</b> <ol style="list-style-type: none"> <li>March 6, 2019 Board Meeting Minutes – <b>VOTE</b></li> </ol>
9:55-10:25	<b>5. Executive Director Report (Miller)</b> <ol style="list-style-type: none"> <li>Authorization of the June 19, 2019 NH DHHS Payment in the Amount of \$9,234,656 – <b>VOTE</b></li> <li>Acceptance of Audit Committee Recommendation for FY2020 Administrative Budget Approval – <b>VOTE</b></li> <li>Q1 CY2019 Assessment Receipt Update</li> <li>FYTD Financials</li> <li>Change in Administrative Procedure – <b>VOTE</b></li> </ol>
10:25-10:35	<b>6. DHHS Updates (Daly)</b>
10:35-10:45	<b>7. New Matters (Tenney)</b>
10:45-10:50	<b>8. Public Comment (Tenney)</b>
10:50-11:00	<b>9. Executive Session (Tenney)</b>
11:00	<b>10. Adjournment</b>

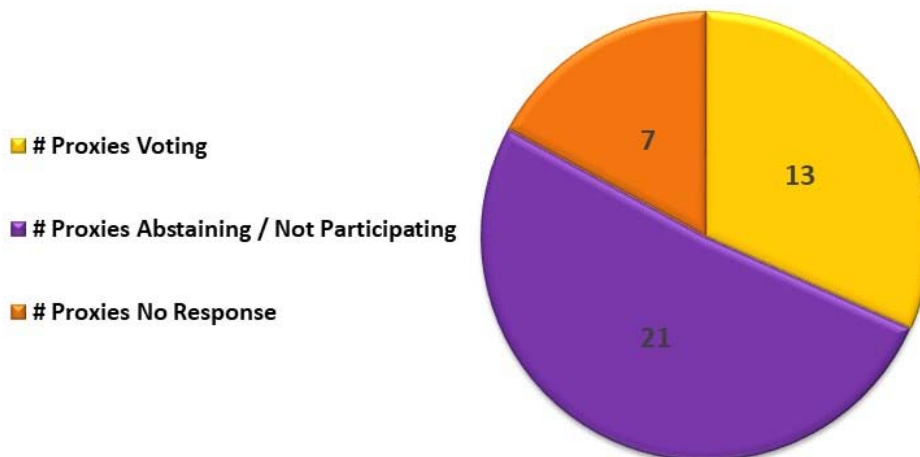
#### Future Meetings:

- Summer 2019, Audit Committee Placeholder, TBD
- September 13, 2019, Audit Committee, 8:30am
- September 25, 2019, Board Meeting, 8:30am

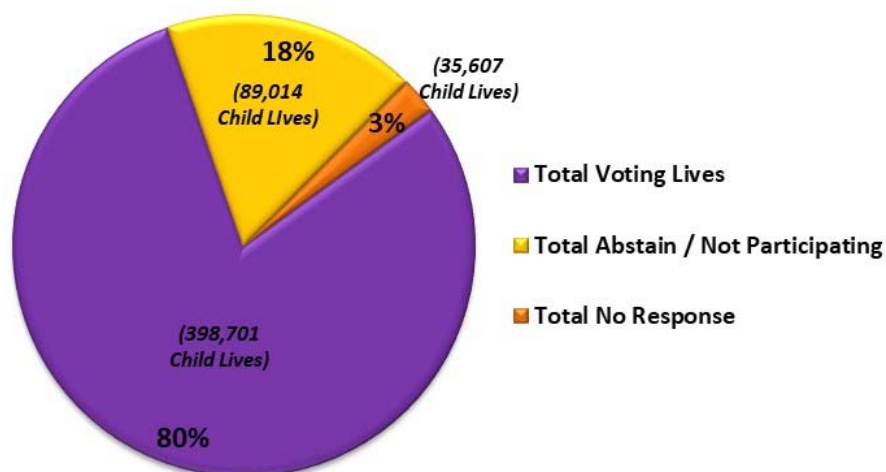
**Directions:** <https://nhvaccine.org/wp-content/uploads/2018/09/DIRECTIONS-TO-HELMS.pdf>

Updated: 06.16.2019

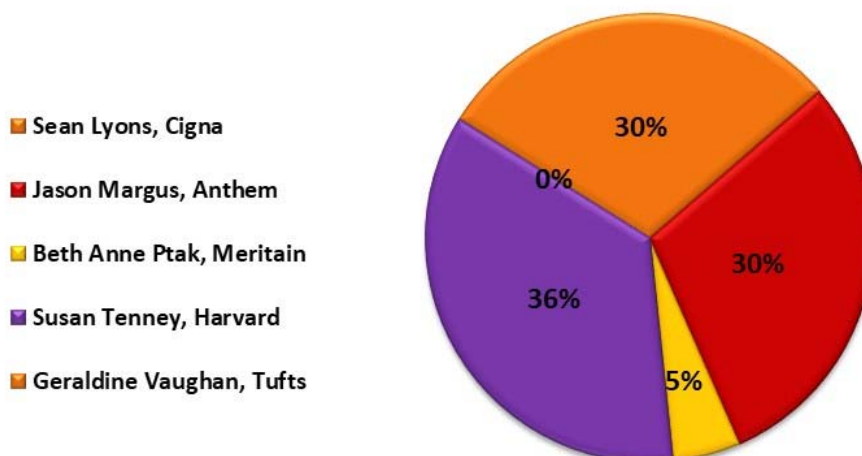
### 2019 NHVA Proxy Card Summary



### 2019 NHVA Proxy Votes Summary



### 2019 NHVA Votes Cast



## **OATH OF OFFICE**

**NHVA Bylaws Article IV, Sec. 3(C)**

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

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Signature

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Date

## **Policy Governing Conflict of Interest**

1. It is essential that the work of the NHVA not be compromised by any conflict of interest, or the appearance of conflict of interest, on the part of Directors, consultants or committee members. Conflict of interest means any financial or other interest which conflict with the service of an individual because:
  - a) it could impair the individual's objectivity; or
  - b) it could create an unfair advantage for any person or organization.

To address questions of conflict of interest, for the protection of both the individual and the organization, each Director, staff member and member of a standing committee of NHVA shall annually provide to the Chairman of the Board a list of business and nonprofit affiliations. This list will be considered a matter of public record and will be available for review upon request by any person.

2. Upon the consideration of any proposed transaction involving an organization with which a Director or staff member has a disqualifying relationship it is the responsibility of the individual to disclose the relationship. Transactions include but are not limited to grants, loans, contract, purchases, and rental agreements. Any Director or staff member so related shall abstain from discussing or voting on, or otherwise attempting to influence the decision of the proposed action, but may provide information if requested to do so.
3. "Disqualifying relationship" means formal affiliation as an Officer, Director, employee or standing committee member with a nonprofit or for-profit organization or an immediate family connection by blood, marriage or significant long term relationship with a person affiliated with such an organization, who may personally benefit from approval of a financial transaction with the NHVA.
4. Given the representative structure of the Board of NHVA and the duties of the Board in accordance with the provisions of RSA 126-Q, any of the following relationships or transactions with the individual board member or the organization which designated the Board member for Board service shall not be considered an organization for which the individual has a Disqualification Relationship for purposes of any transaction with NHVA: Any member company of NHVA with respect to determinations of standard assessments or subsidies of NHVA.

Notwithstanding the foregoing, any board member shall be subject to paragraph 2 above with respect to consideration of any variation from or waiver of NHVA's standard terms involving and such person or organization.

NHVA reserves the right to modify or amend this policy at any time as it may deem necessary.

