

AGENDA

AUDIT COMMITTEE MEETING

August 25, 2021

9:00 am – 11:00 am

NH Insurance Department, Walker Building, Room 274

21 South Fruit Street, Concord, NH

Via Front Entrance

**** Note:** While masks are not required by the State, the NHVA respectfully requests you consider wearing one if attending in person given the recent rise in COVID cases. **

To participate by Zoom, please register here:

<https://nhvaccine.org/event/nhva-audit-committee-meeting-august-25-2021/>

Committee Members: David Sky, Chair, Susan Tenney, Vice Chair, Elizabeth Daly, Jason Margus

Administrator Staff: Patrick Miller, Keith Nix, Erin Meagher, Ashley Ithal

Guests: Karen Carew, Carew & Wells PLLC, Leslie Walker, Mason+Rich PA

9:00am	1. Call to Order (D. Sky)
9:00am-9:10am	2. Review and Accept April 28, 2021 Meeting Minutes – Vote (D. Sky)*
9:00am-9:20am	3. Review and Vote to Recommend Acceptance of FY2021 Audited Financials – Vote (D. Sky)* Guest: Karen Carew, Carew & Wells PLLC
9:20am-10:15am	4. CY2022 Assessment Rate Initial Assumptions Discussion (P. Miller)* Guest: Leslie Walker, Mason+Rich, PA
10:15am-10:30am	5. Other Business
10:30am-10:45am	6. Public Comment Period
10:45am	7. Call to Adjourn (D. Sky)

* indicates an attachment

NEW HAMPSHIRE VACCINE ASSOCIATION

Board Chair Statement re: Public Commentary During Meetings

I welcome members of the public and ask that each of you sign the attendance sheet or announce yourself if you are participating by telephone. Please also inform the Board now if you will be recording this meeting.

If the Board has sufficient time to conduct its business, then it is our policy to reserve time later in the meeting for public commentary. This commentary should be limited to matters that are germane to the role of the NH Vaccine Association: namely, the assertion and collection of assessments to fund the non-federal portion of the State's purchase and distribution of vaccines under the federal Vaccines for Children program. The Vaccine Association is not a policy-setting organization, it has no influence over the State's participation in the Vaccines for Children Program, and its role is not to challenge the vaccine program cost estimates provided by the State absent obvious error. Therefore, as Chair of the Board, I reserve the right to interrupt and end any public commentary that is not germane to the business of this Association.

Lastly, I remind the public that the commentary period is not an interactive session. If you have questions for the Board or for its executive staff, please direct them to our Executive Director who will respond in the normal course of Association business.

Thank you in advance for adhering to these public commentary guidelines so that we may have a productive meeting.

July 31, 2021

Board of Directors of
New Hampshire Vaccine Association

We have audited the financial statements of New Hampshire Vaccine Association for the year ended June 30, 2021, and we will issue our report thereon dated July 31, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 8, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by New Hampshire Vaccine Association are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during June 30, 2021. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the vaccine expense is based on the amount projected and requested for remittance by the State of New Hampshire. We evaluated the key factors and assumptions used to develop the vaccine expense estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the balance due and collectible in accounts receivable (including no amount due) is based on the assumption that the amount of covered lives self-reported by the payor is accurate and not subject to change materially. Further that the RSA provides for the recognition of revenue when self-reported by the insurer irrespective of the time period for the covered lives being reported. We evaluated the factors and assumptions used to develop the balance due and collectible in accounts receivable estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 31, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention. There were no new recommendations in the current year.

Other Matters

This information is intended solely for the use of Board of Directors and management of New Hampshire Vaccine Association and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Carew & Wells, PLLC

Adjustments

Adjustment 1

Proposed | Workpaper Reference: [X.a - BNH Investments, stmt.pdf](#)

Notes: KMC01 - immaterial AJE to reclass between investment income and gain/loss - no misstatement total ROI

Account	Debits	Credits
45610 - Interest Income - Investments	-	199.00
47500 - Unrecognized Gain or Loss	199.00	-
✓ Net income effect: 0	Dr: 199.00	Cr: 199.00

Adjustment 2

Proposed | Workpaper Reference: [0501 - Professional fees, gl detail](#)

Notes: KMC02 - immaterial AJE to reclass between prepaid and prior year. Waive as annualized expense is not significantly misstated and immaterial effect on net income.

Account	Debits	Credits
14000 - Prepaid Expenses	3,500.00	-
60302 - Professional Fees - Audit	-	3,500.00
35000 - Retained Earnings	-	3,000.00
60302 - Professional Fees - Audit	3,000.00	-
✓ Net income effect: 500	Dr: 6,500.00	Cr: 6,500.00

**NEW HAMPSHIRE
VACCINE ASSOCIATION
FINANCIAL STATEMENTS
FOR THE FISCAL YEARS ENDED
JUNE 30, 2021 AND 2020**

draft

INDEX TO FINANCIAL STATEMENTS

Independent Auditors' Report 1-2
Statements of Financial Position..... 3
Statements of Activities and Changes in Net Assets..... 4
Statements of Cash Flows..... 5
Notes to Financial Statements..... 6-12

draft

INDEPENDENT AUDITORS' REPORT

The Board of Directors
New Hampshire Vaccine Association

Opinion

We have audited the accompanying financial statements of New Hampshire Vaccine Association (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Hampshire Vaccine Association as of June 30, 2021 and 2020, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of New Hampshire Vaccine Association and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about New Hampshire Vaccine Association's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of New Hampshire Vaccine Association's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about New Hampshire Vaccine Association's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Carew & Wells, PLLC
Concord, New Hampshire

July 31, 2021

NEW HAMPSHIRE VACCINE ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2021 AND 2020

	June 30, 2021	June 30, 2020
ASSETS		
<i>Current Assets</i>		
Cash and cash equivalents	\$ 11,448,477	\$ 7,514,560
Accounts receivable	5,486	-
Prepaid expenses	<u>1,960</u>	<u>1,960</u>
Total Current Assets	<u>11,455,923</u>	<u>7,516,520</u>
<i>Non-Current Assets</i>		
Investments	<u>4,466,645</u>	<u>6,814,180</u>
TOTAL ASSETS	<u>\$ 15,922,568</u>	<u>\$ 14,330,700</u>
LIABILITIES & NET ASSETS		
<i>Current Liabilities</i>		
Accrued expenses	<u>\$ 1,980</u>	<u>\$ -</u>
TOTAL LIABILITIES	<u>1,980</u>	<u>-</u>
<i>Net Assets</i>		
Net assets without donor restrictions	250,000	250,000
Net assets with donor restrictions	<u>15,670,588</u>	<u>14,080,700</u>
TOTAL NET ASSETS	<u>15,920,588</u>	<u>14,330,700</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$ 15,922,568</u>	<u>\$ 14,330,700</u>

The accompanying notes are an integral part of these financial statements.

NEW HAMPSHIRE VACCINE ASSOCIATION
**STATEMENTS OF ACTIVITIES
AND CHANGES IN NET ASSETS**
FOR THE FISCAL YEARS ENDED JUNE 30, 2021 AND 2020

	June 30, 2021	June 30, 2020
NET ASSETS WITHOUT DONOR RESTRICTIONS		
REVENUE AND OTHER SUPPORT		
Net assets released from restrictions		
Assets released for operations	\$ 125,714	\$ 127,226
OPERATING EXPENSES		
Administrative services	103,750	100,142
Professional fees	17,758	20,636
Insurance	3,360	2,564
License and fees	75	75
Bank fees	-	1,723
Stationary & printing	285	1,500
Subcontractors	-	100
Website	486	486
<i>Total Operating Expenses</i>	<u>125,714</u>	<u>127,226</u>
INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>-</u>	<u>-</u>
NET ASSETS WITH DONOR RESTRICTIONS		
Assessment income, less refunds of \$0 and \$58,115 in 2021 and 2020	13,000,171	12,994,817
TRICARE settlement income	470,102	395,271
Interest on late assessments	566	293
Bank and sweep interest	55,827	253,394
Return on investments	19,465	82,614
Net assets released from restrictions		
Remittance to the State of New Hampshire	(11,830,529)	(11,751,393)
Assets released for operations	<u>(125,714)</u>	<u>(127,226)</u>
INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS	<u>1,589,888</u>	<u>1,847,770</u>
CHANGES IN NET ASSETS	<u>1,589,888</u>	<u>1,847,770</u>
<i>Net Assets, Beginning of Year</i>	<u>14,330,700</u>	<u>12,482,930</u>
<i>Net Assets, End of Year</i>	<u>\$ 15,920,588</u>	<u>\$ 14,330,700</u>

The accompanying notes are an integral part of these financial statements.

