

1 **MINUTES**
2 **Board of Directors Meeting**
3 **January 16, 2019**
4 **9:30am**
5 **Presiding Officer: Edward Moran, Vice-Chair**
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8 A meeting of the of the Board of Directors of the New Hampshire Vaccine Association (NHVA) was held in person
9 at the offices of Helms & Company, Inc. in Concord, NH with a quorum present.

10 The meeting was called to order by Edward Moran, Vice Chair, at 9:34 a.m.

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13 **I. Welcome and Introductions**

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

Susan Tenney, HPHC, Chair, *absent*
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 (P)
Lorie Bender, Hopkinton, NH, Member of the Public
Leah Chase, Weare, NH Member of the Public (P)
Jessica Kliskey, Stratham, NH, Member of the Public
Larisa Trexler, RN, Member of the Public (P)

18 Mr. Moran welcomed the Board and introduced Janice Valmassoi, MD, Pediatrician, new Board member
19 representing the Healthcare Provider community as appointed by the Commissioner of Health and Human
20 Services. Each attendee in the room introduced themselves and those on the phone were identified. Ms. Condon
21 stated that she was recording the meeting for her records.
22

23 **II. Review of Prior Board Meeting Minutes: September 26, 2018 Board Meeting and Executive Committee**
24 **Meeting Minutes; December 21, 2018 Executive Committee Meeting Minutes; and January 3, 2019**
25 **Board Meeting Minutes.**
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27 Mr. Moran asked if there were any updates to the September 26, 2018 Board Meeting minutes. No changes were
28 presented.
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30 **VOTE RECORDED:** *On a motion by Ms. Daly, seconded by Dr. Edwards, it was unanimously*
31 **VOTED:** *To accept the September 26, 2018 Board Meeting minutes as presented.*
32

33 Mr. Moran asked if there were any updates to the September 26, 2018 and the December 21, 2018 Executive
34 Committee Meeting minutes. No changes were presented.
35

36 **VOTE RECORDED:** *On a motion by Mr. Sky, seconded by Dr. Edwards, it was unanimously*
37 **VOTED:** *To accept the September 26, 2018 and December 21, 2018 Executive Committee*
38 *Meeting minutes as presented.*

39
40 Mr. Moran asked if there were any changes to the January 3, 2019 Board Meeting minutes. Ms. Condon provided
41 suggested changes to Mr. Miller the evening prior to the meeting and they were subsequently shared with
42 Attorney McCue. Mr. Miller suggested that due to the extent of the changes being suggested, that approval of
43 these minutes be held until to the next meeting allowing Mr. Miller to work with Ms. Condon and Attorney McCue
44 on the changes. Ms. Condon and other board members agreed with this approach.

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46 **III. Executive Director Report**

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48 Mr. Miller reviewed the items in the meeting packet with the Board. The first document was the Statement of
49 Financial Position – year-to-date financials for the last six months ending December 31, 2018. These are unaudited
50 and are provided to inform the Board where NHVA is to date. From an asset perspective at the end of the year
51 most of the funds were with the Bank of New Hampshire (“BONH”) ICS promontory account. The monies are
52 distributed across many different banks nationally which allows for a higher interest rate and insurance protection.
53 There were no questions.

54
55 Statement of Change in Net Assets, also reflecting the last six months, was reviewed by Mr. Miller. He pointed out
56 the assessment income was approximately \$64K above budget, and the interest income was up significantly to
57 nearly \$47K above budget. Overall, for the first six months of the year, the NHVA administrative budget is \$640
58 over budget. Chief factors impacting the budget include: legal and audit are under budget, management is over
59 budget with part of to the reason tied to transition from KidsVax, insurance is up slightly but should level off by
60 year-end. Finally, at the bottom of the page there is an overview of the past two quarters for assessment
61 collection including the number of covered lives filed. Mr. Condon asked about a line item not shown – interest
62 penalties for late payers. Ms. Meagher explained that all filings received last quarter were received on time,
63 therefore no interest dollars were assessed. Ms. Condon then asked why there was not a dollar amount in the “6
64 Months Budget” column reflecting payments made to DHHS. Mr. Miller explained it was only reflected in the
65 “Annual Budget” column (\$9,234,656) because it will not be paid out until the end of the fiscal year, instead of
66 during the six months reflected in the Statement. The amount reflected is the anticipated payment amount for
67 DHHS vs. the assessment amount. This amount is less than prior years as NHVA voted in September 2018 to
68 reduce the overpayment amount DHHS is holding on their books.

