

AGENDA

AUDIT COMMITTEE MEETING

August 24, 2022

9:00 am – 11:00 am

ZOOM Meeting

To participate by Zoom, please register here:

<https://nhvaccine.org/event/nhva-audit-committee-meeting-august-24-2022/>

Committee Members: Jason Margus, Chair, Susan Tenney, Vice Chair, Anne Marie Mercuri

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

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

9:00am	<p>1. Call to Order (J. Margus)</p> <ul style="list-style-type: none"> a. Recording Announcement b. Roll Call c. Board Chair Statement re: Online Meeting* d. Board Chair Statement re: Public Commentary During Meetings*
9:00am-9:10am	<p>2. Review and Accept the April 20, 2022 Meeting Minutes – Vote (J. Margus)*</p>
9:10am-9:30am	<p>3. Review and Vote to Recommend Acceptance of FY2022 Audited Financials – Vote (J. Margus)*</p> <p>Guest: Karen Carew, Carew & Wells PLLC</p>
9:30am-10:25am	<p>4. CY2023 Assessment Rate Initial Assumptions Work Session (P. Miller)*</p> <ul style="list-style-type: none"> a. Review Model and Discuss Assumptions b. Determine if September 7, 2022 Meeting is Required <p>Guest: Leslie Walker, Mason+Rich, PA</p>
10:25am-10:35am	<p>5. Other Business</p>
10:35am-10:45am	<p>6. Public Comment Period</p>
10:45am	<p>7. Call to Adjourn (J. Margus)</p>

* indicates an attachment

NEW HAMPSHIRE VACCINE ASSOCIATION
Statement of Audit Committee Chair Regarding Meetings By Videoconference

Although the NH Vaccine Association is not a public body, its policy is to follow the NH Right-to-Know Law as closely as possible while observing best nonprofit governance practices.

Pursuant to RSA 91-A:2(III)(a), I -- as Audit Committee Chair -- have made the determination that an emergency exists which justifies the meeting of the Association Audit Committee by videoconference. This determination is based on the following:

1. A quorum of the Audit Committee is unable to meet in person because COVID-19 continues to pose a threat to the health of individuals in this State, including those who have been vaccinated, and the Association has been unable to procure meeting space that will accommodate public attendance while permitting social distancing, masking and other measures necessary to reduce the serious health risks posed by COVID-19;
2. The Audit Committee must take actions which cannot be postponed until these emergent health risks can be mitigated; and
3. The spirit and intent of RSA 91-A is met by holding this Audit Committee meeting by Zoom videoconferencing because all members of the public: (i) have had adequate notice and an opportunity to attend virtually; (ii) can see and hear all Board members and deliberations; and (iii) may participate if and as invited to do so.

A copy of this statement will be recorded in the meeting minutes and will be posted on the Association web site.

David Sky

NHVA Audit Committee Chair

NEW HAMPSHIRE VACCINE ASSOCIATION

Audit Committee 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 Committee now if you will be recording this meeting.

If the Committee 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 Audit Committee, 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 Committee 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.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16

17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43

MINUTES
Audit Committee Meeting
April 20, 2022
9:00 a.m.
Via Zoom Webinar
Presiding Officer: David Sky, Chair, Audit Committee

A meeting of the Audit Committee of the Board of Directors of the New Hampshire Vaccine Association (NHVA) with a quorum present was held via Zoom Webinar.

Mr. Sky, Chair, called the meeting to order at 9:02 a.m.

1. Welcome and Introductions

Attendance – The following individuals attended the meeting:

Committee Members:	Other Attendee & Administrative Staff:
David Sky, NHID, Chair	Patrick Miller, Helms & Company
Susan Tenney, HPHC, Vice Chair	Erin Meagher, Helms & Company
Jason Margus, Anthem	Keith Nix, Helms & Company
Committee Members Excused:	Mark McCue, Esq., Hinckley Allen
Anne Marie Mercuri, NH DHHS	Members of the Public
	Laura Condon

Mr. Sky stated that the meeting was being recorded for the sole purpose of drafting the minutes, and that the recording would be deleted once the minutes were approved. Mr. Sky asked that anyone recording the meeting to announce themselves; no one from the public indicated they were recording the meeting.

Mr. Sky opened the meeting by reciting NHVA’s statement regarding meetings held by videoconference and a statement regarding public commentary during meetings. He welcomed the member of the public that joined the meeting.

Mr. Sky asked that Mr. Miller to take roll call for attendance purposes.

<u>Committee Member</u>	<u>Present</u>	<u>Excused</u>
Jason Margus	X	
Anne Marie Mercuri		X
David Sky	X	
Susan Tenney	X	

2. Review and Acceptance of September 9, 2021, Meeting Minutes

Mr. Sky asked the Committee if anyone had any questions or changes to the September 9, 2021, meeting minutes. No questions or changes were identified.