NEW HAMPSHIRE VACCINE ASSOCIATION
STATEMENTS OF CASH FLOWS
 FOR THE FISCAL YEARS ENDED JUNE 30, 2021 AND 2020

	June 30, 2021	June 30, 2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 1,589,888	\$ 1,847,770
<i>Adjustments to reconcile changes in net assets</i>		
(Gain) on sale of investments	(800)	(326)
Unrealized (gain) loss on investments	21,277	(68,011)
(Increase) decrease in:		
Accounts receivable	(5,486)	-
Prepaid expenses	-	(796)
Increase (decrease) in:		
Accrued expenses	1,980	-
<i>Total Adjustments</i>	<u>16,971</u>	<u>(69,133)</u>
Net Cash Provided (Used) by Operating Activities	<u>1,606,859</u>	<u>1,778,637</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(728,942)	(6,724,277)
Proceeds from sale & maturities of investments	<u>3,056,000</u>	<u>240,000</u>
Net Cash Used by Investing Activities	<u>2,327,058</u>	<u>(6,484,277)</u>
 NET INCREASE (DECREASE) IN CASH	3,933,917	(4,705,640)
 <i>Cash, Beginning of Year</i>	<u>7,514,560</u>	<u>12,220,200</u>
 <i>Cash, End of Year</i>	<u>\$ 11,448,477</u>	<u>\$ 7,514,560</u>

The accompanying notes are an integral part of these financial statements.

NEW HAMPSHIRE VACCINE ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

A | NATURE OF ACTIVITIES & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

New Hampshire Vaccine Association is a nonprofit corporation established pursuant to Chapter 126-Q of the New Hampshire Revised Statutes Annotated. The Association was formed to assess certain entities for a portion of the cost of vaccines provided for children in New Hampshire. The Association accomplishes its mission by assessing “assessable entities,” as defined by RSA 126-Q:1,II. That definition encompasses all insurers, all government health benefit plans and essentially all third-party administrators administering health benefits for any child in New Hampshire. The Association remits funds to the State of New Hampshire so that the NH Department of Health and Human Services is able to purchase and distribute, without charge to health care providers in the State of New Hampshire, all federally-recommended childhood vaccines.

Basis of Accounting

The financial statements of New Hampshire Vaccine Association have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The Association is required to report information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of donor-imposed restrictions:

Net assets without donor restrictions are those currently available at the discretion of the board for use in the Association’s operations.

Net assets with donor restrictions are those subject to stipulations imposed by law. Restrictions may be temporary in nature; those restrictions would be met by actions of the Association or by the passage of time. Other donor restrictions may be perpetual in nature, whereby the donor may stipulate the funds be maintained in perpetuity. The Association does not have any net assets with perpetual donor restrictions.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents

New Hampshire Vaccine Association considers all short-term highly liquid investments with original maturities of three months or less to be cash equivalents with the exception of temporary cash, money market funds, and short-term investments held in the investment account.

Investments

New Hampshire Vaccine Association carries investments in debt and equity securities at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

NEW HAMPSHIRE VACCINE ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

Assessment Receivables

Assessment receivables are stated at the amount the Association expects to collect from covered lives self-reported by assessable entities. The Association evaluates collectability by considering factors such as historical experience, the age of the accounts receivable balance, current economic conditions, and other circumstances, which may affect an entity's ability to pay. Past due receivables are written off at management's discretion using the direct write off method; this is not considered a departure from accounting principles generally accepted in the United States because the effects of the direct write off method approximate those of the allowance method. The Association charges a late fee at a rate of 18% per annum (about 1.5% monthly) on all past due assessments until paid in full or written off as uncollectible.

Assessment Revenue

Assessable entities self-report the number of covered lives for each month of the quarter. The assessment is due 45 days after the close of the preceding quarter. Assessment revenue is recognized as an increase in temporarily restricted net assets at that time.

RSA 126-Q and the Plan of Operation do not provide any requirement for the Association to identify or verify the self-reported covered lives of assessable entities. Accordingly, revenue is recognized as self-reported by the assessable entities. Any subsequent adjustments in covered lives reported to the Association are treated as an increase or decrease in assessment revenue at that time.

Restricted Revenue

RSA 126-Q restricts all revenue, including assessments, interest on late payment of assessments, and investment income. Unexpended revenue is included in reducing the next year's assessment rate.

Expense Allocation

Due to the limited purpose of the Association's mandate as defined in RSA 126-Q, the remittance of assessments to the State comprises the entirety of program activities. The remittance is reflected on the financial statements as a release of net assets with donor restrictions. All remaining expenses are related to management and general activities. Following is an analysis of expenses by natural and functional classifications:

	2021	2020
<i>Program Expense</i>		
Remittance to State of NH	\$ <u>11,830,529</u>	\$ <u>11,751,393</u>
<i>Management & General</i>		
Administrative services	103,750	100,142
Professional fees	17,758	20,636
Insurance	3,360	2,564
License and fees	75	75
Bank fees	-	1,723
Stationary & printing	285	1,500
Subcontractors	-	100
Website	486	486
<i>Total Management & General</i>	<u>125,714</u>	<u>127,226</u>
 <i>TOTAL EXPENSES</i>	 \$ <u>11,956,243</u>	 \$ <u>11,878,619</u>

(Continued on next page)

NEW HAMPSHIRE VACCINE ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

Income Tax Status

The Association was organized as a nonprofit corporation under RSA 292. On January 20, 2004, the Internal Revenue Service ruled that the Association was a nonprofit 501(c)(3) organization, furthermore that it was not a private foundation within the meaning of Internal Revenue Code Section 509(a). Accordingly, the Association has not made any provision for income taxes. In addition, the Internal Revenue Service ruled that the Association met the requirements set forth in Revenue Procedure 95-48, 1995-2 CB 418 section 4.02(b) and 4.03. Therefore, the Association is not required to file Form 990 annually.

For the years ended June 30, 2021 and 2020, management has evaluated its tax positions in accordance with financial accounting standards board (FASB) accounting standards codification (ASC) 740-10, *Accounting for Uncertain Tax Positions*. This evaluation includes consideration that the Association is operating in compliance with its tax-exempt status and that there are no matters that would create taxable income. The Association’s management does not believe they have taken uncertain tax positions, therefore, a liability for income taxes associated with uncertain tax positions has not been recognized.

B | CURRENT RESOURCES

Financial Assets Available to Meet Cash Needs for General Expenditures within One Year

The Association has the following financial assets available within 1 year of the balance sheet dates (June 30, 2021 and 2020) to meet cash needs for general expenditures consisting of:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 11,448,477	\$ 7,514,560
Accounts receivable	<u>5,486</u>	<u>-</u>
Total	<u>\$ 11,453,963</u>	<u>\$ 7,514,560</u>

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date. General expenditures include the required remittance to the State of New Hampshire and reasonable and necessary operating costs. Investments set aside for long-term investing are not included in the current resources available for general expenditures. However, these amounts could be drawn upon if needed by the Association.

Liquidity Management

The Association is substantially supported by assessment income. To manage liquidity, the Association maintains sufficient financial asset balances to satisfy general expenditures as they come due. The Association invests cash in excess of immediate operations in investments to provide a reasonable rate of return to offset the operating expenses and reduce the total cost of the program to insurers.

In determining assessment rates, the Board of Directors have designated \$250,000 to ensure adequate cash flow for operating expenses. In addition, for the years ended, June 30, 2020 and 2019, the Association reserved \$5 million of the available restricted net assets used in setting the assessment rates. This reserve provides for consistent and stable assessment rates to insurers over time.

NEW HAMPSHIRE VACCINE ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

C | CONCENTRATIONS

Revenue

The Association derives nearly all of its revenue from assessments of licensed insurers in the State of New Hampshire. In addition, 49% of the assessments are derived from 3 assessable entities. Given the requirements of RSA 126-Q, the Plan of Operations and the industry within which assessable entities operate, management does not believe the Association is exposed to significant risk from the concentration of assessment revenue, nor from a concentration with a particular assessable entity.

D | INVESTMENTS

Composition of Investments

Investments are comprised of the following at June 30, 2021 and 2020:

	2021	2020
Fixed Income Funds (Level 1 measured at fair value)		
Negotiable Certificates of Deposit	\$ 4,404,454	\$ 6,592,129
Federated Government Money Market	<u>62,191</u>	<u>222,051</u>
Total Investments	<u>\$ 4,466,645</u>	<u>\$ 6,814,180</u>

Investments include funds in excess of those necessary for immediate operating needs, including the funds reserved to stabilize assessment rates over time.