## **Conflict of Interest Report**

Name: \_\_\_\_\_

I acknowledge that I, a Board member, standing committee member or employee of NHCN, have reviewed the "Policy Governing Conflicts of Interest," before signing this report.

I hereby disclose information on all associations (all business and charitable organizations), which may involve a possible conflict of interest and will furnish further details upon request. (If none, so state. Do not leave blank.) Feel free to attach additional sheets if you need.

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

I also understand that I am required to disclose any other situation from which a possible conflict of interest might arise in the future.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Date

May 15, 2019

Mr. Jonathan Melanson  
Office of the Executive Council  
107 North Main Street, State House Room 207  
Concord, NH 03301  
**VIA EMAIL:** [Elliot.Gault@nh.gov](mailto:Elliot.Gault@nh.gov) and [Jonathan.Melanson@nh.gov](mailto:Jonathan.Melanson@nh.gov)

Dear Mr. Melanson,

I am writing to you as Executive Director of the New Hampshire Vaccine Association (NHVA) ([www.nhvaccine.org](http://www.nhvaccine.org)). Helms & Company, Inc. is the Administrator for the NHVA. The NHVA was established by state statute (RSA 126Q) in 2002. The work of the NHVA is vitally important in its contribution to the health of New Hampshire's children. The NHVA was created by the New Hampshire Legislature and is responsible for collecting assessment payments from insurance carriers with New Hampshire covered child lives and remitting the funds to the New Hampshire Department of Health and Human Services (DHHS) on an annual basis. These funds are used in combination with Federal and State funds to purchase vaccines under the Federal Vaccines for Children Program to ensure that all children in New Hampshire have access to vaccines. The NHVA is not in any way involved with policy decisions regarding vaccines as that is the role of State policy makers.

Per RSA 126Q, the NHVA board has representatives from the following organizations:

- Three representatives selected from the assessable entities currently writing, maintaining, or administering assessable coverage through a voting process where votes are based on assessable lives.
- Two health care provider representatives appointed by the DHHS Commissioner.
- The DHHS Commissioner who shall serve as an ex-officio member.
- The NH Insurance Department Commissioner who shall serve as an ex-officio member.
- *One member appointed by the Governor and Council who shall represent self-insured entities. [OPEN SEAT]*
- One public member appointed by the Speaker of the House of Representatives.
- One public member appointed by the President of the Senate.

Currently, the seat appointed by the Governor and Council is the only vacant seat. Via this letter, the NHVA Board of Directors is submitting two names for consideration by the Council.

The NHVA board solicited names from several self-insured entities who cover public employee lives (e.g., counties, towns) as the NHVA board believes they would lend an important voice to NHVA. One individual, Wendy Parker, Executive Director of HealthTrust, Inc., has asked to be

considered for nomination to the NHVA board. Additionally, the NHVA board has received interest from Beth Anne Ptak, Surcharge and Assessment Consultant, Meritain Health. Meritain Health is an insurance carrier subsidiary of Aetna who submits assessments for self-funded lives covered in New Hampshire. Ms. Ptak has expressed interest in serving in a board capacity in prior years as well. Please find enclosed resumes for both Ms. Parker and Ms. Ptak.

If I can answer any questions, please do not hesitate to contact me.

Best regards,

Patrick

Best regards,



Patrick B. Miller, MPH  
Executive Director

Enclosures: Resumes, Parker and Ptak

Cc: Susan Tenney, NHVA Board Chair  
Elliot Gault, Office of the Executive Council

**DRAFT**

**MINUTES**

**Board of Directors Meeting**

**March 6, 2019**

**8:30 a.m.**

**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, Chair, at 8:32 a.m.

**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  
Jason Margus, Anthem  
David Sky, NHID  
Janice Valmassoi, MD, Healthcare Provider

**Other Attendees:**

Patrick Miller, Helms & Company, Inc.  
Erin Meagher, Helms & Company, Inc.  
Keith Nix, Helms & Company, Inc.  
Mark McCue, Esq., Hinckley Allen  
Kelly Anderson, Concord, NH, Member of the Public (P)  
Lorie Bender, Hopkinton, NH, Member of the Public  
Rhianna Berrigan, Deerfield, NH, Member of the Public (P)  
Jessica Kliskey, Stratham, NH, Member of the Public  
Caroline Simmon, Manchester, NH, Member of the Public (P)  
Heather Entenmann, Assoc. Dir. Vaccine Policy &  
Government Relations, Merck

Ms. Tenney welcomed everyone and called the meeting to order. Mr. Miller and Ms. Condon both announced they were recording the meeting.

**II. Review of Prior Board Meeting Minutes: January 3, 2019 Board Meeting Minutes; January 16, 2019 Board Meeting Minutes; January 16, 2019 Executive Committee Meeting Minutes**

Ms. Tenney asked if there were any updates to the January 3, 2019 Board meeting minutes. Extensive discussion ensued regarding edits provided by Mr. Miller attempting to capture Ms. Condon's comments regarding the Annual Report and additional edits provided to the group by Ms. Condon. Due to the numerous changes proposed, it was agreed that each section of change would be voted on separately. The overall changes proposed were agreed to with the following exceptions:

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

**VOTED:** *To replace the word "vaccination" with "immunization" in line 19 and replace the word "immunization" with "vaccination" in line 20.*

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

**VOTED:** *To replace all references to the DHHS "letter" with "message" throughout the minutes.*



**VOTE RECORDED:** *On a motion by Mr. Sky, seconded by Dr. Valmassoi, by a roll call vote it was*  
**VOTED:** *To remove section beginning on line 23 with "She stated" through line 28 ending with "of vaccinations."*

	<u>Yes</u>	<u>No</u>
Laura Condon		X
Beth Daly	X	
Patricia Edwards, MD	X	
Sean Lyons	X	
Jason Margus	X	
Edward Moran	X	
David Sky	X	
Susan Tenney	X	
Janice Valmassoi, MD	X	

Ms. Tenney asked if there were any updates to the January 16, 2019 Board meeting minutes and the January 16, 2019 Executive Committee Meeting minutes. Ms. Condon indicated that two names were spelled incorrectly on the Board meeting minutes attendance list – Laurie is spelled Lorie and Lorrissa is spelled Larisa.

**VOTE RECORDED:** *On a motion by Mr. Sky, seconded by Ms. Daly, it was unanimously*  
**VOTED:** *To accept the January 16, 2019 Board meeting minutes and the Executive Committee meeting minutes as presented with the spelling corrections of the two names.*

### III. Executive Director Report

Mr. Miller reported as of March 5, 2019 all assessments due February 15, 2019 have been received with the exception of additional filings by Tufts as well as a portion of the Martin's Point TRICARE balance. At the moment, unlike Humana which is paying the TRICARE cap rate of \$12.57 per child life, Martin's Point is working with TRICARE to determine how they will pay the difference between NHVA's assessment rate of \$6.70 and the TRICARE cap rate as they have capitulated products which is not reflected in their current budget.

Mr. Miller reviewed the Tufts Prior Year Assessment Summary document. Mr. Miller reported Helms & Company was contacted by Tufts to advise they had performed an internal regulatory compliance review and found there were two products that they had not been reporting for assessment. The total due for Tuft's assessments beginning in 2016 through calendar year quarter three of 2018 for both products total \$438,770.45. Helms & Company has received confirmation the payments have been approved and should be received by the end of next week. General discussion ensued including what the product types are, the breakdown of dollars owed by product, interest calculation and what historically has been done by the Board regarding charging interest on retro assessments. Helms & Company was asked to calculate the accrued interest and invoice Tufts the full amount. Mr. Sky indicated that if the carrier wishes to have the Board consider waiving the interest due, they should provide a letter with the request.

