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**MINUTES**  
**Board of Directors Meeting**  
**September 22, 2021**  
**9:00 – 11:00 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 via Zoom Webinar with a quorum present.

The meeting was called to order by Susan Tenney, Chair, at 9:04 a.m.

**1. Welcome and Roll Call**

**Attendance** – The following individuals attended the meeting:

<p><b>Board Members:</b> Susan Tenney, HPHC, Chair David Sky, NHID, Treasurer Harold Young, Cigna, Secretary Elizabeth Daly, NH DHHS Patricia Edwards, MD, Healthcare Provider Jason Margus, Anthem Wendy Lee Parker, Self-Insured Entity Lorraine Radick, RPh, Public Member Janice Valmassoi, MD, Healthcare Provider</p> <p><b>Board Members Excused:</b> Edward Moran, Public Member, Vice Chair</p> <p><b>Other Attendees &amp; Administrative Staff:</b> Mark McCue, Esq., Hinckley Allen Anne Marie Mercuri, NH DHHS Patrick Miller, Helms &amp; Company, Inc. Erin Meagher, Helms &amp; Company, Inc. Keith Nix, Helms &amp; Company, Inc. Ashley Ithal, Helms &amp; Company, Inc. Karen Carew, Carew &amp; Wells, PLLC Leslie Walker, Mason+Rich, PA</p>	<p><b>Members of the Public:</b> Erin Arias, Milford Theresa Byrne, Nashua Linda Camarota, Bedford Kim Cole, Rochester Laura Condon, Bedford Marianne Egan, Manchester Heather Entermann, Merck Camilla Franson, Hampton Hita Gardener, Nashua John Gieschen, Chesterfield Jessica Kliskey, Stratham Rachel Marin, Weare Amanda Mastroianni, Merrimack Dan Melvin, Auburn Heather Miller, Nashua Rebecca Montrone, Keene Bradley Owens, Nashua Kimberly Owens, Nashua Emily Phillips, Fremont Mary Rogers, Winchester Evelen Violet, Laconia</p>
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Ms. Tenney conducted a roll call for board member attendance:

	<u>Present</u>
<i>Elizabeth Daly</i>	X
<i>Patricia Edwards, MD</i>	X
<i>Jason Margus</i>	X
<i>Wendy Parker</i>	X
<i>Lorraine Radick, RPh</i>	X
<i>David Sky</i>	X
<i>Susan Tenney</i>	X
<i>Janice Valmassoi, MD</i>	X
<i>Harold Young</i>	X

28 Mr. Miller announced he was recording the meeting for the facilitation of meeting minutes. Ms. Condon and Ms.  
29 Violet also indicated via Zoom they would be recording the meeting.

30  
31 Ms. Tenney welcomed the Board Members, staff, and members of the public to the meeting. She proceeded to read  
32 the *Board Chair Statement Regarding Public Commentary During Meetings*.

33  
34 **2. FY2021 Audit – Guest Karen Carew, Carew & Wells, PLLC**

35  
36 Ms. Tenney welcomed Ms. Carew from Carew & Wells to review the FY2021 audit. Ms. Carew thanked the Board  
37 and expressed that it was a pleasure to once again work with the Audit Committee and Helms & Company, Inc. on  
38 the yearly audit. Ms. Carew Reviewed the governance letter and indicated it is a required communication. Ms.  
39 Carew stated there were no new accounting policies adopted or implemented this year.

40  
41 Ms. Carew explained that when conducting the review, they examined financial estimates considered and two of  
42 these estimates are considered more sensitive in the financial statements than others. The first is the estimate of  
43 vaccine expense and the second is the estimate of the balance due based on the self-reporting of covered child lives.  
44 The audit found both estimates were reasonable. The letter outlined two required journal entries, both of which  
45 were considered immaterial to the financial statements. Ms. Carew advised that there were no disagreements with  
46 management about presentation or accounting policy. This year there is no formal management letter. This letter  
47 is typically issued when there are identified opportunities to strengthen internal controls. Prior year suggestions  
48 were provided and NHVA responded and made all suggested changes. This year, there are no recommendations for  
49 management.

50  
51 Ms. Carew advised there were no significant changes from the prior year in the financial statements. The work of  
52 the Association has not changed, and the nature of the auditor’s opinion has not changed. The audit documents  
53 specifically discuss and identify the risks considered in the review. Said risks include the insurers’ self-reported  
54 covered lives, the risk of misstated self-reporting, and the risk of management overriding controls. The audit did not  
55 produce any evidence related to these risks.