Fair Value Measurements

Generally accepted accounting principles provide a framework for measuring fair value. That framework establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The Association's investments are comprised of money market funds and negotiable certificates of deposit reported at fair value based on quoted market prices (Level 1) as follows:

	Cost	Fair Value	Unrealized Gain (Loss)
<i>As of June 30, 2021</i>			
Negotiable Certificates of Deposit	\$ 4,357,918	\$ 4,404,454	\$ 46,536
Money market	<u>62,191</u>	<u>62,191</u>	<u>-</u>
Total Investments	<u>\$ 4,421,109</u>	<u>\$ 4,466,645</u>	<u>\$ 46,536</u>
 <i>As of June 30, 2020</i>			
Negotiable Certificates of Deposit	\$ 6,524,118	\$ 6,592,129	\$ 68,011
Money market	<u>222,051</u>	<u>222,051</u>	<u>-</u>
Total Investments	<u>\$ 6,746,169</u>	<u>\$ 6,814,180</u>	<u>\$ 68,011</u>

(Continued on next page)

NEW HAMPSHIRE VACCINE ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

Return on Investments

The return on investments is reported as a change in net assets with donor restrictions in the Statement of Activities. Investment return is summarized as follows:

	2021	2020
Interest and dividends	\$ 60,222	\$ 19,998
Realized gain (loss)	800	326
Unrealized gain (loss)	(21,277)	68,011
Investment fees	(20,280)	(5,721)
Total	\$ 19,465	\$ 82,614

E | COMMITMENTS AND CONTINGENCIES

TRICARE Assessment

The Association has been pursuing collection from the Federal Defense Agency ("DHA") assessments for TRICARE child beneficiaries resident in the State of New Hampshire. Effective December 23, 2016, Congress adopted Section 719 of the 2017 National Defense Authorization Act ("NDAA") which authorized the DHA to make payments to the Association and certain other state vaccine programs. The 2017 NDAA provides for reimbursement of the amount assessed by the Association further limited to an amount that may not exceed the amount the Department would reimburse an entity under the TRICARE program for providing vaccines.

In a memorandum dated November 29, 2018, the Association has accepted a stipulated sum of \$3,970,307 with regards to arrearages for the TRICARE specified assessments from July 17, 2010 to September 30, 2018. This stipulated sum was \$1,492,489 less than the TRICARE increment (the difference between the TRICARE inflation and vaccine adjusted per capita cap, and the total Association assessments amounts). The remaining TRICARE increment (arrearage) is being incorporated into future TRICARE specific assessments and is expected to be paid over multiple years. Given that collection is not certain and that the amounts collected cannot be determined until future budgets and assessments are implemented, the TRICARE increment payments will be recognized as revenue in future quarterly assessment as they become determined and due. Following is summary of the arrearage balance on the TRICARE specified assessments:

	2021	2020
TRICARE arrearage, beginning balance	\$ 938,732	\$ 1,334,003
Increment payments received	(470,102)	(395,271)
TRICARE arrearage, ending balance	\$ 468,630	\$ 938,732

Risk of Reconsideration of Assessments

The Association's Plan of Operation provides that assessable entities are assessed a fee based upon the number of covered lives as self-reported. No request for reconsideration of any assessment or refund of payment made shall be considered by the Association with respect to any request which is not filed with the Association, in writing, on or before that date which is six months after the first due date for the corresponding assessment year. The Association's Plan of Operations also states that any overpayments are first considered in connection with the assessment determination for the following year and may, depending upon the cash flow needs of the Association, be spread over multiple years. As a result, the Association does not record a commitment or contingency related to this matter.

(Continued on next page)

NEW HAMPSHIRE VACCINE ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

Termination of the Association

In the event of dissolution of the Association, unexpended assessments, including unexpended funds from prior assessments, shall be returned to assessable entities in proportion to their respective assessments paid over the most recent 8 quarters preceding the discontinuation of the Association's operations. As there are no plans to dissolve, the Association does not record a commitment or contingency related to this matter.

F | DESIGNATION OF NET ASSETS

Net Assets Without Donor Restrictions

It is the policy of the Board of Directors of the Association to designate appropriate sums of unrestricted net assets to assure adequate cash flow for operations. As of June 30, 2021 and 2020, the board designated balance for this purpose was \$250,000.

Net Assets With Donor Restrictions

The Association is a limited purpose entity whose funds are dedicated for remittance to the State of New Hampshire to fund a specified portion of the cost of providing recommended vaccines to children regardless of income or insurance coverage. The Association has collected assessments in excess of amounts required to be remitted to the State. During the year ended, June 30, 2020, the Association reserved \$5 million of the available restricted net assets used in setting the assessment rates to provide for consistent and stable assessment rates to insurers over time. The remaining unexpended assessments will be applied to the determination of future assessments, or reasonable and necessary operating costs of the Association.

As of June 30, 2021 and 2020, net assets with donor restrictions is comprised of the following:

	2021	2020
<i>Unexpended assessments:</i>		
Available for rate setting	\$ 10,670,588	\$ 9,080,700
Reserved for rate stabilization	<u>5,000,000</u>	<u>5,000,000</u>
Net assets with donor restrictions	<u>\$ 15,670,588</u>	<u>\$ 14,080,700</u>

G | RELATED PARTY TRANSACTIONS

State of New Hampshire

The Association collects assessments for the State of New Hampshire. The organizations are financially interrelated as they meet the following criteria:

1. The State of New Hampshire has the ability to influence the Association's operating and financial decisions.
2. The State of New Hampshire has an ongoing economic interest in the net assets of the Association. The Association transfers monies to the State of New Hampshire to fund a specified portion of the cost of purchasing vaccines for children in the State of New Hampshire. The Association transferred \$11,830,529 and \$11,751,393 to the State of New Hampshire in 2021 and 2020, respectively.

(Continued on next page)

NEW HAMPSHIRE VACCINE ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

Board of Directors

In accordance with RSA 126-Q, the board composition includes three (3) directors who are also employees of assessable entities. There were no direct transactions with either the directors or the assessable entities which did not meet the same terms and conditions as all other assessable entities.

H | SUBSEQUENT EVENTS

In preparing these financial statements, the Association has evaluated events and transactions for potential recognition of disclosure through July 31, 2021, the date the financial statements were available to be issued. The Association has not experienced any disruption in operations nor volatility in the market as a result of the ongoing pandemic. However, management is actively monitoring for potential future disruptions. Management has determined that it is impracticable to estimate the effect, if any, at this time given the evolving and ongoing nature of the pandemic.

Management has determined there are no additional subsequent events that provide evidence that did not exist at the date of the statement of financial position but arose subsequently to that date which would materially affect the financial position of the Association or cause these financial statements to be misleading to the reader.

NHVA
Statement of Cash Flow
YTD FY2021 Q4
Quarter Ended June 30, 2021

	FY21 - Q1 Actual	FY21 - Q2 Actual	FY21 - Q3 Actual	FY21 - Q4 Actual	FY 2021 YTD Actual	FY 2021 YTD Budget	Difference YTD Act to Bud	FY 2021 Annual Budget
Receipts (Source)								
Assessment Income	3,341,697	3,328,287	3,295,912	3,034,275	13,000,171	12,059,485	940,686	12,059,485
Assessment Income - TRICARE (Settlement)	103,217	116,651	118,616	131,618	470,102	401,145	68,957	401,145
* Accounts Receivable	-	46	(46)	(5,486)	(5,486)	-	(5,486)	-
Interest Income - Assessments	163	221	58	124	566	293	273	293
Interest Income - Bank & Sweep (ICS)	13,007	15,039	13,854	13,927	55,827	58,679	(2,852)	58,679
Interest Income - Investments	23,259	9,854	17,007	10,063	60,183	95,146	(34,963)	95,146
Dividend Income	21	5	1	12	39	93	(54)	93
Investment Advisory fees	(6,520)	(4,678)	(4,514)	(4,569)	(20,280)	(27,376)	7,096	(27,376)
Unrecognized Gain or Loss	1,947	(3,553)	(15,680)	(3,990)	(21,277)	12,920	(34,197)	12,920
Realized Gain or Loss	603	-	199	(1)	800	3,616	(2,816)	3,616
** Investment - Short term and CDs	2,077,691	174,372	226,987	(131,515)	2,347,535	-	2,347,535	-
	<u>5,555,085</u>	<u>3,636,244</u>	<u>3,652,393</u>	<u>3,044,458</u>	<u>15,888,180</u>	<u>12,604,002</u>	<u>3,284,178</u>	<u>12,604,002</u>
Disbursements (Use)								
*** Expenses	32,752	29,675	29,814	33,472	125,713	146,550	(20,837)	146,550
* Prepays & Accrual Change	(840)	(840)	2,520	(2,820)	(1,980)	-	(1,980)	-
Vaccine Expenses	-	-	-	11,830,529	11,830,529	11,830,529	-	11,830,529
	<u>31,912</u>	<u>28,835</u>	<u>32,334</u>	<u>11,861,181</u>	<u>11,954,263</u>	<u>11,977,079</u>	<u>(22,817)</u>	<u>11,977,079</u>
Increase (Decrease)	5,523,172	3,607,410	3,620,059	(8,816,723)	3,933,917	626,923	3,306,994	626,923
Cash Balance - Beginning	7,514,560	13,037,732	16,645,141	20,265,200	7,514,560	7,514,560	-	7,514,560
Cash Balance - Ending	13,037,732	16,645,141	20,265,200	11,448,477	11,448,477	8,141,483	3,306,994	8,141,483