Mr. Miller reviewed the letter in the meeting packet from EBPA dated January 17, 2019. They are requesting a refund of \$66,502.14 for a total of 8,274 lives that they claim were duplicate as Anthem had been reporting these lives. Helms & Company worked with Anthem, and was able to identify 6,572 lives as duplicates, totaling a proposed refund amount of \$58,115.04.

**VOTE RECORDED:** *On a motion by Mr. Sky, seconded by Ms. Daly, it was unanimously*  
**VOTED:** *For Helms & Company to reply to EBPA stating a refund will be issued for the identified duplicate lives resulting in a payment amount of \$58,115.04.*

Mr. Miller reported that historically NHVA has been paying close to \$6,000 a year for D&O insurance. The broker of record was able to find a different policy for just under \$2,000 a year, a savings of approximately \$4,000 a year.

Mr. Miller reported that the Request for Information (RFI) for financial and cash management services went out. Helms & Company received four letters of intent to date. The RFI responses are due on March 15, 2019. These will be brought to the Audit Committee in April for discussion and to determine any recommendations needed.

#### IV. Plan of Operation

Mr. Miller referenced the Plan of Operation in the meeting packet and reviewed the proposed changes – highlighted in red.

- Page 3, line 93 proposed change “budget in the format shown in ef”. This is to remove the actual budget from the Plan of Operation in Exhibit C and provide a format for the budget instead.
- Page 4, lines 145-146 proposed addition “Every attempt should be made to not carry forward assessment revenues due across quarters.”
- Page 6, line 245 proposed change “Roger A. Sevigny John R. Elias” to reflect new commissioner’s name.
- Page 6, line 245 proposed change “20196” to update the date.
- Page 7, numerous changes suggested on Exhibit A to update the Annual Event & Meeting Calendar. Changes mostly adding the word “By” before scheduled meeting dates to provide flexibility in scheduling. For example line 258 proposed change “By 3<sup>rd</sup> Week in January” to allow the meeting to be in week 2 in need be. Four new Events/Meetings were added to include: March-Board of Directors Meeting with detail, June-Remit Assessment to State Treasurer, November-Board of Directors Meeting with detail, and December-Submit Annual Report
- Page 8, line 323 proposed addition “Unaudited Quarterly Statements” to clarify the statements are not audited.
- Page 9, line 333 proposed addition “Estimated Expense Budget Format” to reflect the format of the budget allowing the actual budget to be removed from the Plan of Operation.
- Page 10, lines 379, 380, 386, 387, 393, and 394 proposed change to replace “fax” with “email” to reflect what is actually taking place for past due assessment follow up.

After discussion, all proposed changes were agreed to except for four items.

#### VOTE RECORDED:

*On a motion by Mr. Sky, seconded by Mr. Lyons, it was unanimously*

#### VOTED:

*To accept the proposed changes to the Plan of Operation with the following four exceptions:*

1. *Not to accept the addition of “Every attempt should be made to not carry forward assessment revenues due across quarters.” on page 4, lines 145-146*
2. *Add “By” on page 7, line 282*
3. *Not to accept the addition of “(telephonic)” on page 7, line 306*
4. *Not to accept the addition of “Unaudited” on page 8, line 323*

#### V. TRICARE Update

Ms. Tenney referred to the letter from Washington Vaccine Association and the additional, reference documents in the meeting packet. WVA is requesting additional funds to offset their costs for their work on the TRICARE settlement and the work going forward. An updated Equitable TRICARE Project Cost Shares for Arrearage Recovery table reflected the settlement amounts by state, monies already paid to WVA by state, and WVA’s calculated Net Remaining shares by state. WVA is asking NHVA for an additional, voluntary contribution of \$191,858. This amount takes into account the \$50,000 previously paid by NHVA. Mr. Miller stated that KidsVax,

who prepared the table for WVA, distributed proportionately across all states the additional \$120,000 NHVA paid to WVA between June and December 2018.

Options on how to respond to WVA's updated request were presented to the Board to consider including:

1. Reimburse the amount they are requesting
2. Reimburse the requested amount less the \$50,000 and less the \$120,000 previously paid
3. No reimbursement
4. Other

The Board discussed all options, taking into account concerns that no formal agreement was ever signed, the fact there is no obligation to reimburse any amount, and additional expenses the Board has recently incurred with the change of NHVA Administrator.

Mr. Miller advised the group that his understanding is that Vermont, Maine, and Alaska are not intending to provide any reimbursement to WVA.

**VOTE RECORDED:** *On a motion by Mr. Sky, seconded by Dr. Valmassoi, by roll call it was*  
**VOTED:** *To reimburse WVA \$71,858 (NHVA's identified share of \$241,858 less \$50,000 and less \$120,000 previously paid).*

	<u>Yes</u>	<u>No</u>
Laura Condon		X
Beth Daly	X	
Patricia Edwards, MD	X	
Sean Lyons	X	
Jason Margus	X	
Edward Moran	X	
David Sky	X	
Susan Tenney	X	
Janice Valmassoi, MD	X	

Mr. Miller referenced the final chart of the meeting packet. It illustrates the TRICARE cap rate. According to TRICARE, this rate can change quarter to quarter and is posted publicly on the TRICARE website. Helms & Company will review this each quarter. Mr. Miller stated the TRICARE staff have been very responsive to any and all inquiries. Mr. Miller reiterated that while Humana is currently paying the full assessment rate, Martin's Point is still working with TRICARE on how best to operationalize the full cap assessment rate. Martin's Point is currently paying the NHVA rate. Mr. Sky asked Helms & Company to put Martin's Point on notice that interest is calculating while NHVA waits for payment.

## **VI. Department of Health & Human Services (DHHS) Update**

Ms. Daly stated that she does not have an update on the New Hampshire/Maine cross border issue. Maine seems open to entering into an MOU, but is unsure when this will happen. In response to a question from Ms. Tenney, Ms. Daley reported that New Hampshire is paying to vaccinate Maine children if seen in New Hampshire.

Ms. Daly reported that through February 28, 2019, NH DHHS has paid out \$7,577,805.58 (up from \$5,545,572.70 through December 31) for vaccines purchased in this state fiscal year.

DHHS had to "pre-book" our influenza vaccine purchases for the 2019/2020 influenza season by February 8<sup>th</sup>. 153,000 pediatric doses were ordered, which is a decrease of about 10,000 doses. DHHS decreased the overall flu vaccine doses based on a review of the last five years of doses administered. Unfortunately because the

manufacturing process takes at least six months for most formulations of vaccine, DHHS have to place the order well in advance and as not to get caught without enough vaccine if it is a bad season. This leaves DHHS predicting New Hampshire's needs based on prior years' data.

Ms. Condon asked about any flu vaccines that are not used by the end of the year and if credit is received on the purchase price. Mr. Daly stated yes, there is a Centers for Disease Control (CDC) credit provided. The group discussed what happens when a provider runs out of the supply and if there is a tracking system to identify which providers have a supply on hand to re-direct to other providers.

Ms. Daly reported that DHHS announced to the public that they are starting to see the beginning of a hepatitis A outbreak in New Hampshire. There have been 33 cases since November 1st (6-7 cases a year is typically). These cases are occurring primarily in people experiencing homelessness or in those who use illicit substances. DHHS's primary response strategy is to promote access to hepatitis A vaccines, targeting at-risk populations, but encouraging the routine childhood Hep A vaccine recommendation. DHHS vaccination rates for children are high (88%) for 1st dose and lower for completion of the two-dose series (65%).

Ms. Tenney asked if there have been any cases of measles in the state. Ms. Daly replied there has been one case reported.

Mr. Moran asked about treatment for the public when people are already infected by hepatitis A. Ms. Daly stated many of these people do not have access to regular health care or may not have a primary care provider so DHHS refers them to community health centers and the Manchester and Nashua Health Departments. Other states have held public health clinics.