VOTE RECORDED: *On a motion by Ms. Tenney, seconded by Mr. Margus, by roll call vote, it was unanimously*
VOTED: *To accept the September 9, 2021, Audit Committee meeting minutes as presented.*

44	<u>Committee Member</u>	<u>Yes</u>	<u>No</u>
45	Jason Margus	X	
46	David Sky	X	
47	Susan Tenney	X	

48
49 **3. Executive Director Report**

50
51 Mr. Sky invited Mr. Miller to provide the Executive Director Report. Mr. Miller directed the group to the proposed
52 *Expense Budget* for the coming fiscal year. The proposed FY 2023 budget totaling \$151,927 reflects a 2.1% increase
53 over the prior year budget. The majority of the increase is related to the Administrators' annual contract inflator.
54 Mr. Miller reviewed the budget notes pointing out most line items remain flat. \$400 has been added to the Licenses
55 and Fees line for the yearly Zoom Webinar expense which Helms & Company has paid for over the past two years.
56 Mr. Miller advised that he confirmed with Carew & Wells that the audit expense would remain level for this year
57 having had a slight increase last year and that Carew & Wells had kept the expense flat for several years prior to last
58 year's increase. While the budget reflects a slight increase over the prior year, it remains lower than both the FY
59 2017 and FY 2018 budgets.

60
61 Mr. Sky asked about the cost for the Zoom Webinar and whether other Helms clients used the license. Mr. Miller
62 explained this is a separate feature Helms purchased specifically for use for NHVA and no other Helms clients use
63 this feature. Discussion ensued about moving the expense to the Board Meeting Expense category instead of
64 Licenses and Fees. Mr. Miller agreed to move the expense item.

65
66 There being no further discussion, Mr. Sky thanked Mr. Miller for his presentation and asked the Committee for a
67 motion.

68
69 **VOTE RECORDED:** *On a motion by Ms. Tenney, seconded by Mr. Margus, by roll call, it was unanimously*
70 **VOTED:** *To recommend to the full Board of Directors at the June 15, 2022, meeting to*
71 *accept the FY 2022 Expense Budget as presented with one change, moving the*
72 *Zoom Webinar expense from the line-item Licenses and Fees to Board Meeting*
73 *Expense.*

74	<u>Committee Member</u>	<u>Yes</u>	<u>No</u>
75	Jason Margus	X	
76	David Sky	X	
77	Susan Tenney	X	

78
79
80 Mr. Miller provided a brief overview of the financial statements. He pointed out that for the quarter ending March
81 31, the assessment income is over budget by a net of \$80,646 due to actual assessed lives being less than budget. It
82 is expected that the TRICARE settlement repayment will be completed this quarter through the collection of the
83 \$47,095 remaining balance. Mr. Miller reminded the Committee that this will result in a loss of future income to the
84 NHVA of approximately half a million dollars in the next fiscal year, and that this will be addressed again during the
85 next rate setting period. TRICARE payers will continue to pay the regular assessment rate on assessed lives in future
86 quarters. He mentioned that the Federal Public Health Emergency is expected to end mid-summer and it is possible
87 that the NHVA will see an increase in covered lives as people move from Medicaid to Exchange products.

88
89 Mr. Miller stated that NHVA has just over \$25M in total assets and has set aside \$16.6M for the payment to the State
90 of New Hampshire in June as was projected last fall. The amount held in Short-Term Investments has fluctuated
91 quarter-to-quarter based upon the ability to secure instruments with adequate interest rates. Additionally, as these
92 instruments are called, the funds are rolled into the ICS account. The Bank of New Hampshire investment advisory
93 team is actively looking for additional investment opportunities for the Association now that interest rates are
94 beginning to climb again. An additional \$3M in payments is estimated for the May 15th assessment collection period.

95 Mr. Miller stated that the administrative expenses are running \$9,200 below budget currently; most of this is due to
 96 unspent funds in the Legal Professional Fees line item.
 97

98 Mr. Miller concluded by reminding the group that the NHVA audit process will begin soon, and we should expect
 99 Ms. Carew to meet with the Audit Committee this summer and the Board in the fall.

100

101 **4. Other Business**

102

103 Mr. Sky asked the Committee members if anyone had any other business to discuss. There was none.

104

105 **5. Public Comment**

106

107 Mr. Sky invited Ms. Condon to provide public comment. Ms. Condon had no comments but thanked the Committee
 108 for the opportunity.

109

110 **6. Adjournment**

111

112 Having no other Audit Committee business, Mr. Sky asked for a motion to adjourn.

113

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

115 **VOTED:** *To adjourn the Audit Committee meeting at 9:18 a.m.*

116

<u>Committee Member</u>	<u>Yes</u>	<u>No</u>
Jason Margus	X	
David Sky	X	
Susan Tenney	X	

121

122

123 Respectfully submitted by
 124 Patrick Miller, Helms & Company, Inc.
 125 April 22, 2022

126

127 # # #

August 7, 2022

Board of Directors
New Hampshire Vaccine Association
c/o Helms & Company
One Pillsbury Street, Suite 200
Concord, NH 03301-3570

We have audited the financial statements of New Hampshire Vaccine Association for the year ended June 30, 2022, and we will issue our report thereon dated August 7, 2022. 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 May 2, 2022. 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 2022. 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), as well as any refundable assessments 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 includes the adjustments identified during our audit.