Notes:

- * Changes in Balance Sheet accounts are denoted as () = Increases and positive = decrease
- ** The positive number represents amounts transferred back to the ICS account from the Short Term Investments (CD's)
- *** Budgeted expense includes annual State of NH payment due June 2021

NHVA
Statement of Financial Position
YTD FY2021 Q4
Quarter Ended June 30, 2021

	Jun 30, 20	Sep 30, 20	Dec 31, 20	Mar 31, 21	Jun 30, 21
	FYE 20	FY21 - Q1	FY21 - Q2	FY21 - Q3	FY21 - Q4
	Audited				Audited
ASSETS					
Current Assets					
Checking/Savings					
Bank of NH #851031104	\$ 50,000	\$ 49,925	\$ 50,000	\$ 50,000	\$ 46,500
Bank of NH - ICS	\$ 7,464,560	\$ 12,987,807	\$ 16,595,141	\$ 20,215,200	\$ 11,401,977
Total Checking/Savings	<u>\$ 7,514,560</u>	<u>\$ 13,037,732</u>	<u>\$ 16,645,141</u>	<u>\$ 20,265,200</u>	<u>\$ 11,448,477</u>
Accounts Receivable					
Accounts Receivable (A/R)	\$ -	\$ -	\$ (46)	\$ -	\$ 5,486
Allowance for Account Receivable	\$ -	\$ -	\$ -	\$ -	\$ -
Total Accounts Receivable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (46)</u>	<u>\$ -</u>	<u>\$ 5,486</u>
Other Current Assets					
Prepaid Expenses	\$ 1,960	\$ 1,120	\$ 280	\$ 2,800	\$ 1,960
Short Term Investments	\$ 6,814,180	\$ 4,736,489	\$ 4,562,117	\$ 4,335,130	\$ 4,466,645
Unrecognized Gain or Loss - ST	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Current Assets	<u>\$ 6,816,140</u>	<u>\$ 4,737,609</u>	<u>\$ 4,562,397</u>	<u>\$ 4,337,930</u>	<u>\$ 4,468,605</u>
Total Current Assets	<u>\$ 14,330,699</u>	<u>\$ 17,775,341</u>	<u>\$ 21,207,492</u>	<u>\$ 24,603,130</u>	<u>\$ 15,922,568</u>
TOTAL ASSETS	<u>\$ 14,330,699</u>	<u>\$ 17,775,341</u>	<u>\$ 21,207,492</u>	<u>\$ 24,603,130</u>	<u>\$ 15,922,568</u>
LIABILITIES & EQUITY					
Liabilities					
Current Liabilities					
* Accrued Expenses	\$ -	\$ -	\$ -	\$ -	\$ 1,980
Other Current Liabilities					
Liquidity Reserve	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Total Current Liabilities	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 251,980</u>
Total Liabilities	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 251,980</u>
Equity					
Retained Earnings	\$ 10,386,901	\$ 12,234,671	\$ 12,234,671	\$ 12,234,671	\$ 12,234,671
Fund Balance to be Distributed	\$ 1,846,029	\$ 1,846,029	\$ 1,846,029	\$ 1,846,029	\$ 1,846,029
Net Income	\$ 1,847,770	\$ 3,444,642	\$ 6,876,792	\$ 10,272,431	\$ 1,589,888
Total Equity	<u>\$ 14,080,699</u>	<u>\$ 17,525,341</u>	<u>\$ 20,957,492</u>	<u>\$ 24,353,130</u>	<u>\$ 15,670,588</u>
TOTAL LIABILITIES & EQUITY	<u>\$ 14,330,699</u>	<u>\$ 17,775,341</u>	<u>\$ 21,207,492</u>	<u>\$ 24,603,130</u>	<u>\$ 15,922,568</u>

Notes: * AP State of New Hampshire Payable (June 2021)

\$ 11,830,529

NHVA
Statement of Changes in Net Assets
 YTD FY2021 Q4
 Quarter Ended June 30, 2021

	FY21 - Q1 Actual	FY21 - Q2 Actual	FY21 - Q3 Actual	FY21 - Q4 Actual	FY 2021 YTD Actual	FY 2021 YTD Budget	Difference YTD Act to Bud	FY 2021 Annual Budget
Ordinary Income/Expense								
Income								
Assessment Income	\$ 3,341,697	\$ 3,328,287	\$ 3,295,912	\$ 3,034,275	\$ 13,000,171	\$ 12,059,485	\$ 940,686	\$ 12,059,485
Assessment Income - TRICARE (Settlement)	\$ 103,217	\$ 116,651	\$ 118,616	\$ 131,618	\$ 470,102	\$ 401,145	\$ 68,957	\$ 401,145
Interest Income - Assessments	\$ 163	\$ 221	\$ 58	\$ 124	\$ 566	\$ 293	\$ 273	\$ 293
Interest Income - Bank & Sweep (ICS)	\$ 13,007	\$ 15,039	\$ 13,854	\$ 13,927	\$ 55,827	\$ 58,679	\$ (2,852)	\$ 58,679
Interest Income - Investments	\$ 23,259	\$ 9,854	\$ 17,007	\$ 10,063	\$ 60,183	\$ 95,146	\$ (34,963)	\$ 95,146
Dividend Income	\$ 21	\$ 5	\$ 1	\$ 12	\$ 39	\$ 93	\$ (54)	\$ 93
Investment Advisory fees	\$ (6,520)	\$ (4,678)	\$ (4,514)	\$ (4,569)	\$ (20,280)	\$ (27,376)	\$ 7,096	\$ (27,376)
Unrecognized Gain or Loss	\$ 1,947	\$ (3,553)	\$ (15,680)	\$ (3,990)	\$ (21,277)	\$ 12,920	\$ (34,197)	\$ 12,920
Realized Gain or Loss	\$ 603	\$ -	\$ 199	\$ (1)	\$ 800	\$ 3,616	\$ (2,816)	\$ 3,616
Total Income	\$ 3,477,394	\$ 3,461,825	\$ 3,425,453	\$ 3,181,459	\$ 13,546,131	\$ 12,604,002	\$ 942,129	\$ 12,604,002
Expenses								
Bank Service Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ (2,000)	\$ 2,000
Vaccine - Annual State Payment	\$ -	\$ -	\$ -	\$ 11,830,529	\$ 11,830,529	\$ 11,830,529	\$ -	\$ 11,830,529
Management Fees	\$ 25,000	\$ 26,250	\$ 26,250	\$ 26,250	\$ 103,750	\$ 105,000	\$ (1,250)	\$ 105,000
Professional Fees - Legal	\$ 1,204	\$ 2,016	\$ 2,700	\$ 2,838	\$ 8,758	\$ 25,000	\$ (16,242)	\$ 25,000
Professional Fees - Audit	\$ 5,500	\$ -	\$ -	\$ 3,500	\$ 9,000	\$ 8,500	\$ 500	\$ 8,500
Insurance	\$ 840	\$ 840	\$ 840	\$ 840	\$ 3,360	\$ 4,000	\$ (640)	\$ 4,000
Postage & Printing (Office)	\$ 133	\$ 83	\$ 24	\$ 44	\$ 284	\$ 540	\$ (256)	\$ 540
Website & SubContractors	\$ -	\$ 486	\$ -	\$ -	\$ 486	\$ 525	\$ (39)	\$ 525
Board Meetings Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 910	\$ (910)	\$ 910
Dues & Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRICARE - Washington	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Information	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Fees	\$ 75	\$ -	\$ -	\$ -	\$ 75	\$ 75	\$ -	\$ 75
Total Expenses	\$ 32,752	\$ 29,675	\$ 29,814	\$ 11,864,001	\$ 11,956,243	\$ 11,977,079	\$ (20,837)	\$ 11,977,079
Net Ordinary Income	\$ 3,444,642	\$ 3,432,151	\$ 3,395,639	\$ (8,682,543)	\$ 1,589,888	\$ 626,923	\$ 962,965	\$ 626,923
Net Income	\$ 3,444,642	\$ 3,432,151	\$ 3,395,639	\$ (8,682,543)	\$ 1,589,888	\$ 626,923	\$ 962,965	\$ 626,923
Collection Data:								
Quarter being collected	SFY21 - Q1	SFY21 - Q2	SFY21 - Q3	SFY21 - Q4				
Payment Due Date	11/15/20	02/15/21	05/15/21	08/15/21				
Projected Average Monthly Lives	153,000	153,000	153,000	-				
Actual Average Monthly Lives	163,122	161,564	161,828	-				
Avg Lives Variance +/-)	10,122	8,564	8,828	-				
Approved Assessment Rate	\$ 6.80	\$ 6.80	\$ 6.25	\$ -				
Actual Average Monthly Lives - TRICARE	4,848	4,930	5,119	-				
Tricare Assessment Rate - CATCHUP	\$ 8.02	\$ 8.02	\$ 8.57	\$ -				
Tricare Assessment Rate - FULL	\$ 14.82	\$ 14.82	\$ 14.82	\$ -				