56  
57 Ms. Carew advised there are several disclosures in the financial statements and pointed out the *Liquidity*  
58 *Management* notation. The \$5M in reserve for assessment rate stabilization was found to be reasonable projecting  
59 out over the next three years. Separately, the outstanding additional TRICARE assessment collection is expected to  
60 be collected in full this year. Finally, under *Subsequent Events*, the review acknowledged the continuation of the  
61 pandemic that began last year. There were no questions directed to Ms. Carew at this point.

62  
63 Mr. Sky then addressed the Board that as Chair of the Audit Committee, Ms. Carew provided a very detailed  
64 presentation of the financials and audit review to the Committee, and the Committee is comfortable supporting a  
65 full adoption of these financials as presented. Ms. Tenney, as a member of the Committee, agreed.

66  
67 Ms. Radick asked Ms. Carew about income tax filings for NHVA. Ms. Carew explained that the organization is not  
68 required to file Form 990 and has an exemption letter from the Internal Revenue Service.

69  
70 **VOTE RECORDED:** *On a motion by Mr. Sky, seconded by Ms. Parker, by roll call it was*

71 **VOTED:** *Accept the FY2021 audit report by Carew & Wells.*

72  
73

	<u>Yes</u>	<u>No</u>
74 Elizabeth Daly	X	
75 Patricia Edwards, MD	X	
76 Jason Margus	X	
77 Wendy Parker	X	

78                                    *Lorraine Radick, RPh*            X  
 79                                    *David Sky*                            X  
 80                                    *Susan Tenney*                    X  
 81                                    *Janice Valmassoi, MD*        X  
 82                                    *Harold Young*                    X

83  
 84 Ms. Tenney thanked Ms. Carew for her work and expressed appreciation for all she has done for the Association.  
 85

86 **3. Review and Acceptance of Minutes**  
 87

88 Ms. Tenney asked if there were any edits or corrections to the June 16, 2021, minutes. Ms. Radick identified a typo  
 89 on line 62 – “annual” was misspelled and will be corrected.  
 90

91 Mr. Sky asked for clarification on the mention of him being a proxy on lines 58 and 59. Mr. Miller stated that both  
 92 he and Ms. Tenney were previously voted to be the proxies on behalf of the member entities for casting votes for  
 93 the Payer Representatives on the Board. Ms. Tenney advised historically, this has fallen to the Board Chair and Audit  
 94 Committee Chair.  
 95

96 **VOTE RECORDED:**            *On a motion by Ms. Daly, seconded by Dr. Valmassoi, by roll call it was*  
 97 **VOTED:**                            *To accept the June 16, 2021, Board meeting minutes with the correction of the*  
 98 *spelling of “annual” on line 62.*  
 99

	<u>Yes</u>	<u>No</u>
100		
101	<i>Elizabeth Daly</i>	X
102	<i>Patricia Edwards, MD</i>	X
103	<i>Jason Margus</i>	X
104	<i>Wendy Parker</i>	X
105	<i>Lorraine Radick, RPh</i>	X
106	<i>David Sky</i>	X
107	<i>Susan Tenney</i>	X
108	<i>Janice Valmassoi, MD</i>	X
109	<i>Harold Young</i>	X

110  
 111 **4. Executive Directors Report**  
 112

113 Ms. Tenney invited Mr. Miller to provide his Executive Director report. Mr. Miller began his report with the rate  
 114 setting process materials. He first described how the assessment rate setting process has been modified over the  
 115 past several years. He stated that Helms & Company, Inc. hired Ms. Walker from Mason+Rich, PA this summer to  
 116 assist in re-thinking and updating the process now that there are zero funds held at the State as of June 30, 2021.  
 117 He reviewed the slide describing the steps associated with the rate-setting process between July and October 2021.  
 118 The Audit Committee meeting met once in August and once in September to both provide input to the process and  
 119 assessment model assumptions, but also to recommend the proposed assessment rate of \$6.85 to the Board for  
 120 CY2022.  
 121