## **VII. New Matters**

Ms. Tenney stated Proxies must be chosen for the Assessment Entities for the June 19, 2019 annual meeting. Ms. Tenney suggested that the Chair and Audit Committee Chair be asked to serve as proxies. After discussion, the Board agreed Ms. Tenney and Mr. Sky would act as Proxies this year.

**VOTE RECORDED:** *On a motion by Ms. Daly, seconded by Mr. Lyons, it was unanimously*  
**VOTED:** *To authorize the appointment of Ms. Tenney and Mr. Sky as proxies for the*  
*Assessable Entity director selection as the June 19, 2019, Annual Meeting of*  
*members.*

Ms. Tenney stated the current, empty Board seat that represents self-insured lives. Mr. Miller distributed an email he had sent to the Board January 29, 2019 requesting ideas for Board members. He briefly reviewed the different suggestions received from Board members, and a list of the top 20 carriers with the most child covered lives.

After much discussion, it was determined Helms & Company will reach out to entities primarily representing public lives determine interest in serving on the Board; the NH Purchasers Group on Health, Meritain Health, HealthTrust, and NH Interlocal Trust all were identified. Ideally, several names will be developed, and the names will be provided to the Governor and Council for review, consideration, and appointment.

Mr. Miller asked the Board if they would be interested in completing a board governance survey as many non-profit boards do this as best practice. The results would be presented to the Board to determine if any actions need to be taken. After discussion it was determined that Helms & Company will distribute the survey electronically.

## **VIII. Public Comments**

Ms. Berrigan asked if cost effectiveness of flu vaccines was considered when purchasing the vaccines. Ms. Daly stated the effectiveness is related to the current, circulating flu strain, and vaccine efficacy is considered by NH Department of Health and Human Services (NH DHHS) when purchasing vaccines.

Ms. Tenney reminded the group that it is not the NHVA's role to recommend certain vaccines over others, but the role of this Board is to assess carriers for the cost of the vaccines provided by NH DHHS.

Ms. Kliskey stated she recently read in an article in the Union Leader that \$1.4M was contracted out to an entity for an immunization registry. She asked Ms. Daly if there was a Request for Proposal (RFP) for another company and where the RFP could be found. Ms. Daly stated there is a current RFP and she will email Ms. Kliskey directly with additional information as this is not the role of the NHVA Board.

Ms. Bender stated that she disagreed with an earlier statement made by Dr. Edwards regarding the single influenza dose for both children and adults. Dr. Edwards responded that her role was not as a physician but to represent the financial interests of the organization. Mr. Sky quoted the statute outlining the function of the Board, and stated that this is not the role of the NHVA Board.

#### **IX. Executive Session**

**VOTE RECORDED:** *On a motion by Mr. Sky, seconded by Mr. Lyons, by Roll Call it was*

**VOTED:** *Go into Executive Session*

	<u>Yes</u>	<u>No</u>
Laura Condon	X	
Beth Daly	X	
Patricia Edwards, MD	X	
Sean Lyons	X	
Jason Margus	X	
Edward Moran	X	
David Sky	X	
Susan Tenney	X	
Janice Valmassoi, MD	X	

Ms. Tenney thanked the Members of the Public for joining the meeting. The conference call was disconnected and Ms. Bender left the room.

Helms & Company remained in the room for the first part of the Executive Session.

By unanimous roll call vote, the Board voted to end the executive session at 10:29 a.m., and then the Board voted to close the meeting.

Draft Board minutes respectfully submitted by  
Sean Lyons  
Board Secretary  
March 6, 2019

# # #



**MINUTES**  
**Board of Directors Meeting**  
**September 26, 2018**  
**10:00am**

**Presiding Officer: Susan Tenney, Chair**  
**Approved January 16, 2019**

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 154, 157, and 159.

- Executive Session – Ms. Condon indicated on page 4 regarding the vote to continue negotiating the TRICARE proposal that she had requested a roll call vote. She was the single dissenter on this vote and would like it reflected in the minutes. This will be corrected on line 205.
- Secretary pro tem – Mark indicated on page 4 he was the Secretary pro tem for the Executive Session only. The minutes should be signed by KidsVax. This will be corrected on line 228.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

**VOTE RECORDED:** *On a motion by Dr. Edwards, seconded by Ms. Daly, it was unanimously*

**VOTED:** *To approve the estimated payment to DHHS at \$9,234,656 on June 30, 2019.*

*Ms. Condon abstained from the vote.*

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

**VOTED:** *To set the CY2019 assessment rate at \$6.47pcpm.*

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

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

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

**VIII. Executive Session**

*Notes to be included shortly.*

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.

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

Draft Board minutes respectfully submitted by  
Patrick Miller, Helms & Company, Inc.  
October 2, 2018 (Approved January 16, 2019)

# # #

NHVA  
FY 20 Expense Budget  
July 2019 through June 2020

	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20	Jun 20	TOTAL
EXPENSE													
Administrative Fees	\$ 8,333	\$ 8,333	\$ 8,333	\$ 8,333	\$ 8,333	\$ 8,333	\$ 8,333	\$ 8,333	\$ 8,333	\$ 8,333	\$ 8,333	\$ 8,333	\$ 100,000
Subcontractors	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,200
Subtotal	\$ 8,433	\$ 8,433	\$ 8,433	\$ 8,433	\$ 8,433	\$ 8,433	\$ 8,433	\$ 8,433	\$ 8,433	\$ 8,433	\$ 8,433	\$ 8,433	\$ 101,200
Bank Fees	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360	\$ 4,320
Board Meeting Expense			\$ 100	\$ 100	\$ 100		\$ 100		\$ 100			\$ 100	\$ 600
Dues and Subscriptions													\$ -
Insurance (D&O)							\$ 2,000						\$ 2,000
Licenses and Fees				\$ 75									\$ 75
Postage and Shipping	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40	\$ 480
Professional Fees - Audit	\$ 8,500												\$ 8,500
Professional Fees - Legal	\$ 2,125	\$ 2,125	\$ 2,125	\$ 2,125	\$ 2,125	\$ 2,125	\$ 2,125	\$ 2,125	\$ 2,125	\$ 2,125	\$ 2,125	\$ 2,125	\$ 25,500
Public Information Expense													\$ -
Website			\$ 525										\$ 525
Subtotal	\$ 11,025	\$ 2,525	\$ 3,150	\$ 2,700	\$ 2,625	\$ 2,525	\$ 4,625	\$ 2,525	\$ 2,625	\$ 2,525	\$ 2,525	\$ 2,625	\$ 42,000
TOTAL EXPENSE	\$ 19,458	\$ 10,958	\$ 11,583	\$ 11,133	\$ 11,058	\$ 10,958	\$ 13,058	\$ 10,958	\$ 11,058	\$ 10,958	\$ 10,958	\$ 11,058	\$ 143,200

Notes:

Administrative Fees - Helms locked in for first two years @ \$100K

Subcontractors - Placeholder for any IT system changes (e.g., TRICARE in 2019)

Bank Fees - Lockbox

Board Meeting Expense - materials printing

Insurance (D&O) - Reduced from prior year due to new policy

Licenses and Fees - SOS NH Annual Report filing fee

Postage and Shipping - check tracking for dual signatures

Audit - verified pricing w/ K. Carew for FY audit ending June 30, 2019

Legal - estimated based upon historical amounts

Website - annual hosting fees (last year was \$486)