CY2022 Rate Setting

NHVA Audit Committee Meeting

August 25, 2021

NH Insurance Department

Walker Building, Room 274

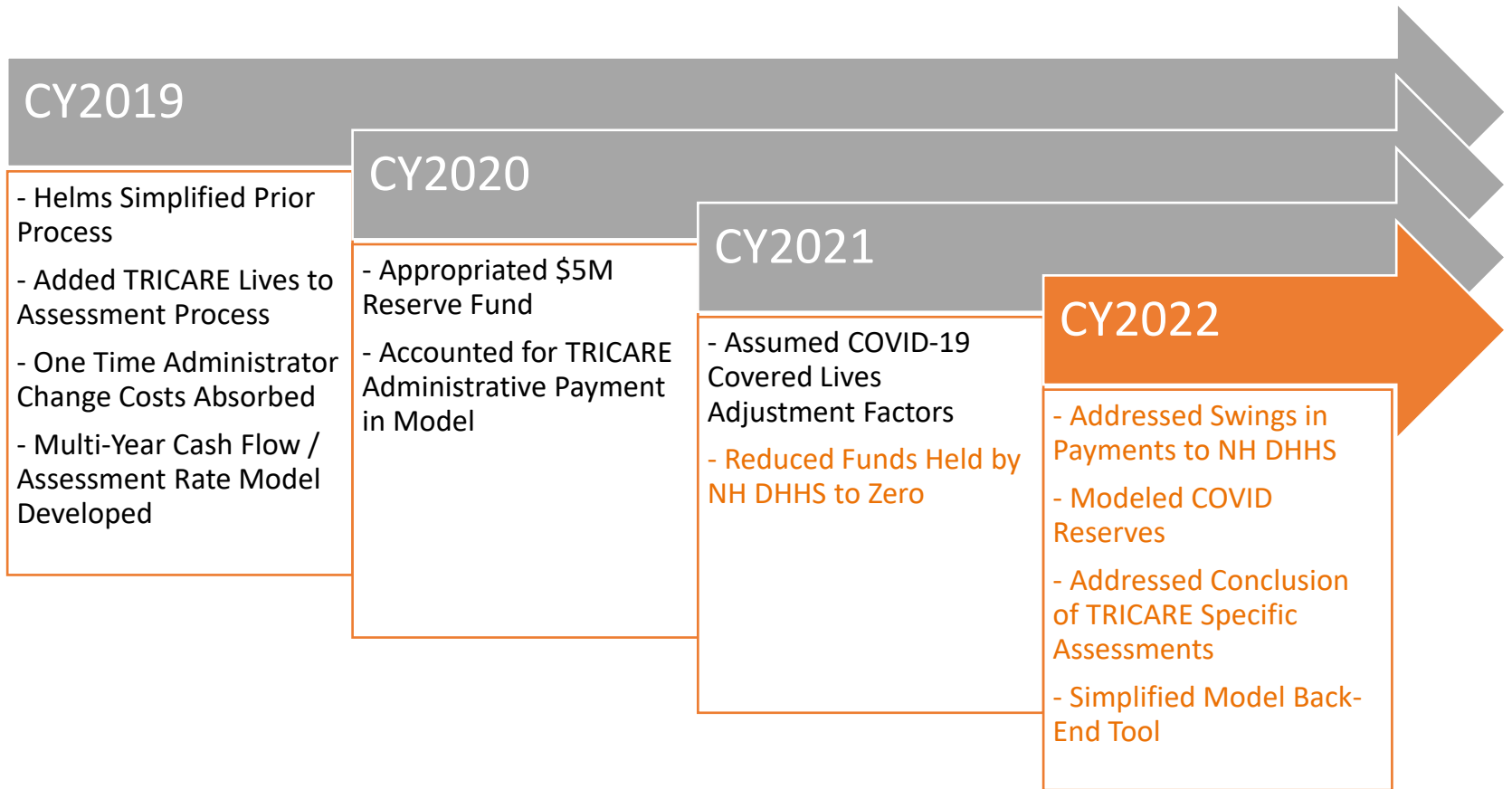
Materials Updated August 19, 2021

Contents

1. Process
2. Historical Trends
3. NH DHHS Data and NHVA Administrative Budget for Assessment Process
4. Rate Assumptions and Assessment Rates

1. Process

Assessment Process Development History



CY2022 Assessment Rate Setting Process Timeline

- Mason+Rich PA retained
- Data collection for Actual FY2021 and YTD CY2021
- Modeling prep work begins

- Review and approval by Audit Committee (9/9)
- Review and approval by Board of Directors (9/22)



- Modeling based upon trends and initial NH DHHS data
- Work session with the Audit Committee (8/25)
- Modeling final assumptions (8/25-9/2)

- TRICARE establishes actual rate (10/TBD)
- Actual CDC credit received (10/1)
- Carrier notification of CY2022 rates (10/8)

= completed milestone
 = future milestone

Review of FY2021 Notable Fiscal Events

1. Notable revenues in FY2021:

- TRICARE specific assessment receipt– \$470,102
- Assessment interest recoupment – \$566
- ICS and bank interest income – \$55,827
- Investment interest income – \$60,183
- Dividend income – \$39
- Realized gain – \$800

2. Notable expenses in FY2021:

- Investment advisory fees – \$20,280
- Unrecognized loss – \$21,277

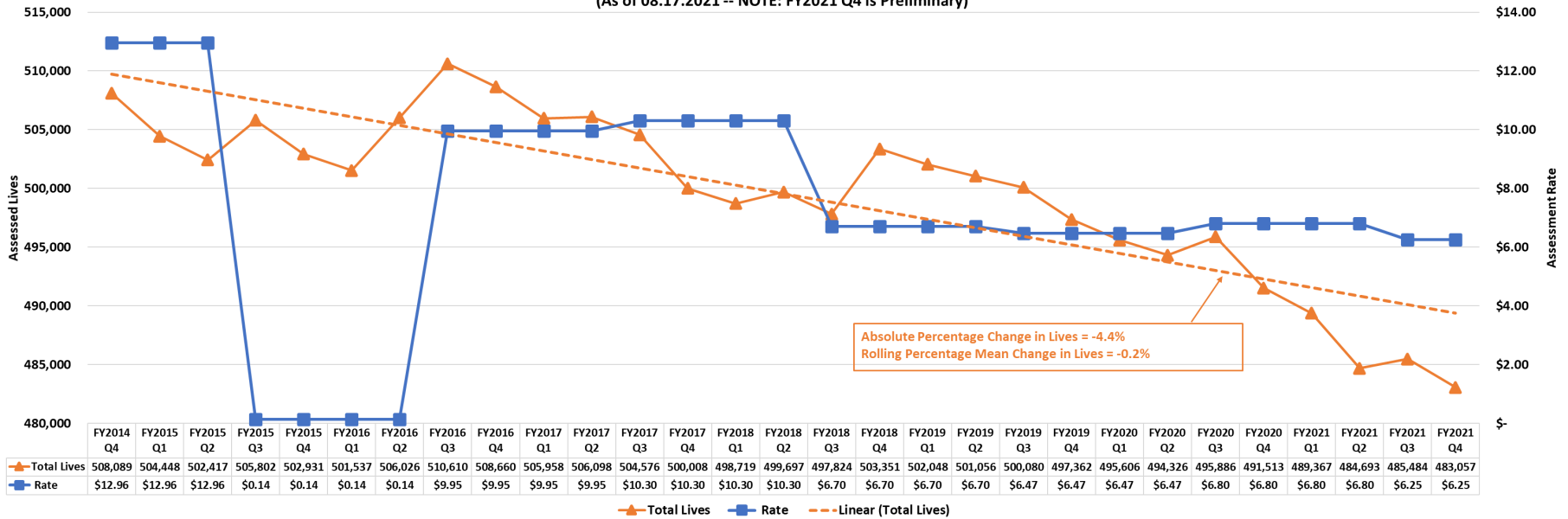
3. COVID Impact to Covered Lives Less Than Expected

- 459,000 projected vs. FY2021Q3 = 485,484 & FY2021Q4 = 483,057

2. Historical Trends

Shrinking Assessed Lives and Variability in Assessed Rate

Assessment Rate and Total Number of Assessed Child Lives by CY Quarter
Q4 FY2014 - Q4 FY2021
(As of 08.17.2021 -- NOTE: FY2021 Q4 is Preliminary)