122 The model makes two assumptions regarding the CY2022 TRICARE rate cap and the CDC credit as those will not be  
 123 known until October. Carrier notification of the Board-approved rate will take place in October. Mr. Miller  
 124 highlighted a few notable events over the past year including the TRICARE revenue of \$470K that will not occur after  
 125 fiscal year 2022, and the fact that the COVID-19 impact on child covered lives was less than anticipated in last year’s  
 126 model. Mr. Miller briefly reviewed the historical trends slides. These slides provide information on historical rates,  
 127 covered lives, State/NHVA fund source split, Bank of New Hampshire investment analysis, US and NH unemployment

128 trends, and NH Medicaid enrollment. Of note, unemployment rates have recovered significantly, and Medicaid  
129 enrollment is slowing; both of which are economic indicators. Additionally, our strategy to shore up investment  
130 returns after rates began to fall in March 2020 has been working in NHVA's favor.

131  
132 Mr. Miller then briefly reviewed the three sets of data received from the Department of Health and Human Services  
133 that comprised this year's funding request; these are found on Tabs C, D, and E in the presentation. *Tab C* describes  
134 what funding the Department projects will be needed for the coming year. *Tab D* reflects historic trend information  
135 regarding a number of important factors: state and federal program contributions, NHVA contributions, CDC credits,  
136 and state beginning and ending fund balances. *Tab E* chart outlines the administrative staff costs and provides the  
137 portion of those costs the Department requests funding for. In this year, and prior years, this request for  
138 administrative funding has been denied by the Audit Committee and the full Board of Directors. The final chart in  
139 this section of the presentation contains NHVA's FY2022 administrative budget approved at the June Board meeting.  
140 The DHHS data and the budget are used in the rate setting model.

141  
142 Mr. Miller then turned to the last section of the presentation and walked through each of the rate setting model  
143 assumptions. These included:

- 144     ▪ Board commitment to keeping rates stable
- 145     ▪ No NHVA funds held by DHHS to recover in June 2022
- 146     ▪ Current TRICARE cap rate of \$14.82 since updated rate will be known in October
- 147     ▪ Consideration that the additional TRICARE revenue is ending in FY2022
- 148     ▪ The two reserve funds are the same as the prior year
- 149     ▪ No reimbursement to DHHS for requested administrative costs
- 150     ▪ 60% funding for CY2022 from carriers based upon the State-Federal fund source split
- 151     ▪ Anticipation of lower rates of return on investments due to historically low interest rates
- 152     ▪ Total assessed lives will decline but at a slower rate
- 153     ▪ CDC credit estimated at \$2.5M and will be fully known in October
- 154     ▪ Annual 4% administrative budget increase
- 155     ▪ No interest on assessment late payments.

156  
157 The Audit Committee also discussed in their meetings the concept of a potential COVID assessment reserve for future  
158 expenditures, but this was tabled. The issue will be looked at in the future once more is known about the timing of  
159 when the Federal government will stop covering the cost of the vaccines. Mr. Miller reminded the Board that while  
160 there is an ability to do a special assessment if it becomes necessary, it would be disruptive and is not desired.

161  
162 Mr. Miller concluded his assessment rate presentation by reviewing the model. The proposed CY2022 rate is \$6.85.  
163 The model projects FY2022, FY2023, FY2024 with projected rates of \$6.85, \$7.75, and \$7.95, respectively. The future  
164 year rates will primarily be impacted by the loss of TRICARE assessment revenue, the variation in future assessed  
165 lives, and the future CDC credits. The \$5M assessment reserves can be used for future rate stabilization. The model  
166 currently assumes the \$5M is fixed for the three years. The model is designed to reduce the high level of variation  
167 in historical rates, total assessment amounts, and total payments to the Department. By no longer holding funds at  
168 the Department, this should be possible.

169  
170 Mr. Miller asked the group if there were any questions about the model and the recommendation of an assessment  
171 rate of \$6.85 for CY2022. Ms. Tenney thanked Mr. Miller for his work and review of the model. She stated she  
172 agrees with the information provided and expressed how the simplification of the back-end modeling tool is much  
173 easier to follow versus the old model that had been used for years. Mr. Sky added that the Audit Committee met  
174 twice to review the assumptions and rate setting process, and after providing feedback during the first meeting, the  
175 back-end modeling tool was altered to accommodate the Committee's wishes and was again reviewed during the  
176 second meeting. Mr. Sky stated that the Audit Committee members felt very comfortable with the assumptions and