- An entry to accrue unbilled legal expenses incurred in June has not been corrected in the financial statements. Management has determined that the effect is immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatement or the matter underlying it 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.
- An adjustment was made by management (for financial statement presentation purposes only) to reclassify the refundable overpayments to insurers as a liability rather than as part of accounts receivable in the financial statements.

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 August 7, 2022.

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.

This information is intended solely for the use of the 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

SUMMARY

Currently showing **all** types of journal entries.

Adjusting	0
Proposed	1
Reclassifying	1
Total	2

Adjustment 1

Reclassifying | Workpaper Reference: [B.1 - AR Aging.pdf](#)

Notes: Reclass refundable overpayment by insurers for FS reporting only.
CLIENT NEED NOT POST.

Account	Debits	Credits
11000 - Accounts Receivable (A/R)	63,939.00	-
22000 - Refundable Overpayments from Insurers	-	63,939.00
✓ Net income effect: 0	Dr: 63,939.00	Cr: 63,939.00

Adjustment 2

Proposed | Workpaper Reference: [LGLLTR - Legal Response.pdf](#)

Notes: Waive AJE to record unbilled, accrued legal expenses for June 2022 - immaterial to financial statements.

Account	Debits	Credits
60320 - Professional Fees - Legal	980.00	-
21000 - Accrued Expenses	-	980.00
✓ Net income effect: (980)	Dr: 980.00	Cr: 980.00

draft

**NEW HAMPSHIRE
VACCINE ASSOCIATION**

FINANCIAL STATEMENTS

**FOR THE FISCAL YEARS ENDED
JUNE 30, 2022 AND 2021**

draft

INDEX TO FINANCIAL STATEMENTS

Independent Auditors' Report 1-2
Statements of Financial Position..... 3
Statements of Activities..... 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, 2022 and 2021, and the related statements of activities, 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, 2022 and 2021, and the changes in its net assets and its cash flows for the years 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

August 7, 2022

NEW HAMPSHIRE VACCINE ASSOCIATION
STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2022 AND 2021

	June 30, 2022	June 30, 2021
ASSETS		
<i>Current Assets</i>		
Cash and cash equivalents	\$ 5,294,329	\$ 11,448,477
Assessments receivable	-	5,486
Prepaid expenses	<u>1,960</u>	<u>1,960</u>
Total Current Assets	<u>5,296,289</u>	<u>11,455,923</u>
<i>Non-Current Assets</i>		
Investments	<u>5,336,422</u>	<u>4,466,645</u>
TOTAL ASSETS	<u>\$ 10,632,711</u>	<u>\$ 15,922,568</u>
LIABILITIES & NET ASSETS		
<i>Current Liabilities</i>		
Accounts payable	\$ 1,400	\$ -
Accrued expenses	-	1,980
Refundable overpayments by insurers	<u>63,939</u>	<u>-</u>
TOTAL LIABILITIES	<u>65,339</u>	<u>1,980</u>
<i>Net Assets</i>		
Net assets without donor restrictions	250,000	250,000
Net assets with donor restrictions	<u>10,317,372</u>	<u>15,670,588</u>
TOTAL NET ASSETS	<u>10,567,372</u>	<u>15,920,588</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$ 10,632,711</u>	<u>\$ 15,922,568</u>

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

NEW HAMPSHIRE VACCINE ASSOCIATION
STATEMENTS OF ACTIVITIES
 FOR THE FISCAL YEARS ENDED JUNE 30, 2022 AND 2021

	June 30, 2022	June 30, 2021
NET ASSETS WITHOUT DONOR RESTRICTIONS		
REVENUE AND OTHER SUPPORT		
Net assets released from restrictions		
Assets released for operations	\$ <u>136,150</u>	\$ <u>125,714</u>
OPERATING EXPENSES		
Administrative services	107,250	103,750
Legal fees	14,975	8,758
Accounting fees	9,350	9,000
Insurance	3,360	3,360
License and fees	75	75
Stationary & printing	479	285
Website	661	486
<i>Total Operating Expenses</i>	<u>136,150</u>	<u>125,714</u>
INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>-</u>	<u>-</u>
NET ASSETS WITH DONOR RESTRICTIONS		
Assessment income, less refunds of \$0 2022 and 2021	12,316,544	13,000,171
TRICARE settlement income	468,630	470,102
Interest on late assessments	1,360	566
Bank and sweep interest	50,474	55,827
Return on investments	(276,701)	19,465
Net assets released from restrictions		
Remittance to the State of New Hampshire	(17,777,373)	(11,830,529)
Assets released for operations	<u>(136,150)</u>	<u>(125,714)</u>
INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS	<u>(5,353,216)</u>	<u>1,589,888</u>
CHANGES IN NET ASSETS	<u>(5,353,216)</u>	<u>1,589,888</u>
<i>Net Assets, Beginning of Year</i>	<u>15,920,588</u>	<u>14,330,700</u>
<i>Net Assets, End of Year</i>	<u>\$ 10,567,372</u>	<u>\$ 15,920,588</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, 2022 AND 2021