4/5/2019

3:38 PM

**DRAFT**

**NHVA**  
**FY 2019 Expense Budget**  
**to Actual YTD**  
**March 31, 2019**

	<b>FY 2019 Annual Budget</b>	<b>FY 2019 YTD Actual</b>	<b>Difference YTD Actual to Budget</b>
<b>Expenses</b>			\$ -
Advertising		\$ 137	\$ (137)
Bank Service Charges	\$ 4,320	\$ 2,268	\$ 2,052
Board Meetings Expense	\$ 500	\$ -	\$ 500
Dues & Subscriptions	\$ 600	\$ -	\$ 600
Insurance	\$ 8,400	\$ 4,466	\$ 3,934
Licenses and Fees		\$ 75	\$ (75)
Management Fees	\$ 142,345	\$ 123,318	\$ 19,027
Office, Postage and Shipping	\$ 300	\$ 221	\$ 79
Professional Fees - Audit	\$ 12,000	\$ 10,000	\$ 2,000
Professional Fees - Legal	\$ 25,500	\$ 26,952	\$ (1,452)
Public Information	\$ 3,871	\$ -	\$ 3,871
TRICARE - Washington	\$ 120,000	\$ 191,858	\$ (71,858)
Website	\$ 1,250	\$ 2,034	\$ (784)
<b>Total Expenses</b>	<b>319,086</b>	<b>361,328</b>	<b>-42,242</b>

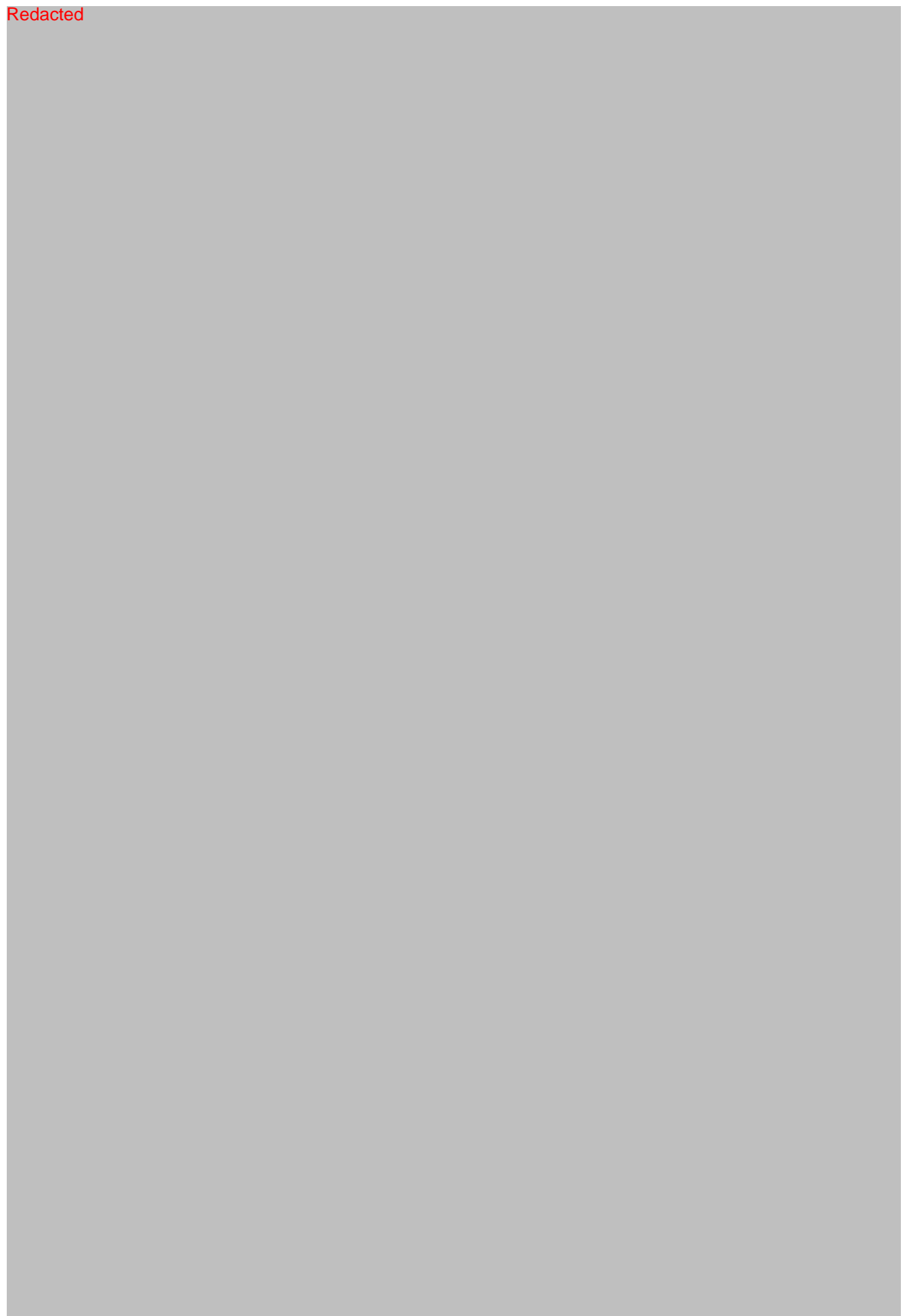
Notes:

TRICARE - Washington includes the supplemental amount of \$71,858 approved by the Board on March 6, 2019.









## MEMORANDUM

**To:** Board of Directors  
**cc:** Keith Nix, Erin Meagher  
**From:** Patrick Miller  
**Date:** June 19, 2019  
**Re:** **FYTD 2019 Assessment Summary**

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### Summary:

This memo summarizes the three FYTD 2019 assessment periods to date. Key points include:

- The TRICARE settlement has resulted in both a one-time payment as well as ongoing, increased assessments for the two carriers that administer TRICARE benefits on behalf of New Hampshire residents;
- The TRICARE settlement arrearage of \$3,970,307 was received in January 2019;
- TRICARE has a manual check process in place for the additional PMPM for Martins Point covered lives for Q2 FY2019 and Q3 FY2019;
- A refund from EBPA, Inc. in the amount of \$66,502.14 was requested and the board approved an amount of \$58,115.04 on March 6, 2019 and the amount was paid on March 12, 2019;
- Tufts self-reported on two products they had not been paying assessments for since 2016. NHVA assessed Tufts a total of \$438,770.45, and payment has been received. A late notice with regards to the retroactive assessments was sent to Tufts and subsequently the Tufts payment of \$131,360.72 was received.

### Assessment Period Summary:

1. Multiple carrier adds/deletes/permanent zero filings took place in each quarter:
  - a. Q1 FY2019 – 283 Total Assessable Entities minus 110 Filing Permanent Zero Filings minus 29 Entities Closed plus 32 New Registrations equals 176 Total Assessable Entities as of December 31, 2018.
  - b. Q2 FY2019 – 176 Total Assessable Entities minus 3 Filing Permanent Zero Filings plus 4 New Registrations equals 177 Total Assessable Entities as of February 15, 2019.
  - c. Q3 FY2019 – 176 Total Assessable Entities minus 27 Filing Permanent Zero Filings plus 2 New Registrations equals 151 Total Assessable Entities as of May 15, 2019.
2. TRICARE activity:
  - a. Q2 FY2019: TRICARE's new rate for Humana and Martin's Point has been set at a cap of \$12.47.
    - i. Humana remitted payment at this rate, which for Q2 FY2019 resulted in total receipts of \$112,716.33; and
    - ii. Martin's Point provided payment for their Q2 FY2019 covered lives at NHVA's rate of \$6.70 through the normal assessment process for a total of \$29,573.80. As of



March 8, 2019, TRICARE created an interim process to provide an additional payment for Q2 FY2019 in the amount of \$25,468.78 – this amount was at a rate of \$5.77.