177 the proposed rate and is recommending to the full Board to adopt the \$6.85 assessment rate for the next calendar  
 178 year  
 179

180 Ms. Tenney asked if there were any other questions. Dr. Edwards asked if the COVID vaccine was being covered by  
 181 the Federal government so that those costs will not impact NHVA? Mr. Miller stated that currently the Federal  
 182 government is covering the costs for the vaccines, however, it is assumed at some point in the future they will not  
 183 cover the costs and they will fall back to the vaccine programs in each state. Ms. Daly and her team are watching  
 184 this closely and we believe we will have a better understanding when we are having this conversation next year.  
 185

186 Ms. Parker thanked the Audit Committee for all of their work and explained that being a fairly new member of the  
 187 Board there is a learning curve, and she appreciates their efforts through this process. Following the model this year  
 188 is much easier. Ms. Tenney stated she believe the real credit goes to Mr. Miller and Ms. Walker for their hard work  
 189 on this process, their thoughtful assumptions, and the simplification of the back-end modeling tool.  
 190

191 Dr. Valmassoi asked Mr. Miller to explain one more time the ultimate goals for the ending cash balance, how does  
 192 that differ from the ending investment balance and how does that impact the State? Mr. Miller explained the  
 193 balance that we are holding is driven primarily through prior assessments and projected future assessments. We  
 194 hold assessments for a full calendar year until June when payment is remitted to DHHS. The investment strategy  
 195 these past few years has shifted. Because NHVA has no risk tolerance, investments are not made in the stock market  
 196 or mutual funds. Essentially, we use the ICS account and the laddered CD portfolio. We are seeing covered lives  
 197 decreasing and a slight increase in the cost of vaccines. The remaining reserves can be drawn down to assist in  
 198 keeping the rate as stable as possible.  
 199

200 Ms. Tenney asked if there were any questions. Hearing none, she asked for a motion.  
 201

202 **VOTE RECORDED:** *On a motion by Ms. Radick, seconded by Ms. Parker, by roll call it was*  
 203 **VOTED:** *To accept the proposed assessment rate of \$6.85 for calendar year 2022.*  
 204

	<u>Yes</u>	<u>No</u>
205		
206	<i>Elizabeth Daly</i>	X
207	<i>Patricia Edwards, MD</i>	X
208	<i>Jason Margus</i>	X
209	<i>Wendy Parker</i>	X
210	<i>Lorraine Radick, RPh</i>	X
211	<i>David Sky</i>	X
212	<i>Susan Tenney</i>	X
213	<i>Janice Valmassoi, MD</i>	X
214	<i>Harold Young</i>	X
215		

216 Ms. Tenney then asked Mr. Miller to review the FYTD 2022 Unaudited Financial Statements. Mr. Miller stated that  
 217 the assessment income is running ahead of budget currently. As of August 31, we have a strong ending balance of  
 218 \$14.5M. He then highlighted the short-term investments of \$4.4M with the remainder of investments held in the  
 219 ICS account. Finally, he reviewed the administrative expenses and stated we are ahead of budget, primarily due to  
 220 unused, budgeted legal services. The financials also reflect the projected assessed lives in the assessment model  
 221 and the estimated payment to the Department in June 2022. The statements will be updated through September  
 222 30 for the next Board meeting.  
 223

224 Mr. Miller presented the proposed CY2022 meeting schedule. He asked the Board members to review it and provide  
 225 feedback if thy identity any scheduling conflicts. Once feedback is received, Helms will make any adjustments as  
 226 needed and then forward meeting invitations to the Board.

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**5. Department of Health and Human Services Update**

Ms. Tenney invited Ms. Daly to provide her update. Ms. Daly began by stating that approval of Pfizer vaccine for children aged five to 11 years is anticipated. Pfizer issued a press release with some of their data that they are planning to submit to the FDA for emergency use authorization. The Department continues to make COVID vaccine available to the public for those age 12+ and is expanding the mobile vaccination opportunities. The Department expects that a number of our health care providers will onboard COVID vaccine, so that they can provide that to their pediatric patients, but children will also be able to access the vaccine through pharmacies and school-based clinics that are being planned. She advised that she does not have any information in terms of when the cost of the COVID vaccines might impact NHVA’s budget. Ms. Daly reported DHHS has expended \$6,344,346.20 to date in this fiscal year. While the final CDC credit amount will not be known until October 1, Ms. Daly projects it will likely be close to \$3M.