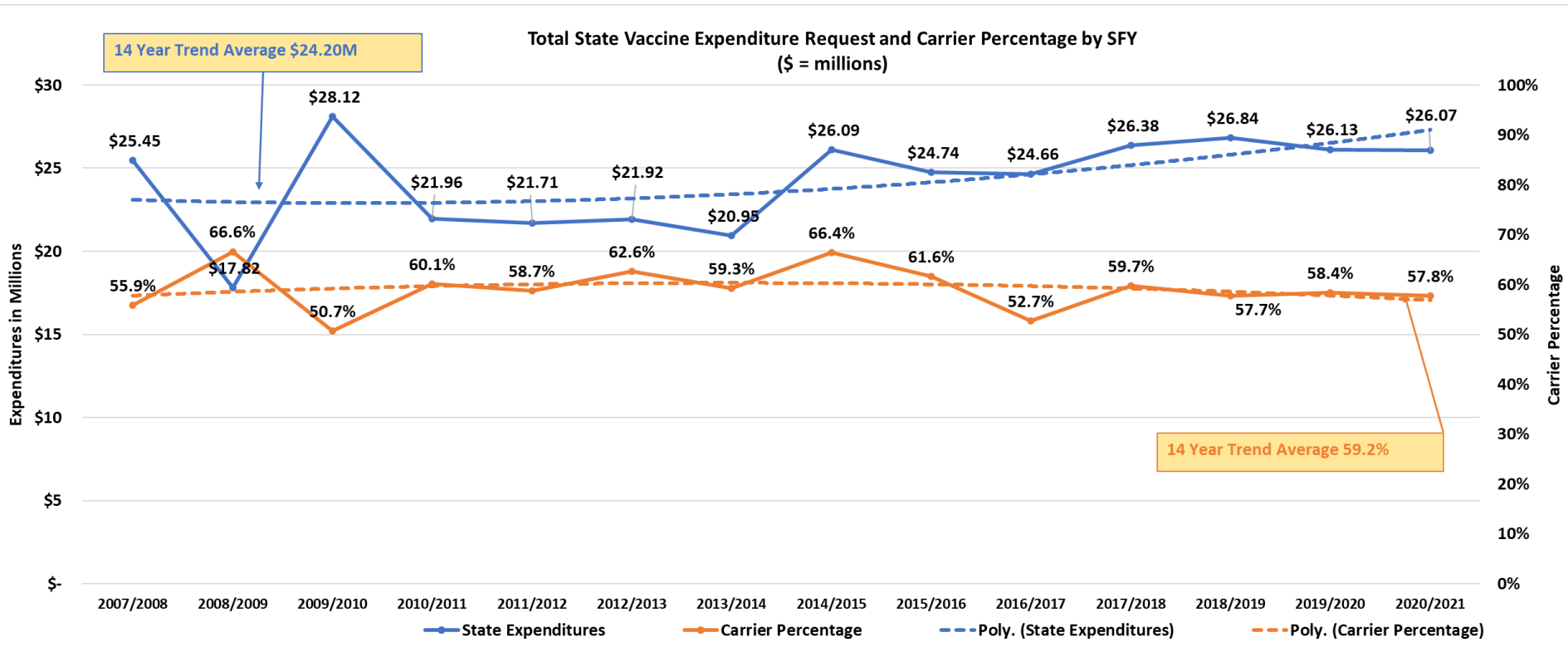


Source: NHVA KidsVax® reconciliation spreadsheet, 09-06-2018; NHVA Data August 2021

Note: Total Assessed Lives reflects CY2019 Tufts recovery activity and EBPA refund activity

Note: FY2021 Q4 is an estimate a of 8/16/2021 given quarter closed 8/15/2021 and two filings were outstanding

Increasing State Vaccine Expenditures and Stability in Payer Proportion



Source: NH DHHS annual spreadsheets Tab D; NHVA Historical Data

Copyright © 2003-2021 New Hampshire Vaccine Association

Bank of New Hampshire Analysis

- ICS rate changes

- July 2018 – 1bps
- Nov 2018 – 200bps
- Jan 2020 – 180bps
- Mar 2020 – 50bps
- Oct 2020 – 40bps
- Jan 2021 – 30bps

← Helms negotiated new rate

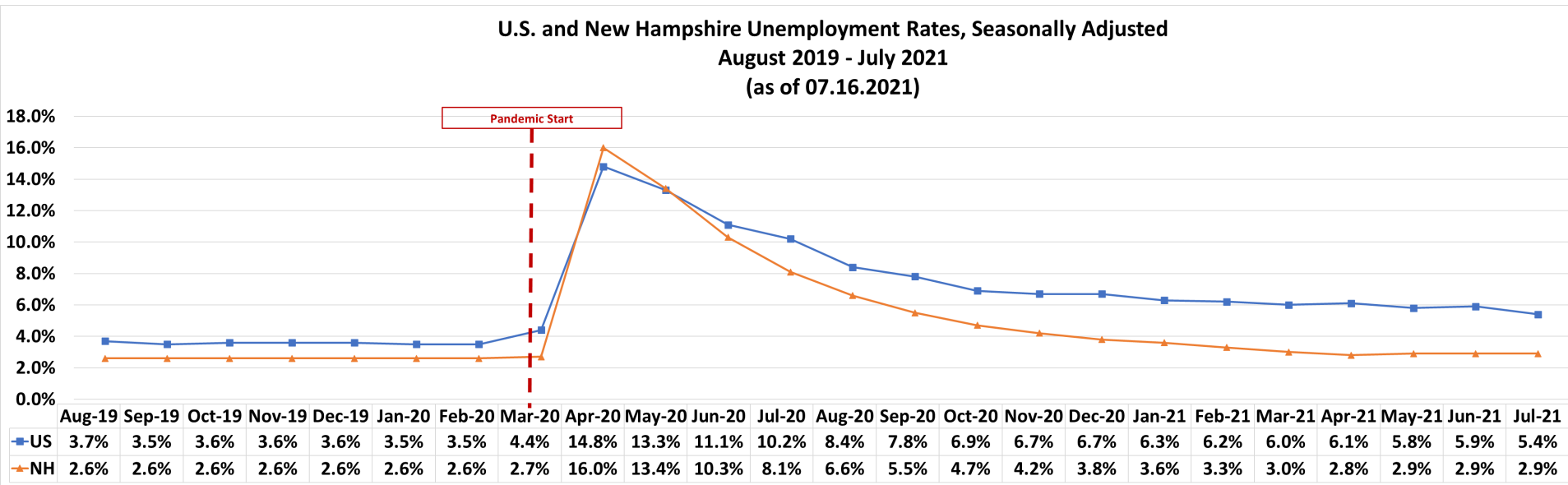
← Pandemic began; Federal rate plunged



- Laddered CD portfolio performance

- Since March 2020 - \$8.6M invested average yield 1.41%
 - \$4.217M matured with average yield 1.47%
 - \$4.338M still invested with average yield 1.32%
 - \$2.597M matures or is callable by Aug 2022 with average yield of 1.39%

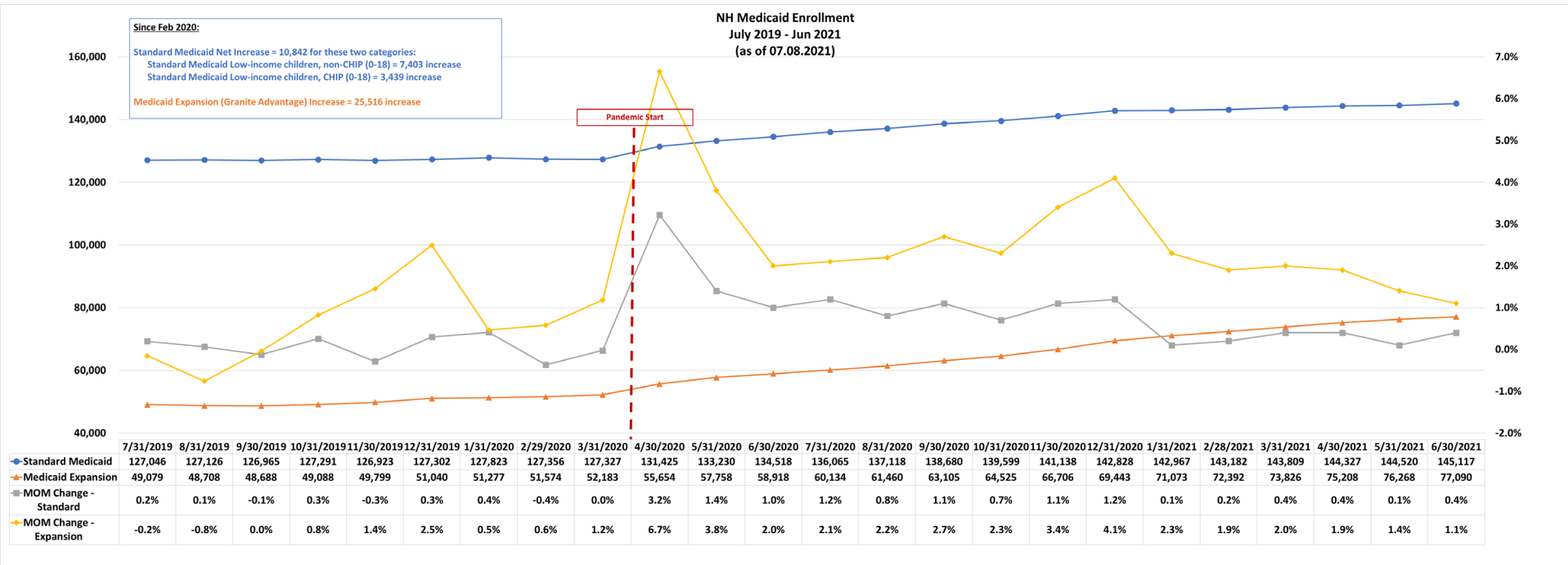
US and NH Unemployment Trends



<https://www.nhes.nh.gov/elmi/statistics/laus-data.htm>

Note: July 2021 data expected late-August 2021.