- b. Q3 FY2019: TRICARE's rate cap for Humana and Martin's Point remains the same at \$12.47.
    - i. Humana remitted payment at this rate, which for Q3 FY2019 resulted in total receipts of \$ 113,576.76; and
    - ii. Martin's Point provided payment for their Q3 FY2019 covered lives at NHVA's rate of \$6.47 through the normal assessment process for a total of \$28,267.43. TRICARE, using an interim payment process provided an additional payment for Q3 FY2019 in the amount of \$26,214.00 – this amount was at a rate of \$6.00.
3. Q2 FY2019 Carrier retroactive assessment and refund request activity:
- a. Q1 FY2019. None.
  - b. Q2 FY2019:
    - i. EBPA, Inc. submitted a request for a refund totaling \$66,502.14 for duplicate payments that had been made by Anthem between CY2014 and CY2018. Helms research determined that the final amount due to be refunded to EBPA, Inc. is \$58,115.04. This was approved at the March 6, 2019 board meeting, and the funds subsequently were refunded.
    - ii. Tufts Health Plan submitted retroactive filings from CY2016 to CY2018 for two products with New Hampshire child lives; \$29,861.90 in payments have been received for Q2 FY2019 and retroactive payments totaled \$438,770.45. At the March 6, 2019 Board Meeting, there was a discussion regarding late payment, which resulted in two invoices being generated on March 21, 2019; one in the amount of \$592.03 and the second for \$130,768.69. These have subsequently been paid by Tufts Health Plan.
  - c. Q3 FY2019. None.
4. Covered lives and assessment summary totals (Table 1):
- a. Q1 FY2019, Q2 FY2019, and Q3 FY2019 had 0.82%, 1.26%, and 1.06% more lives, respectively, then what was projected in September 2018.
  - b. Q1 FY2019, Q2 FY2019, and Q3 FY2019 had \$27,068.30, \$41,721.98, and \$232,163.32 greater assessment collections, respectively, than what was projected in September 2018. These figures exclude the additional 13,453 and 13,477 TRICARE lives for Q2 FY2019 and Q3 FY2019, respectively, which were assessed at the additional TRICARE cap rate of \$5.77 and \$6.00 for Q2 FY2019 and Q3 FY2019, respectively, resulting in an additional \$77,623.81 and 80,862.00 for each quarter, respectively.

*Table 1: Covered Lives and Assessment Totals – Q1 FY2019 through Q3 FY2019*

Time Period / Assessment Rate	Projected <sup>1</sup> Lives Per Quarter / Average Per Month	Reported Lives Per Quarter / Average Per Month	% Diff. Projected vs. Reported	Projected <sup>2</sup> Assessment Revenue (\$)	Reported Assessment Revenue (\$) <sup>3</sup>	## Diff. Projected vs. Reported
<b>Q4 FY2018 / \$6.70</b>	N/A	500,289 / 166,763	n/a	3,315,354.00	3,351,943.00	1.10%
<b>Q1 FY2019 / \$6.70</b>	494,829 / 164,943	498,869 / 166,290	0.82%	3,315,354.00	3,342,422.30	\$27,068.30 / 0.82%
<b>Q2 FY2019 / \$6.70</b>	494,829 / 164,943	501,056 / 167,019	1.26%	3,315,354.00	3,357,075.98	\$41,721.98 / 1.26%
<b>Q2 FY2019 TRICARE / \$5.77 (new)</b>	N/A	13,453 / 4,484	N/A	N/A	77,623.81	N/A
<b>Q3 FY2019 / \$6.47</b>	484,500 / 161,500	500,080 / 166,693	1.06%	3,134,715.00	3,366,878.32	\$232,163.32 / 7.41%
<b>Q3 FY2019 / TRICARE \$6.00</b>	N/A	13,477 / 4,492	N/A	N/A	80,862.00	N/A

# # #

<sup>1</sup> Projected September 2018.

<sup>2</sup> Ibid.

<sup>3</sup> Excluding one-time TRICARE payment of \$3,970,307 made January 2019.

Cash Basis

**NHVA**  
**Statement of Financial Position**  
YTD Quarter Ended  
May 31, 2019

	<u>Jun 30, 18</u>	<u>Sep 30, 18</u>	<u>Dec 31, 18</u>	<u>Mar 31, 19</u>
	FYE 18	FY19 - Q1	FY19 - Q2	FY19 - Q3
	Audited	Interim	Interim	Interim
<b>ASSETS</b>				
<b>Current Assets</b>				
<b>Checking/Savings</b>				
Bank of NH - ICS	\$ 3,647,484	\$ 6,885,993	\$ 10,159,334	\$ 17,962,970
Bank of NH #851031104	\$ 50,000	\$ 41,667	\$ 36,842	\$ (22,664)
<b>Total Checking/Savings</b>	<u>\$ 3,697,484</u>	<u>\$ 6,927,660</u>	<u>\$ 10,196,176</u>	<u>\$ 17,940,307</u>
<b>Accounts Receivable</b>				
Accounts Receivable (A/R)	\$ 58,204	\$ 58,231	\$ 58,270	\$ 58,270
Allowance for Account Receivable	\$ (58,270)	\$ (58,270)	\$ (58,270)	\$ (58,270)
<b>Total Accounts Receivable</b>	<u>\$ (66)</u>	<u>\$ (39)</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Other Current Assets</b>				
Prepaid Expenses	\$ 3,473	\$ 1,985	\$ 496	\$ 1,003
Short Term Investments	\$ 256,143	\$ 257,295	\$ 258,592	\$ 260,041
<b>Total Other Current Assets</b>	<u>\$ 259,616</u>	<u>\$ 259,280</u>	<u>\$ 259,088</u>	<u>\$ 261,044</u>
<b>Total Current Assets</b>	<u>\$ 3,957,034</u>	<u>\$ 7,186,901</u>	<u>\$ 10,455,264</u>	<u>\$ 18,201,350</u>
<b>TOTAL ASSETS</b>	<u><b>\$ 3,957,034</b></u>	<u><b>\$ 7,186,901</b></u>	<u><b>\$ 10,455,264</b></u>	<u><b>\$ 18,201,350</b></u>
<b>LIABILITIES &amp; EQUITY</b>				
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts Payable	\$ 4,334	\$ 13,502	\$ -	\$ -
<b>Other Current Liabilities</b>				
Liquidity Reserve	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
<b>Total Current Liabilities</b>	<u>\$ 254,334</u>	<u>\$ 263,502</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>
<b>Total Liabilities</b>	<u>\$ 254,334</u>	<u>\$ 263,502</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>
<b>Equity</b>				
Fund Balance to be Distributed	\$ 1,846,029	\$ 1,846,029	\$ 1,846,029	\$ 1,846,029
Retained Earnings	\$ 2,248,022	\$ 1,856,672	\$ 1,856,672	\$ 1,856,672
Net Income	\$ (391,350)	\$ 3,220,699	\$ 6,502,564	\$ 14,248,650
<b>Total Equity</b>	<u>\$ 3,702,700</u>	<u>\$ 6,923,399</u>	<u>\$ 10,205,264</u>	<u>\$ 17,951,350</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><b>\$ 3,957,034</b></u>	<u><b>\$ 7,186,901</b></u>	<u><b>\$ 10,455,264</b></u>	<u><b>\$ 18,201,350</b></u>