69
70 Mr. Miller then reviewed the Statement of Cash Flow, six months ending December 31, 2018. This report focuses
71 primarily on receipts. Dr. Edwards inquired about the investment income going down, specifically the \$2,449 listed
72 on the statement. Mr. Nix advised these dollars are deducted from this short-term investment account as the
73 interest earned has created an overage for the account requiring the additional dollars to be moved into another,
74 higher interest-bearing account.

75
76 Clarification of the definition of each quarter was discussed. Since NHVA operates on a fiscal year, July to June, Q1
77 encompasses July, August, September as it reflects the fiscal year vs. a calendar year.

78
79 Mr. Miller also noted that the TRICARE settlement of \$3.9M was received after December 31st so it is not reflected
80 in any of the statements reviewed.

81
82 Mr. Miller distributed a copy of a memo he issued to the Audit Committee on November 21, 2018. This FYTD
83 Assessment Summary memo is a new document that he will provide quarterly to the Audit Committee. He
84 provided an update on the Assessable Entity files indicating we began the FYQ1 assessment collection with 283
85 entities in our database. During the course of the quarter, NHVA received 110 signed Permanent Zero Covered
86 Lives Certificates, closed 29 files due to entities no longer being licensed or left the market, etc., and received 32
87 new registrations. As a result, the FYQ2 assessment collection began with a total of 176 assessable entities. Ms.

88 Meagher clarified that the total assessable lives does not mean we will receive assessment filings from each entity
89 in each quarter.
90

91 The NHVA Interest Earnings by Month (January CY2016 – December CY2018) chart was reviewed by Mr. Miller.
92 Two interest increases were successfully secured from BONH by Helms for the ICS promontory account. In mid-
93 August 2018 the interest rate was increased from 0.01% to 1.25%. After meeting with the BONH in November
94 2018, they agreed to increase the rate again from 1.25% to 2.00%. A Federal rate increase took place in December
95 2018, and Mr. Miller has requested BONH to consider an additional rate increase above the 2.0% and is waiting to
96 hear back from BONH. Based on what Helms believes is feasible for interest income, the goal is to earn enough to
97 cover NHVA’s administrative costs annually.
98

99 Based on how BONH is structured, Mr. Miller believes NHVA will be limited as to how much interest can be earned
100 under the ICS promontory account. If NHVA took a more active cash management and investment strategy, Mr.
101 Miller believes a rate closer to 3.0% is achievable. He proposed conducting an RFI/RFP process to solicit
102 investment opportunities this spring to bring back to the Board for consideration. Dr. Valmassoi asked if there
103 were legislative controls or risk assessments on how NHVA can invest its funds or rules on how large the account
104 can be. Mr. Miller indicated there are not any legislative restrictions, however, NHVA does have an investment
105 policy¹ that the Board has adopted to include specific, permissible investment instruments for participation. Mr.
106 Miller stated that the Board voted in September to create a reserve fund of \$5M over the next 24 months;
107 currently, there is a reserve account in the amount of \$250K.
108

109 Discussion ensued debating conducting an RFI process vs. an RFP process. Mr. Miller recommended the RFI
110 process to obtain initial proposals, and that this falls under the Helms & Company, Inc. (“Helms”) management
111 contract and no additional administrative costs would be incurred by NHVA. Mr. Sky suggested the RFI process run
112 through the Audit Committee. Mr. Miller agreed, and the board’s consensus was for Helms and the Audit
113 Committee to move forward on the RFI process. The results of the RFI process will be brought back to the Board
114 for future consideration.
115