NH Medicaid Enrollment



Source: NH DHHS

3. NH DHHS Data and NHVA Administrative Budget for Assessment Process

			SFY21	SFY20	SFY19	SFY18	SFY17	SFY16	SFY15	SFY14	SFY13	SFY12	SFY11	SFY10	SFY09	SFY08
		Source	2020/2021	2019/2020	2018/2019	2017/2018	2016/2017	2015/2016	2014/2015	2013/2014	2012/2013	2011/2012	2010/2011	2009/2010	2008/2009	2007/2008
Actual Total exp		4+7	\$26,067,468	\$26,126,101	\$26,837,646	\$26,377,918	\$24,657,418	\$24,741,423	\$26,092,637	\$20,945,469	\$21,918,042	\$21,707,838	\$21,961,081	\$28,121,414	\$17,820,721	\$25,454,043
VFC	1	CDC Mon Rpt	\$10,907,515	\$10,773,619	\$11,071,713	\$10,329,733	\$11,259,750	\$ 9,194,539	\$ 8,570,780	\$ 8,070,843	\$ 7,551,690	\$ 7,715,921	\$ 7,549,887	\$11,624,679	\$ 5,002,497	\$ 8,588,458
317 - not used for children	2	CDC Mon Rpt	not provided	not provided	not provided	not provided	not provided	not provided	not provided	not provided	\$ 156,375	\$ 920,358	\$ 720,612	\$ 1,676,638	\$ 735,871	\$ 2,219,343
State Funds	3	St. Ap(5178-513)	\$ 105,300	\$ 103,178	\$ 273,969	\$ 293,211	\$ 392,339	\$ 302,821	\$ 206,762	\$ 460,501	\$ 482,467	\$ 320,494	\$ 492,762	\$ 573,306	\$ 213,821	\$ 422,798
TOTAL GOV'T EXPENDED	4	1+2+3	\$11,012,815	\$10,876,797	\$11,345,682	\$10,622,944	\$11,652,089	\$ 9,497,360	\$ 8,777,542	\$ 8,531,344	\$ 8,190,532	\$ 8,956,773	\$ 8,763,261	\$13,874,623	\$ 5,952,189	\$11,230,599
beg balance	5	State Approp	\$ 3,224,124	\$ 6,722,035	\$12,979,343	\$ 9,915,172	\$ 3,267,370	\$ (1,107,266)	\$ 3,797,531	\$ 207,631	\$ 3,042,624	\$ 6,102,932	\$ 7,039,214	\$12,293,560	\$ 7,759,278	\$ 4,919,231
revenue from NHVA*	6	State Approp	\$11,830,529	\$11,751,393	\$ 9,234,656	\$18,819,145	\$19,653,132	\$19,618,699	\$12,410,298	\$16,004,025	\$10,892,517	\$ 9,690,757	\$12,261,538	\$ 8,992,444	\$16,402,814	\$17,063,492
Vaccine Insurers expended	7	State Approp	\$15,054,653	\$15,249,304	\$15,491,964	\$15,754,974	\$13,005,330	\$15,244,063	\$17,315,095	\$12,414,125	\$13,727,510	\$12,751,065	\$13,197,820	\$14,246,791	\$11,868,532	\$14,223,444
year end encumbered	8	State Approp	\$ 3,734,347	\$ 3,284,045	\$ 214,014	\$ 4,119,258	\$ 3,912,837	\$ 5,360,641	\$ (1,217,018)	\$ 4,922,400	\$ 2,278,387	\$ 3,498,954	\$ 4,183,155	\$ 2,658,211	\$ 2,636,659	\$ 5,038,824
year end cash	9	State Approp	\$ (3,734,347)	\$ (59,921)	\$ 6,508,021	\$ 8,860,085	\$ 6,002,336	\$ (2,093,271)	0	\$ 1,124,869	\$ (2,070,756)	\$ (456,331)	\$ 1,919,776	\$ 4,381,002	\$ 9,656,901	\$ 2,720,454
TOTAL BAL FORWARD	10	(5+6) -7	\$ -	\$ 3,224,124	\$ 6,722,035	\$12,979,343	\$ 9,915,172	\$ 3,267,370	\$ (1,107,266)	\$ 3,797,531	\$ 207,631	\$ 3,042,624	\$ 6,102,932	\$ 7,039,213	\$12,293,560	\$ 7,759,279
CDC end of fiscal year credit	11	CDC Vtracks	\$2,823,837	\$2,804,834	\$ 1,856,544	\$ 4,282,619	\$ 3,564,068	\$ 4,377,668	not provided	not provided	not provided	N/A	N/A	N/A	N/A	N/A
Reimbursement from Providers and Excise Tax Added into this account	6A	State Approp					\$ 19,863	\$ 13,916	\$ 37,311	\$ 29,970	\$ 119,460					
Source: From Beth Daly 603-271-4927 elizabeth.daly@dhhs.nh.gov on August 16, 2021; revised August 18, 2021.																
Note: NHVA as % of total budget			57.75%	58.37%	57.72%	59.73%	52.74%	61.61%	66.36%	59.27%	62.63%	58.74%	60.10%	50.66%	66.60%	55.88%



Expense	Description	Total Cost	Amount Requested from NHVA
Immunization Information System	System utilized to order vaccines, document individual doses administered and show insurance coverage for individuals vaccinated. System also provides quality assurance measures with vaccine forecasting and reminder/recall abilities.	\$360,063.00	\$216,037.80
Vaccine Accountability Coordinator	Responsible for the purchase and distribution of all vaccines within the program. This position manages Vaccine For Children (VFC), 317, and state/local vaccine funding. This individual tracks vaccine inventory, vaccine distribution and administration, vaccine wastage, trends, all of which informs forecasting. This position plays a key role during the influenza season by closely tracking flu vaccine expenditures and distribution to ensure the vaccines are in the right quantities and the right location, allowing for successful clinic outcomes. This position works directly with the Public Health Regions to plan vaccine distribution for Pandemic Exercises or vaccine-preventable disease outbreaks. The position collaborates with the Immunization Information System (IIS), Vaccine Data Coordinator to provide vaccine ordering management system training for health care provider staff (vaccine managers, assistant vaccine managers) to assure accountability across the > 300 enrolled provider practices.	\$96,422.00	\$57,853.20
Vaccine Quality Specialist	Conducts VFC site visits with enrolled health care providers. Conducts on-site training for new Vaccine Managers; offers educational programs related to overall vaccine management, including storage and handling. Reviews all health care provider vaccine management (including emergency) plans; coordinates annual vaccine provider enrollment process, reviewing all health care provider agreements.	\$85,842.00	\$51,505.20
Program Specialist II	Under the direction of the Vaccine Accountability Coordinator, adhering to the standards of vaccine accountability and the VFC Operations Policy & Procedures, this position is responsible for working in the Vaccine Ordering Management System (VOMS/IIS); working with health care provider vaccine ordering-related documents, including vaccine orders, temperature logs and applicable reports. This position works directly with health care providers and staff related to overall vaccine management, including assistance with temperature excursions, vaccine ordering questions, VOMS Help Desk questions and VOMS education and training.	\$79,420.00	\$47,652.00
Immunization Information System Staff (2)	This positions operates the technical support Help Desk for the Vaccine Ordering Management System. Interacts with VTrckS (CDC vaccine ordering system) as it relates to the ExIS connection (VOMS) that passes information between the two systems. Works with both systems to assure data quality and vaccine ordering accountability. Works directly with medical health care provider practices to assure education for staff. Develops interoperability processes to inform evidence-based strategies.	\$185,496.00	\$111,297.60
	Total	\$807,243.00	\$484,345.80