NHVA  
Statement of Cash Flow  
YTD Quarter Ended May 31, 2019

	FY19 - Q1 Actual	FY19 - Q2 Actual	FY19 - Q3 Actual	FY19 - Q4 Actual 05/31/19	FY 2019 YTD Actual	FY 2019 YTD Budget	Difference YTD Act to Bud
<b>Receipts (Source)</b>							
Assessment Collections	3,351,943	3,342,422	3,737,731	3,235,518	13,667,614	13,080,777	586,837
TRICARE Settlement	-	-	4,047,931	54,648	4,102,579		
* Accounts Receivable	(27)	(39)	-	-	(66)	-	(66)
Interest Income - Investments	14,520	36,686	78,746	65,351	326,663	9,241	317,422
Interest Income - Assessments	-	-	-	131,361	18,292,158	-	18,292,158
* Investment - Short term	(1,153)	(1,297)	(1,449)	(1,015)	(4,913)	-	(4,913)
	<u>3,365,283</u>	<u>3,377,772</u>	<u>7,862,959</u>	<u>3,485,862</u>	<u>36,384,034</u>	<u>13,090,018</u>	<u>19,191,438</u>
<b>Disbursements (Use)</b>							
Expenses	145,764	97,243	118,321	19,019	380,348	308,480	71,868
* Prepaids & Payables Change	(10,657)	12,013	506	(300)	1,563	-	1,563
Vaccine Expenses	-	-	-	-	-	-	-
	<u>135,108</u>	<u>109,256</u>	<u>118,828</u>	<u>18,719</u>	<u>381,911</u>	<u>308,480</u>	<u>73,432</u>
<b>Increase (Decrease)</b>	3,230,176	3,268,516	7,744,131	3,467,143	36,002,123	12,781,539	19,118,006
<b>Cash Balance - Beginning</b>	3,697,484	6,927,660	10,196,176	17,940,307	3,697,484	3,697,484	-
<b>Cash Balance - Ending</b>	6,927,660	10,196,176	17,940,307	21,407,450	39,699,607	16,479,023	23,220,585

\* Note - Changes in Balance Sheet accounts are denoted as () = Increases and positive = decrease

NHVA  
Statement of Changes in Net Assets  
YTD Quarter Ended  
May 31, 2019

	FY19 - Q1	FY19 - Q2	FY19 - Q3	FY19 - Q4	FY 2019	FY 2019	Difference	FY 2019
	Actual	Actual	Actual	Actual	YTD Actual	YTD Budget	YTD Act to Bud	Annual Budget
Ordinary Income/Expense				May 31, 19				
Income								
Assessment Income	\$ 3,351,943	\$ 3,342,422	\$ 3,795,846	\$ 3,235,518	\$ 13,725,729	\$ 13,080,777	\$ 644,952	\$ 13,080,777
Refunds and Allowances	\$ -	\$ -	\$ (58,115)	\$ -	\$ (58,115)	\$ -	\$ (58,115)	\$ -
TRICARE Settlement	\$ -	\$ -	\$ 4,047,931	\$ 54,648	\$ 4,102,579	\$ -	\$ 4,102,579	\$ -
Interest Income - Investments	\$ 14,520	\$ 36,686	\$ 78,746	\$ 65,351	\$ 195,302	\$ 9,241	\$ 186,061	\$ 9,241
Interest Income - Assessments	\$ -	\$ -	\$ -	\$ 131,361	\$ 131,361	\$ -	\$ 131,361	\$ -
Total Income	\$ 3,366,463	\$ 3,379,108	\$ 7,864,408	\$ 3,486,877	\$ 18,096,855	\$ 13,090,018	\$ 5,006,837	\$ 13,090,018
Expenses								
Advertising	\$ 137	\$ -	\$ -	\$ -	\$ 137	\$ -	\$ 137	\$ -
Bank Service Charges	\$ 747	\$ 731	\$ 790	\$ 500	\$ 2,768	\$ 3,960	\$ (1,192)	\$ 3,960
Board Meetings Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400	\$ (400)	\$ 400
Dues & Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 540	\$ (540)	\$ 540
Insurance	\$ 1,489	\$ 1,489	\$ 1,489	\$ -	\$ 4,466	\$ 7,700	\$ (3,234)	\$ 7,700
Licenses and Fees	\$ -	\$ 75	\$ -	\$ -	\$ 75	\$ -	\$ 75	\$ -
Management Fees	\$ 58,318	\$ 25,000	\$ 40,000	\$ 16,667	\$ 139,985	\$ 134,012	\$ 5,973	\$ 134,012
Office, Postage and Shipping	\$ -	\$ -	\$ 221	\$ -	\$ 221	\$ 225	\$ (4)	\$ 225
Professional Fees - Audit	\$ 9,500	\$ -	\$ 500	\$ -	\$ 10,000	\$ 11,125	\$ (1,125)	\$ 11,125
Professional Fees - Legal	\$ 15,574	\$ 7,914	\$ 3,464	\$ 1,853	\$ 28,805	\$ 23,375	\$ 5,430	\$ 23,375
Public Information	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,830	\$ (3,830)	\$ 3,830
TRICARE - Washington	\$ 60,000	\$ 60,000	\$ 71,858	\$ -	\$ 191,858	\$ 120,000	\$ 71,858	\$ 120,000
Vaccine Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,234,656
Website	\$ -	\$ 2,034	\$ -	\$ -	\$ 2,034	\$ 3,313	\$ (1,279)	\$ 3,313
Total Expenses	\$ 145,764	\$ 97,243	\$ 118,321	\$ 19,019	\$ 380,348	\$ 308,480	\$ 71,868	\$ 9,543,136
Net Ordinary Income	\$ 3,220,699	\$ 3,281,865	\$ 7,746,086	\$ 3,467,857	\$ 17,716,508	\$ 12,781,539	\$ 4,934,969	\$ 3,546,883
Net Income	\$ 3,220,699	\$ 3,281,865	\$ 7,746,086	\$ 3,467,857	\$ 17,716,508	\$ 12,781,539	\$ 4,934,969	\$ 3,546,883
Collection Data:								
Quarter being collected	FY19 - Q1	FY19 - Q2	FY19 - Q3	FY19 - Q4				
Payment Due Date	08/15/19	11/15/19	02/15/19	05/15/19				
Projected Average Monthly Lives	164,943	164,943	164,943	164,943				
Actual Average Monthly Lives	166,763	166,290	167,019	166,693				
Avg Lives Variance +(-)	1,820	1,347	2,076	1,750				
Approved Assessment Rate	\$ 6.70	\$ 6.70	\$ 6.70	\$ 6.70				
Actual Average Monthly Lives - TRICARE			4,484	4,492				
Additional Assessment Rate - TRICARE			\$ 5.77	\$ 6.00				

**MINUTES**

**Audit Committee Meeting**

**April 11, 2019**

**2:30pm**

**Presiding Officer: David Sky, Chair, Audit Committee**

A meeting of the Audit Committee 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 Mr. Sky at 2:30pm.

**I. Welcome and Introductions**

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

**Committee Members:**

David Sky, NHID, Chair  
Laura Condon, Public Member  
Elizabeth Daly, NH DHHS  
Jason Margus, Anthem  
Susan Tenney, HPHC

**Other Attendees:**

Patrick Miller, Helms & Company  
Keith Nix, Helms & Company  
Erin Meagher, Helms & Company  
Jessica Kliskey, Stratham, NH, Member of the Public (P)  
Chrystal Tanguay, Derry, NH, Member of the Public (P)

Mr. Miller and Ms. Condon both announced they were recording the meeting.

**II. Review and Accept September 26, 2018 Audit Committee Minutes**

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

**VOTED:** *To accept the September 26, 2018 Audit Committee minutes as presented.*

**III. Executive Director Report**

Mr. Miller stated he had several things to review with the group starting with financial statements, an assessment update, and the draft administrative budget for FY2020.