	June 30, 2022	June 30, 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	<u>\$ (5,353,216)</u>	<u>\$ 1,589,888</u>
<i>Adjustments to reconcile changes in net assets</i>		
(Gain) on sale of investments	(1,227)	(800)
Unrealized (gain) loss on investments	313,232	21,277
(Increase) decrease in:		
Assessments receivable	5,486	(5,486)
Prepaid expenses	-	-
Increase (decrease) in:		
Accounts payable	1,400	-
Accrued expenses	(1,980)	1,980
Refundable overpayments by insurers	<u>63,939</u>	<u>-</u>
<i>Total Adjustments</i>	<u>380,850</u>	<u>16,971</u>
Net Cash Provided (Used) by Operating Activities	<u>(4,972,366)</u>	<u>1,606,859</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(2,934,673)	(728,942)
Proceeds from sale & maturities of investments	<u>1,752,891</u>	<u>3,056,000</u>
Net Cash Used by Investing Activities	<u>(1,181,782)</u>	<u>2,327,058</u>
NET INCREASE (DECREASE) IN CASH	(6,154,148)	3,933,917
<i>Cash, Beginning of Year</i>	<u>11,448,477</u>	<u>7,514,560</u>
<i>Cash, End of Year</i>	<u>\$ 5,294,329</u>	<u>\$ 11,448,477</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 (the “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 the 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

The 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

The 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. Investments includes any accrued investment income reportable by the broker managing the funds, as this income has been earned and not yet received.

NEW HAMPSHIRE VACCINE ASSOCIATION
NOTES TO FINANCIAL STATEMENTS

Assessments Receivable

Assessments receivable 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:

	2022	2021
<i>Program Expense</i>		
Remittance to State of NH	\$ <u>17,777,373</u>	\$ <u>11,830,529</u>
<i>Management & General</i>		
Administrative services	107,250	103,750
Legal fees	14,975	8,758
Accounting fees	9,350	9,000
Insurance	3,360	3,360
License and fees	75	75
Stationary & printing	479	285
Website	<u>661</u>	<u>486</u>
<i>Total Management & General</i>	<u>136,150</u>	<u>125,714</u>
 <i>TOTAL EXPENSES</i>	 \$ <u>17,913,523</u>	 \$ <u>11,956,243</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, 2022 and 2021, 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 one (1) year of the balance sheet dates (June 30, 2022 and 2021) to meet cash needs for general expenditures consisting of:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 5,294,329	\$ 11,448,477
Accounts receivable	-	5,486
Total	<u>\$ 5,294,329</u>	<u>\$ 11,453,963</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, 2022 and 2021, 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. As the TIRCARE arrearage was paid in full during the 2022 fiscal year (see Note F), the Association anticipates some of the reserves will be used in the next few years for rate stability.

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 three (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, 2022 and 2021:

	2022	2021
Fixed Income Funds (Level 1 measured at fair value)		
Negotiable Certificates of Deposit	\$ 5,224,490	\$ 4,404,454
Federate Government Money Market	105,615	62,191
Accrued income on investments	6,317	-
Total Investments	\$ 5,336,422	\$ 4,466,645

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, 2022</i>			
Negotiable Certificates of Deposit	\$ 5,495,106	\$ 5,224,490	\$ (270,616)
Money market funds	105,615	105,615	-
Accrued income on investments	6,317	6,317	-
Total Investments	\$ 5,607,038	\$ 5,336,422	\$ (270,616)
 <i>As of June 30, 2021</i>			
Negotiable Certificates of Deposit	\$ 4,357,918	\$ 4,404,454	\$ 46,536
Money market	62,191	62,191	-
Total Investments	\$ 4,421,109	\$ 4,466,645	\$ 46,536

(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:

	2022	2021
Interest and dividends	\$ 53,984	\$ 60,222
Realized gain (loss)	1,227	800
Unrealized gain (loss)	(313,232)	(21,277)
Investment fees	<u>(18,680)</u>	<u>(20,280)</u>
Total	<u>\$ (276,701)</u>	<u>\$ 19,465</u>

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) was incorporated into future TRICARE specific assessments and paid over multiple years. Given that collection was not certain and that the amounts collected could not be determined until future budgets and assessments were implemented, the TRICARE increment payments were recognized as revenue in quarterly assessment as they became determined and due. Following is summary of the arrearage balance on the TRICARE specified assessments:

	2022	2021
TRICARE arrearage, beginning balance	\$ 468,630	\$ 938,732
Increment payments received	<u>(468,630)</u>	<u>(470,102)</u>
TRICARE arrearage, ending balance	<u>\$ -</u>	<u>\$ 468,630</u>

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.