116 **IV. TRICARE Update**

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118 Mr. Miller referenced the September 12, 2018, letter from the Washington Vaccine Association (WVA) in the
119 meeting package and NHVA’s response letter dated October 2, 2018. In brief, the WVA letter requested additional
120 funds from NHVA to help cover WVA’s cost for the TRICARE settlement work. The NHVA letter stated that the
121 NHVA board would take up this issue once a settlement was reached. The WVA letter included a breakdown of
122 WVA’s analysis of an equitable TRICARE project cost share for arrearage recovery, including a total NHVA share of
123 \$200,394, of which WVA reflects \$50,000 paid to date leaving an outstanding balance of \$150,394 as of September
124 12, 2018. General discussion and deliberation took place regarding an appropriate response to be made to WVA.
125 During the discussion several things were recognized, including the figures outlined in the table were calculated in
126 early September so only \$50K is listed as NHVA’s payments received by WVA. Between July and December 2018,
127 NHVA paid an additional \$120K (\$20K per month) as authorized by the board at the June 2018 meeting. Mr. Miller
128 stated that Vermont and Alaska have reached settlements with TRICARE since September 12, 2018, and that
129 Rhode Island is still being settled. Mr. Sky asked Mr. Miller to recalculate the WVA equitable share table in the
130 WVA memo so that it included the finalized settlement numbers for NHVA and the other, settled states, with the
131 intention of determining if the NHVA fair share is still \$150,451. Mr. Miller will ask WVA for an update to meet Mr.
132 Sky’s request. Mr. Miller will share the response from WVA.
133

134 Ms. Condon mentioned her concerns about the large amount of money paid to WVA by NHVA without any formal
135 contract in place and questioned the Board’s authority to do this. Attorney McCue stated the Board does have the

¹ <https://nhvaccine.org/wp-content/uploads/2018/09/Investment-Policy-Approved-2016-03-09.pdf>

136 authority if not the obligation to seek arrearages from entities that should be paying assessments. The Board had
137 the authority to engage any necessary consultants, lobbyist, attorneys to assist in those efforts that the Board
138 deems prudent. Attorney McCue clarified that there is no legal obligation to pay WVA. However, it is within the
139 Board's fiduciary duties and notions of fairness to pay a fair amount to what is effectively your agent (WVA
140 working on behalf of NHVA and others).

141
142 Mr. Miller also mentioned he had expressed concern to Karen Carew of Carew & Wells, NHVA Auditors, about
143 there being no contract in place with WVA. The email chain with the agreement to participate in this effort along
144 with the Board vote from last spring authorizing the \$20K incremental payments to WVA will be used by the
145 auditors for their auditing efforts in the summer of 2019.

146
147 Mr. Miller let the Board know that Mr. Fred Potter from KidsVax is continuing to work with WVA, TRICARE, and the
148 Congressional delegation to determine if there is a way to have the final arrearage owed states to be paid in a
149 timelier manner. For NHVA to collect the final arrearage of \$1,492,489, it will develop an assessment process for
150 the two carriers who administer TRICARE lives in New Hampshire. It is projected that this will take between five to
151 seven years to collect these funds. Mr. Miller reported that Mr. Potter has indicated to Mr. Miller and Ms. Tenney
152 that KidsVax would be open to receiving additional monies from the Board to help with their ongoing settlement
153 efforts. No action was taken regarding additional monies for KidsVax' ongoing efforts.

154
155 Mr. Miller stated that a copy of the TRICARE letter outlining the settlement is included in the meeting package.

156
157 **V. Department of Health & Human Services Update**
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159 Ms. Daly reported that for the first half of the fiscal year (July 1 through December 31, 2018) DHHS has paid out
160 \$5.5M for vaccine purchases.