Ms. Tenney thanked Ms. Daly for her report stating it was very helpful.

**6. Public Comment**

Ms. Tenney invited members of the public to provide commentary relevant to the business of the NHVA’s activities. Ms. Byrne asked if the \$6.85 assessment rate was the cost of a vaccine. Ms. Tenney reminded the group that this was not an interactive session and asked Mr. Miller if Ms. Byrne should direct the question through his office. He proceeded to explain that the \$6.85 is not the cost of an actual vaccine, but it is the monthly cost per child covered life that the insurance carriers are assessed in order to raise the required funds to support the cost of the vaccine program.

Ms. Condon was invited to speak next. She advised the Board that she had made multiple requests that were denied for copies of the Zoom recordings of Board meetings and Audit Committee meetings. She acknowledged the Zoom recordings were used for minutes, but the public has been denied that information. Ms. Condon also questioned why today’s meeting was not held in a physical location.

No other members of the public indicated the desire to speak. Ms. Tenney thanked those who made public comments.

**7. Executive Session**

Ms. Tenney stated that the Board needed to move into an Executive Session to discuss management and legal items.

**VOTE RECORDED:** *On a motion by Ms. Radick, seconded by Dr. Edwards, by roll call it was*  
**VOTED:** *To enter into Executive Session at 10:04 a.m.*

	<u>Yes</u>	<u>No</u>
<i>Elizabeth Daly</i>	X	
<i>Patricia Edwards, MD</i>	X	
<i>Jason Margus</i>	X	
<i>Wendy Parker</i>	X	
<i>Lorraine Radick, RPh</i>	X	
<i>David Sky</i>	X	
<i>Susan Tenney</i>	X	
<i>Janice Valmassoi, MD</i>	X	
<i>Harold Young</i>	X	



277 **Board of Directors – Execution Session Minutes**  
 278 **09/22/21**  
 279

280 Mr. Miller informed the Board of various requests for information under NHVA’s Public Access Policy, and  
 281 the guidance from Attorney McCue, that he received over the last several weeks. Attorney McCue informed the  
 282 Board of its legal obligations under the Public Access Policy and how the Policy aligns with the New Hampshire Right-  
 283 to-Know law. The Board concurred with the actions taken by Mr. Miller.  
 284

285 Mr. Miller then left the meeting and Ms. Tenney informed that Board about the results of her negotiation  
 286 of the extension of the contract between NHVA and Helms & Company, as authorized by the Board during its January  
 287 2021 meeting. After discussion, the Board sought legal advice from Attorney McCue regarding the approval of the  
 288 extension and the publication of the minutes of the executive session. Upon a motion by Ms. Daly, seconded by Dr.  
 289 Valmassoi, by unanimous roll call it was:  
 290

291 **VOTED:** To extend the fixed term of the Helms contract to a term ending June 30, 2025, to increase  
 292 the annual compensation to Helms by three percent (3%) per year, and to authorize Ms.  
 293 Tenney to make final corrections to the contract and execute the amended contract on  
 294 behalf of NHVA.  
 295

296 It was the consensus of the Board that there was no reason to seal the minutes of this executive session.  
 297 There was no other business for executive session.  
 298

299 Upon a motion by Ms. Radick and seconded by Mr. Young, by unanimous roll call the Board voted to end  
 300 the executive session at approximately 10:45 a.m..  
 301

302 Board of Directors Executive Session minutes respectfully submitted by  
 303 Mark McCue, Esq, Hinckley Allen  
 304 September 24, 2021  
 305

306 **8. Adjournment**  
 307

308 **VOTE RECORDED:** On a motion by \_\_\_\_\_, seconded by \_\_\_\_\_, by roll call it was

309 **VOTED:** To adjourn the Board of Directors meeting at \_\_\_\_\_ a.m.  
 310

	<u>Yes</u>	<u>No</u>
311 Elizabeth Daly	X	
312 Patricia Edwards, MD	X	
313 Jason Margus	X	
314 Wendy Parker	X	
315 Lorraine Radick, RPh	X	
316 David Sky	X	
317 Susan Tenney	X	
318 Janice Valmassoi, MD	X	
319 Harold Young	X	

320  
 321  
 322 Board of Directors Meeting minutes respectfully submitted by  
 323 Harold Young, Board Secretary  
 324 September 28, 2021  
 325

326 # # #