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 eight (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, 2022 and 2021, 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, 2022 and 2021, net assets with donor restrictions is comprised of the following:

	2022	2021
<i>Unexpended assessments:</i>		
Available for rate setting	\$ 5,317,372	\$ 10,670,588
Reserved for rate stabilization	<u>5,000,000</u>	<u>5,000,000</u>
Net assets with donor restrictions	<u>\$ 10,317,372</u>	<u>\$ 15,670,588</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, primarily through changes in the statute and the State of New Hampshire’s annual funding request. This funding request is based on the previous year’s actual spending and is not determined by the Association.
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 \$17,777,373 and \$11,830,529 to the State of New Hampshire in 2022 and 2021, 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 the directors and the assessable entities met 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 August 7, 2022, the date the financial statements were available to be issued. Management has determined there are no 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.

draft

CY2023 Rate Setting

NHVA Audit Committee Meeting

August 24, 2022

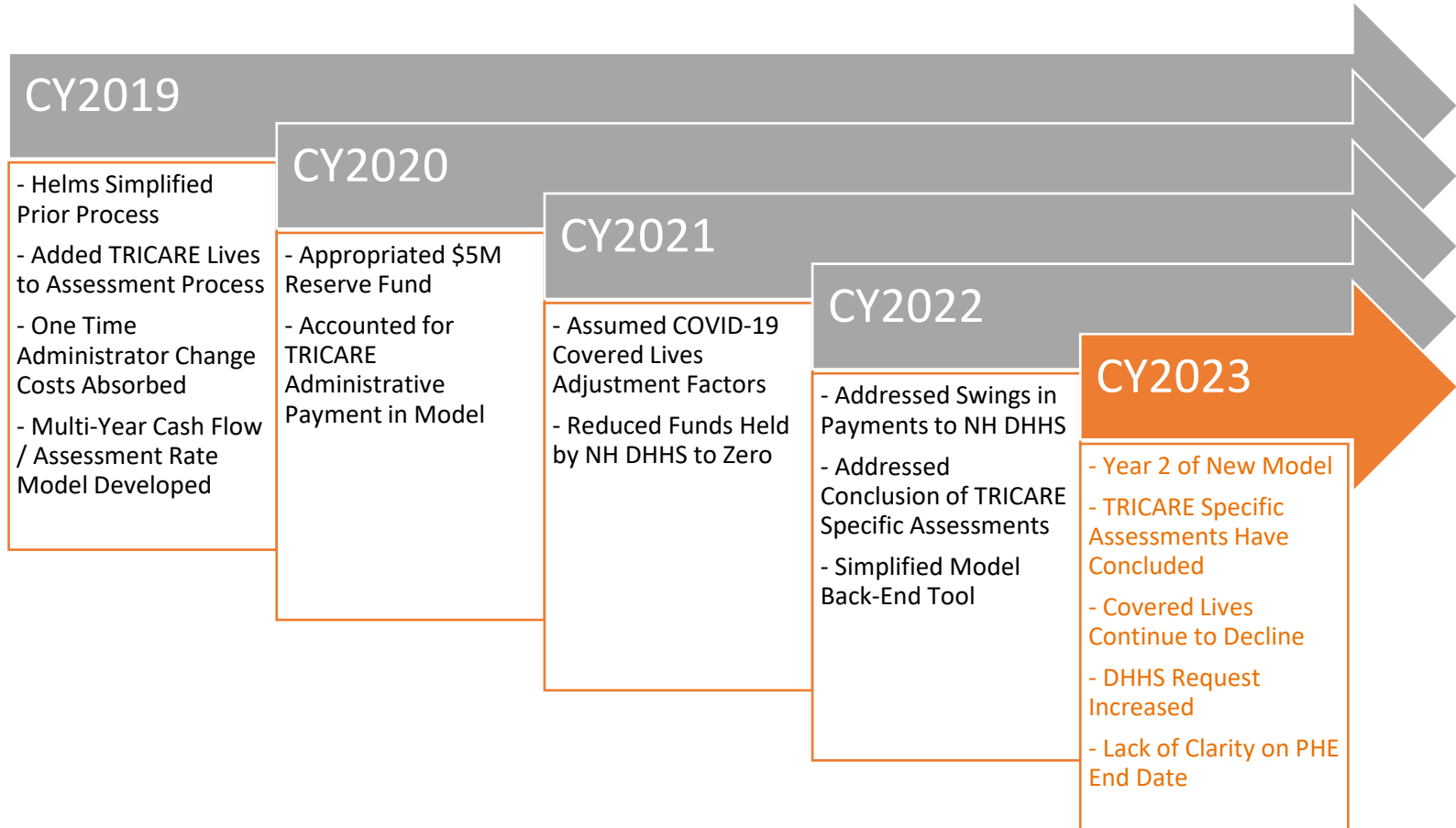
Materials Updated August 16, 2022

Contents

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

1. Process

Assessment Process Development History

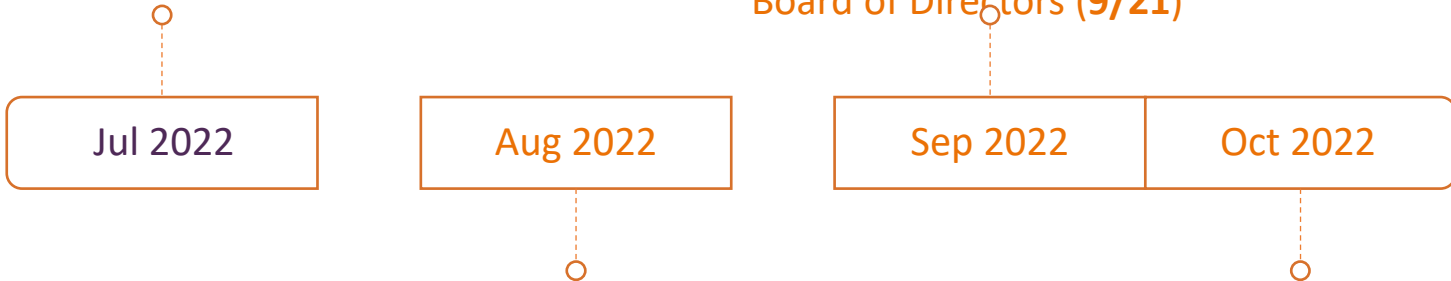


CY2023 Assessment Rate Setting Process Timeline

= completed milestone
 = future milestone

- Data collection for Actual FY2022 and YTD CY2022
- Modeling prep work begins

- Review and approval by Audit Committee (9/7)
- Review and approval by Board of Directors (9/21)



- DHHS Data Received (8/7)
- Modeling based upon trends and initial NH DHHS data (8/7-8/16)
- Audit Committee Work Session (8/24)
- Modeling final assumptions (8/25-9/6)

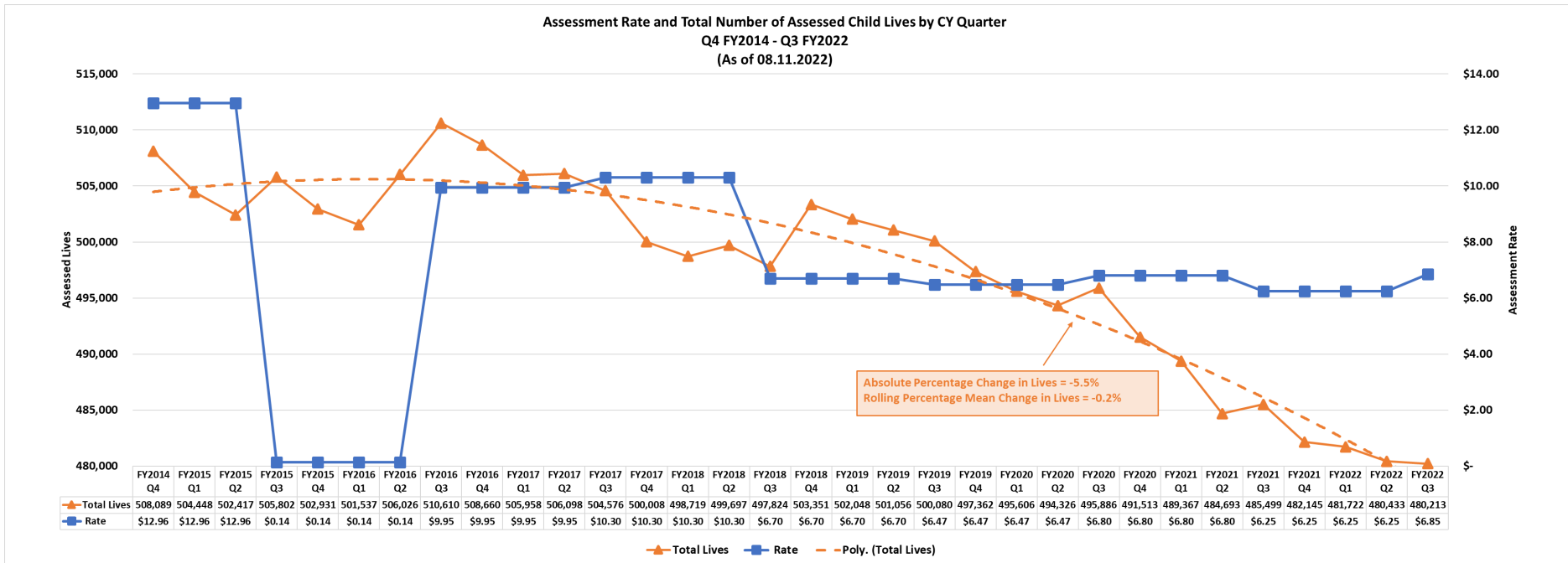
- Actual CDC credit received (10/1)
- Carrier notification of CY2023 rates (10/7)