161
162 The CDC credit that is received each year at the end of the Federal Government's fiscal year (September 30, 2018)
163 totaled \$1.8M which was approximately \$1M less than in recent, prior years. This credit is created when the CDC
164 clears the virtual shelves at the end of their fiscal year. The dollar value for the vaccines that are earmarked for
165 New Hampshire is credited to DHHS and those funds are used first to buy vaccines to stock the virtual shelves for
166 the current Federal fiscal year which began October 1, 2018. State funds are used to pay the balance of the
167 vaccines throughout the rest of the year. Ms. Daly mentioned this is the smallest credit DHHS has ever received.
168 They normally range between \$2M-\$3M.

169
170 The DHHS annual immunization conference is scheduled for September 26, 2019, and Ms. Daly expressed invited
171 the board members to attend. Additional information will be shared with the board as the event details emerge.

172
173 Ms. Daly updated the board on the Maine-New Hampshire cross-border issue. Colleen Haggerty, Section Chief of
174 the Immunization Program, has been speaking with her counterpart in Maine to discuss a solution. Maine law
175 currently prevents physicians in Maine from paying for vaccines for New Hampshire resident children, and as a
176 result those children that see pediatricians in Maine must receive their vaccines by another doctor physically
177 located in New Hampshire. New Hampshire law allows New Hampshire physicians to vaccinate children residing in
178 other states, so this is a one-way issue. The Maine Vaccine Board (MVB) is working with the Maine Attorney
179 General to potentially sign a Memorandum of Understanding ("MOU") between New Hampshire and Maine to
180 allow the Maine physicians to provide vaccines for New Hampshire resident children. It is believed that this affects
181 a few hundred patients. It was mentioned that New Hampshire has reciprocity with Vermont and Massachusetts
182 and thus do not experience this problem with those bordering states. There was a memo issued last year to the
183 Board with details pulled from the all payer claim database describing the problem. Ms. Daly will send the memo
184 to Mr. Miller for distribution to the group, although Ms. Daly did not believe the memo would add any additional
185 value at this time.

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VI. New Matters

Mr. Moran asked if anyone had any new matters they would like to bring up or discuss. No one had any additional comments or discussion topics.

VII. Public Comments

Jessica Kliskey expressed appreciation for being able to listen to the Board meeting. Ms. Kliskey stated she was amazed at the amount of money that New Hampshire spends on vaccines and questioned what New Hampshire does for vaccine injuries. She asked how are parents that have children with injuries as a result of receiving a vaccine helped. Dr. Edwards clarified that efforts for vaccine injuries are handled at a Federal level vs. at a state level and do not include NHVA. Ms. Kliskey stated her belief that autism is a result of vaccine injury and mentioned anxiety and depression being linked to vaccines. She asked if there is any consideration by the Board to address this. Dr. Edwards clarified that the mission of NHVA is to assist with controlling costs of vaccines by purchasing them in bulk from the US Centers for Disease Control and Prevention (“CDC”) for the entire state of New Hampshire, and that it would be appropriate for Ms. Kliskey’s concerns to be addressed with the state legislature to effect change at a Federal level.

Laurie Bender and Leah Chase also expressed gratitude for being able to listen in on the meeting and had no further comments.

Mr. Moran briefly discussed the state of vaccine costs in the context of media coverage of increased pharmaceutical costs overall and stated that it appears that not much effort is being done to actively reduce vaccine costs. He asked if anyone was aware of any initiatives. Ms. Daly explained that the state receives reduced vaccine pricing from the CDC to ensure the lowest price for New Hampshire.

VIII. Executive Session

Mr. Moran asked if there were any topics for discussion in Executive Session. Mr. Miller advised there was one. Mr. Moran asked the members of the public to leave the meeting and thanked them for their participation.

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

By unanimous roll call vote, the Board voted to end the executive session at 11:20 a.m., and then the Board voted to close the meeting.

Draft Board minutes respectfully submitted by
Sean Lyons
Board Secretary
February 12, 2019

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