- FYTD Financial Statements (July 1, 2018 – March 31, 2019) – Mr. Miller directed the Committee to the Statement of Changes in Net Assets document in the meeting packet, and called attention to two items related to income: the TRICARE settlement of \$4,047,931 was received in January and the FYTD interest income from investments \$121,767 which is a higher than the \$9,770 budgeted. Related to expenses there were two items: the additional \$71,858 paid to

Washington Vaccine Association (WVA) on behalf of their TRICARE work and the \$58,115 which was refunded to EBPA.

The Statement of Cash Flow document was reviewed. Mr. Miller reviewed the assessment collections by quarter and the interest income. Ms. Condon asked if the reason for the overage in expenses is directly linked to the additional dollars that were paid to WVA and Mr. Miller confirmed this was the case.

The Statement of Financial Position was reviewed. Mr. Miller indicated NHVA was doing well from a cash perspective because of the Tufts retro assessments payments, the Tufts late interest payments, the TRICARE settlement, and the account investment interest.

Mr. Sky mentioned the June 30, 2019 liability to the State and it not being reflected on the Statement of Financial Position. Mr. Nix explained because NHVA is a cash-based entity, the liability does not show until the actual payment is made. Therefore, the anticipated payment amount of \$9,234,656 will not show until June 2019. Mr. Miller stated the liability is reflected on the Statement of Changes in Net Assets and the Statement of Cash Flow. Ms. Condon asked about the \$9,234,656 payment to the State and Ms. Daly indicated the amount was determined when setting the FY2019 budget in 2017, and Mr. Miller reminded the Committee this amount was voted on at the September 26, 2018 Board meeting and will be paid by June 30, 2019. In September 2018, the Board also agreed that the amount would be reviewed again before payment is made in June 2019 to determine if it needs to be adjusted to take into account the unexpended funds held by DHHS.

General discussion ensued regarding the State liability and how best to reflect it on the Statement of Financial Position. It was determined Mr. Nix will add a notation on the bottom of the Statement. Mr. Nix pointed out that the Net Income on the Statement of Financial Position ties back to the Statement of Changes in Net Assets document.

- FY Q1 and Q2 Assessments Update – Mr. Miller directed the Committee to the TRICARE Payment Acceptance Form in the packet. He explained TRICARE has developed an interim process to pay the additional assessment from Martin's Point. The TRICARE form will need to be signed before each quarterly payment is made. The second TRICARE payer, Humana Government Business, has been able to automate their assessment process starting with the current quarter (January-March 2019). Ms. Tenney advised the Committee that neither entity can be charged interest for late payment as Federal law prohibiting this supersedes the State law.

Mr. Miller directed the Committee to the FYTD 2019 Assessment Summary memo in the meeting packet. This memo is intended to provide documentation of notable events that took place during the most recent assessment period along with outlining changes between quarters. Highlights of the memo included the TRICARE settlement and ongoing activity, the Tufts retroactive assessment filings and their interest payment, EBPA's request for a refund along, and total covered lives and assessments. The Audit Committee agreed that this new report will be helpful for Helms to continue to produce.



- 81
- 82     ▪ FY2020 Administrative Budget Draft – Mr. Miller directed the Committee to the FY2020
- 83     Administrative Expense Budget in the meeting packet and briefly reviewed each line item: the
- 84     Administrative Fees are a locked in for another year and; a small amount for Subcontractors as a
- 85     contingency for IT support; Bank Fees are the lock box monthly charge; modest amounts for
- 86     Board Meeting Expense, Postage and Shipping; a dramatic decrease in the Insurance expense;
- 87     Licenses and Fees reflect the Annual Report filing fee for the State of New Hampshire; the
- 88     Professional Fees – Audit are the same as last year; the Professional Fees – Legal are the same as
- 89     last year; and the Website line item is for hosting.
- 90

91     There was discussion regarding Legal Fees. For the current fiscal year, NHVA's current expenses

92     exceed the current budget. Hinckley Allen was heavily involved in TRICARE and the change in

93     Administrators in the current fiscal year. A recommendation was made to have two legal line

94     items in the budget – one specific for Board and Audit Committee meeting support and another

95     for larger projects. For the next fiscal year, there is no currently anticipated extensive legal

96     project work.

97

98     Ms. Daly asked about the Board's role is approving over-budget expenses, using legal fees as the

99     example. After discussion, it was agreed that Helms & Company would notify the Board if

100     expenses were to approach the budgeted amount for the current fiscal year for consideration of

101     any additional appropriation of funds.

102

103     Finally, discussion took place regarding the administrative budget categories; the Plan of

104     Operation changes approved at the last Board meeting made some budget category changes.

105     The meeting packet also contains the current budget categories for comparison.

106

107     **VOTE RECORDED:** *On a motion by Ms. Daly, seconded by Ms. Tenney, it was unanimously*

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109     **VOTED:** *To recommend to the Board of Directors at the next Board meeting*

110     *scheduled for June 19, 2019 to accept the proposed FY2020 draft budget*

111     *as presented.*

112

#### 112     **IV. Cash Management and Investment Services Request for Information Review and Discussion**

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114     Brief discussion took place among the Committee members asking if it was necessary to go into

115     Executive Session to discuss this topic. Since the vendors that responded to the RFI have been redacted

116     in the summary provided, the group agreed it was not necessary.

117

118     Mr. Miller directed attention to the RFI Summary for Investment and Cash Management Services

119     memorandum in the meeting packet. He explained the summary was created to more easily compare

120     the vendor responses, and indicated that all original materials from the responders was available for the

121     Committee members to review if they desired. The purpose of the RFI was to determine from an

122     investment and cash management perspective if NHVA could earn higher returns and fund operations

123     through those returns. In February, the RFI was released and sent to six vendors. It was also posted to

124     the NHVA website so that other vendors not solicited by NHVA had the opportunity to respond. A total

125     of four responses were received, three from the list the RFI was sent to and one from the website



posting. Table 2 in the summary is a side by side comparison of each respondent for key questions such as percentage of non-profit businesses in their portfolios, investment manager compensation models, investment policy suggestions, type of instruments used for cash management and reserve fund management, fee structures, and performance benchmarks.

After reviewing the responses, Helms & Company is recommending to the Committee to not proceed with a Request for Proposal (RFP) at this point, but to continue in the short term with the existing vendor. Once the \$5M reserve fund is set up later this year, then Helms recommends pursuing the vendors who submitted RFI responses regarding management of the reserve fund.

The Committee agreed that this was an excellent exercise to complete. Much was learned as to what is available in the marketplace as well as learning that NHVA's current performance is solid. Mr. Miller suggested that the Audit Committee review NHVA's Investment Policy prior to making changes in the reserve fund manager.

Ms. Daly asked if our current vendor suggested different management strategies than what is currently being done. Mr. Miller indicated they did not, however, they did suggest different instruments that may be more suited for the long-term investments required by a larger reserve fund.

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

***VOTED:*** *To accept the recommendation from the Executive Director to not pursue an RFP at this point and to revisit vendors when the reserve fund is established later this year.*

#### **V. June 19' 2019 Audit Committee Meeting**

Mr. Sky indicated he is unable to attend the June 19 Audit Committee meeting. He asked the Committee if they would like to proceed and meet without him or cancel the meeting. After a brief discussion, and recognizing that the Committee just approved the FY2020 administrative budget, it was decided there is no need to meet and the meeting will be canceled. As a result, all agreed to move the Board meeting scheduled for 10:00 am that same day to 9:00 am instead.

#### **VI. Adjournment**

***VOTE RECORDED:*** *On a motion by Ms. Tenney, seconded by Ms. Daly, it was unanimously*

***VOTED:*** *To adjourn the Audit Committee meeting at 3:26 pm.*

Respectfully submitted by  
Patrick Miller, Helms & Company, Inc.  
April 12, 2019

# # #