Review of FY2022 Notable Fiscal Events

1. TRICARE Specific Assessment Recovery Completed in CY2022 Q2
2. Continued Covered Lives Decline (slide 8)

2. Historical Trends

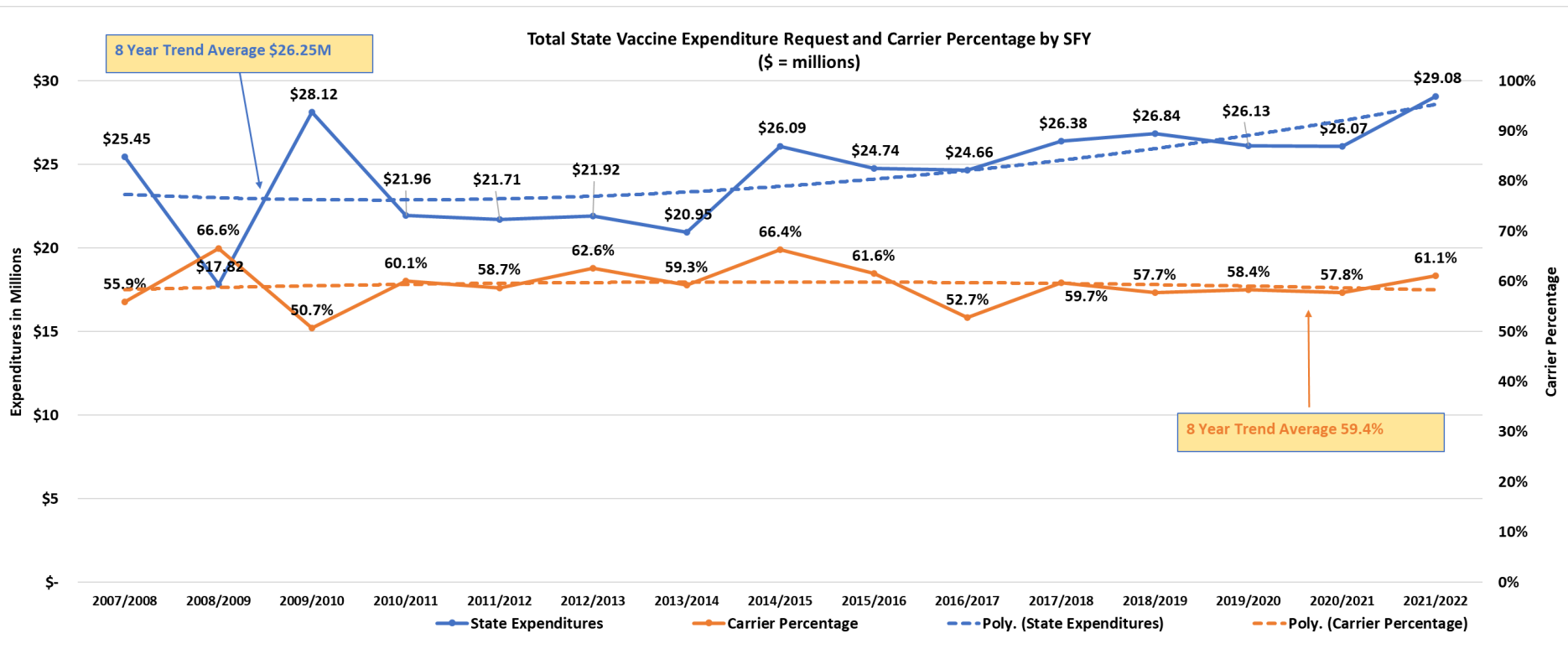
Shrinking Assessed Lives and Historic Variability in Assessed Rate



Source: NHVA KidsVax® reconciliation spreadsheet, 09-06-2018; NHVA Data Through August 2022

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

Increasing State Vaccine Expenditures with Stability in Fund Source Split (State/Payers)