FY2022 Administrative Budget – Adopted by Board June 16, 2021

	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 22	Jan 22	Feb 22	Mar 22	Apr 22	May 22	Jun 22	FY2022 Budget Total
EXPENSE													
Administrative Fees	\$ 8,750	\$ 8,750	\$ 8,750	\$ 9,083	\$ 9,083	\$ 9,083	\$ 9,083	\$ 9,083	\$ 9,083	\$ 9,083	\$ 9,083	\$ 9,083	\$ 107,997
Subcontractors													
Subtotal	\$ 8,750	\$ 8,750	\$ 8,750	\$ 9,083	\$ 9,083	\$ 9,083	\$ 9,083	\$ 9,083	\$ 9,083	\$ 9,083	\$ 9,083	\$ 9,083	\$ 107,997
Bank Fees													\$ -
Board Meeting Expense	\$ -	\$ -	\$ 215	\$ 120	\$ 120	\$ -	\$ 120	\$ -	\$ 120	\$ 95	\$ -	\$ 120	\$ 910
Stationary and Printing	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 420
Dues and Subscriptions													\$ -
Insurance (D&O)							\$ 4,250						\$ 4,250
Licenses and Fees				\$ 75									\$ 75
Postage and Shipping	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 120
Professional Fees - Audit	\$ 3,500		\$ 2,350								\$ 3,500		\$ 9,350
Professional Fees - Legal	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 25,000
Public Information Expense													\$ -
Website			\$ 525										\$ 525
Subtotal	\$ 5,628	\$ 2,128	\$ 5,218	\$ 2,323	\$ 2,248	\$ 2,128	\$ 6,498	\$ 2,128	\$ 2,248	\$ 2,223	\$ 5,628	\$ 2,248	\$ 40,650
TOTAL EXPENSE	\$ 14,378	\$ 10,878	\$ 13,968	\$ 11,406	\$ 11,331	\$ 11,211	\$ 15,581	\$ 11,211	\$ 11,331	\$ 11,306	\$ 14,711	\$ 11,331	\$ 148,647

4. Rate Assumptions and Assessment Rates

This Year's Goals

- Address Historical Swings in Payments to NH DHHS
- Incorporate Concept of Zero Funds Held at NH DHHS
- Model a COVID Reserve Concept
- Address Conclusion of TRICARE Specific Assessments
- Simplify Model Back-End Tool

CY2022 Model Rate Assumptions

(as of August 19, 2021)

1. Board commitment to keeping rates stable in future years
2. Reserves:
 1. 10% reserve of the total non-Federal program cost for the succeeding year (RSA 126-Q:4 II.(c))
 2. \$5M assessment reserve fund; can be used for rate stabilization
 3. COVID reserve proposed for FY2023-24
3. No NHVA funds will be held by NH DHHS to recover in June CY2022
4. No reimbursement of NH DHHS Immunization Section administrative cost request of \$484,346 (Tab C)
5. The percentage paid by the carriers is 60.0% for CY2022 based on NH DHHS/Federal fund source split
6. Interest rate assumptions for cash on hand assume 0.9%
7. Total assessed lives have declined 4.4% between CY2014 Q2 and CY2021 Q4 with quarter-to-quarter declines of 0.2% per quarter; model assumes 0.05% drop per quarter
8. The TRICARE cap rate* of \$14.82 will continue in CY2022; assessment receivable will be paid down in full in ~four quarters
9. Annual 4% administrative budget increase
10. No late payment interest assessments

* TRICARE rate provided in October 2021



SFY2022 -24 Rate Model

Draft for Discussion 08.19.2021	Actual SFY17 2016/2017	Actual SFY18 2017/2018	Actual SFY19 2018/2019	Actual SFY20 2019/2020	Actual SFY21 2020/2021	Forecast SFY22 2021/2022	Forecast SFY23 2022/2023	Forecast SFY24 2023/2024
ASSUMPTIONS								
1 Annual Covered Lives	506,323	499,062	501,634	495,795	487,764	479,446	469,928	460,600
2 Assessment Rate	10.30- 6.70	10.30- 6.70	6.70- 6.47	6.47- 6.80	6.80- 6.25	6.25- 7.20	7.20- 7.80	7.80- 8.00
3 TRICARE Rate				12.47-13.95	13.95-14.82	14.82	0	0
RESERVES								
4 10% Reserve (RSA 126-Q:4 II.(c))	\$ 1,965,313	\$ 1,881,915	\$ 1,549,196	\$ 1,524,930	\$ 1,505,465	\$ 1,643,122	\$ 1,670,838	\$ 1,679,192
5 Assessment Reserve						\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
6 Operational Reserve			\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
7 COVID Reserve						\$ -	\$ 500,000	\$ 500,000
8 Additional Reserves	\$ 2,374,357	\$ 2,071,713	\$10,682,570	\$12,553,810	\$14,159,657	\$ 4,983,368	\$ 1,474,825	\$ (980,839)
TOTAL EXPENSES	\$24,657,418	\$26,377,918	\$26,837,646	\$26,126,101	\$26,067,468	\$27,708,757	\$27,847,301	\$27,986,537
9 Total Government Expended	\$11,345,682	\$10,622,944	\$11,345,682	\$10,876,797	\$11,012,815	\$11,277,535	\$11,138,920	\$11,194,615
10 %	46.01%	40.27%	42.28%	41.63%	42.25%	40.70%	40.00%	40.00%
11 Total NHVA Expended	\$13,311,737	\$15,754,974	\$15,491,964	\$15,249,304	\$15,054,653	\$16,431,222	\$16,708,381	\$16,791,922
12 %	53.99%	59.73%	57.72%	58.37%	57.75%	60.00%	60.00%	60.00%
NHVA OUTFLOWS								
13 Total Distributed by NHVA (June Payment)	\$19,653,132	\$18,819,145	\$ 9,234,656	\$11,751,393	\$11,830,529	\$16,431,222	\$16,708,381	\$16,791,922
14 Administrative Expenses	\$ 175,359	\$ 178,953	\$ 388,786	\$ 127,226	\$ 125,713	\$ 148,643	\$ 152,916	\$ 157,403
15 Total Outflows	\$19,828,491	\$18,998,098	\$ 9,623,442	\$11,878,619	\$11,956,242	\$16,579,865	\$16,861,297	\$16,949,325
NHVA INFLOWS								
16 Assessments	\$20,165,670	\$18,588,579	\$17,796,407	\$13,390,088	\$13,470,273	\$12,438,197	\$13,813,781	\$14,462,154
17 Investment Income	\$ 22,275	\$ 18,168	\$ 357,265	\$ 336,301	\$ 75,858	\$ 103,036	\$ 66,689	\$ 39,861
18 Total Inflows	\$20,187,945	\$18,606,747	\$18,153,672	\$13,726,389	\$13,546,131	\$12,541,234	\$13,880,469	\$14,502,015
NHVA BEGINNING CASH BALANCE								
19 NHVA BEGINNING CASH BALANCE	\$ 3,978,124	\$ 4,339,670	\$ 3,953,627	\$12,481,766	\$ 7,514,560	\$11,448,477	\$ 7,409,846	\$ 4,429,019
20 Outflows	\$19,828,491	\$18,998,098	\$ 9,623,442	\$11,878,619	\$11,956,242	\$16,579,865	\$16,861,297	\$16,949,325
21 Inflows	\$20,187,945	\$18,606,747	\$18,153,672	\$13,726,389	\$13,546,131	\$12,541,234	\$13,880,469	\$14,502,015
22 Accrual to Cash Items	\$ 2,092	\$ 5,308	\$ (2,091)	\$ (796)	\$ (3,507)			
23 Transfer (to)/from Investments				\$ (6,814,180)	\$ 2,347,535			
24 To Supplement Assessments					\$ 0			
25 Ending Cash Balance	\$ 4,339,670	\$ 3,953,627	\$12,481,766	\$ 7,514,560	\$11,448,477	\$ 7,409,846	\$ 4,429,019	\$ 1,981,708
26 Ending Investment Balance				\$ 6,814,180	\$ 4,466,645	\$ 4,466,645	\$ 4,466,645	\$ 4,466,645
BALANCE HELD AT STATE								
27 Beginning	\$ 9,915,172	\$ 9,915,172	\$12,979,343	\$ 6,722,035	\$ 3,224,124	\$ -	\$ -	\$ -
28 Additions/Subtractions	\$ 6,341,395	\$ 3,064,171	\$ (6,257,308)	\$ (3,497,911)	\$ (3,224,124)	\$ -	\$ -	\$ -
	\$16,256,567	\$12,979,343	\$ 6,722,035	\$ 3,224,124	\$ (0)	\$ -	\$ -	\$ -

Contact

Patrick Miller, MPH

Executive Director, NHVA

pmiller@helmsco.com

603-225-6633