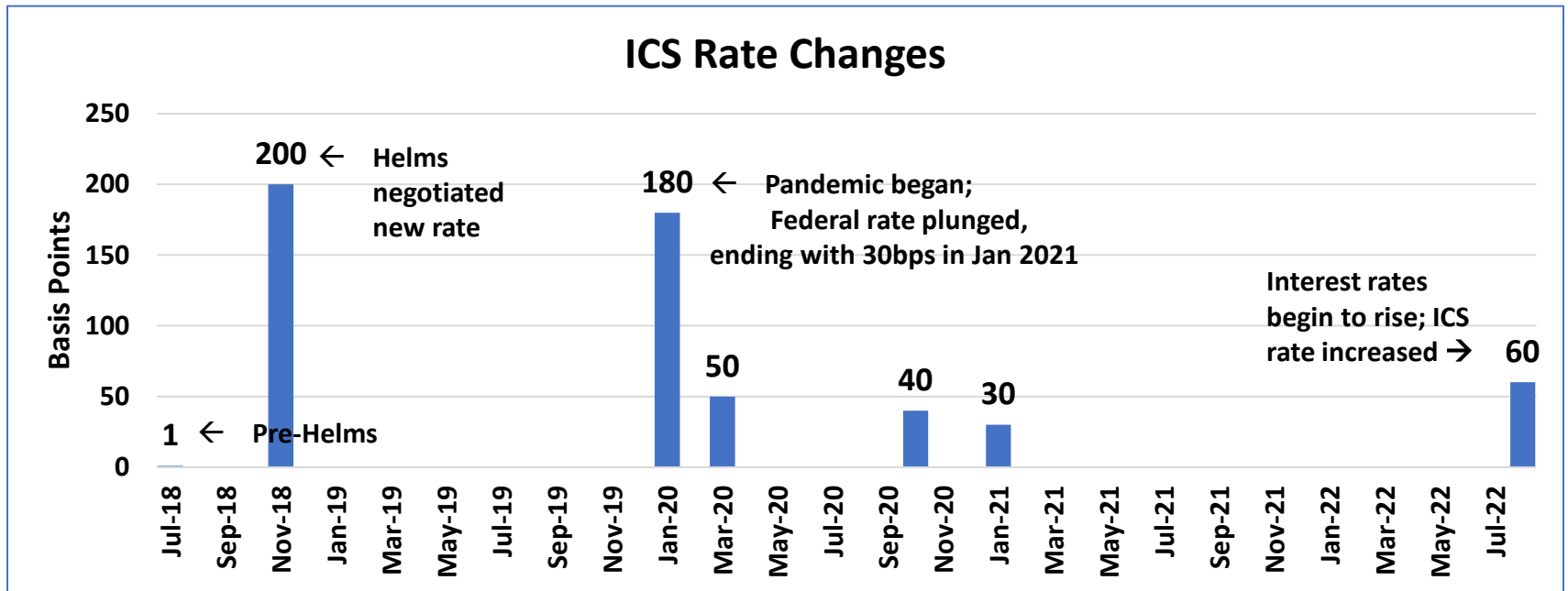


Source: NH DHHS annual spreadsheets Tab D; NHVA Historical Data

Copyright © 2003-2022 New Hampshire Vaccine Association

Cash and Investments (as of August 12, 2022)

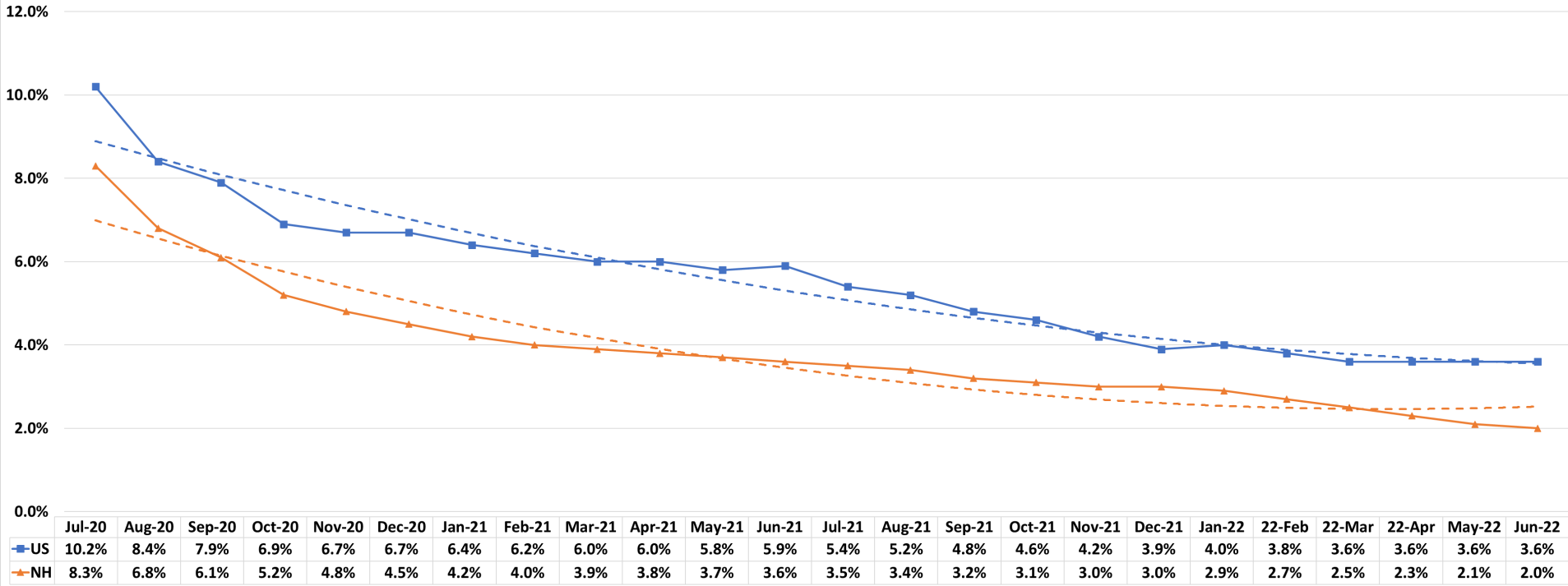
1. ICS (Cash)



- Laddered CD Portfolio Currently at \$5.452M in with CDs Coming Due Between 2022-2027; Reserve Targets May Result in Calling CDs Earlier Than Due

US and NH Unemployment Trends

U.S. and New Hampshire Unemployment Rates, Seasonally Adjusted
July 2020 - June 2022
(as of 07.22.2022)

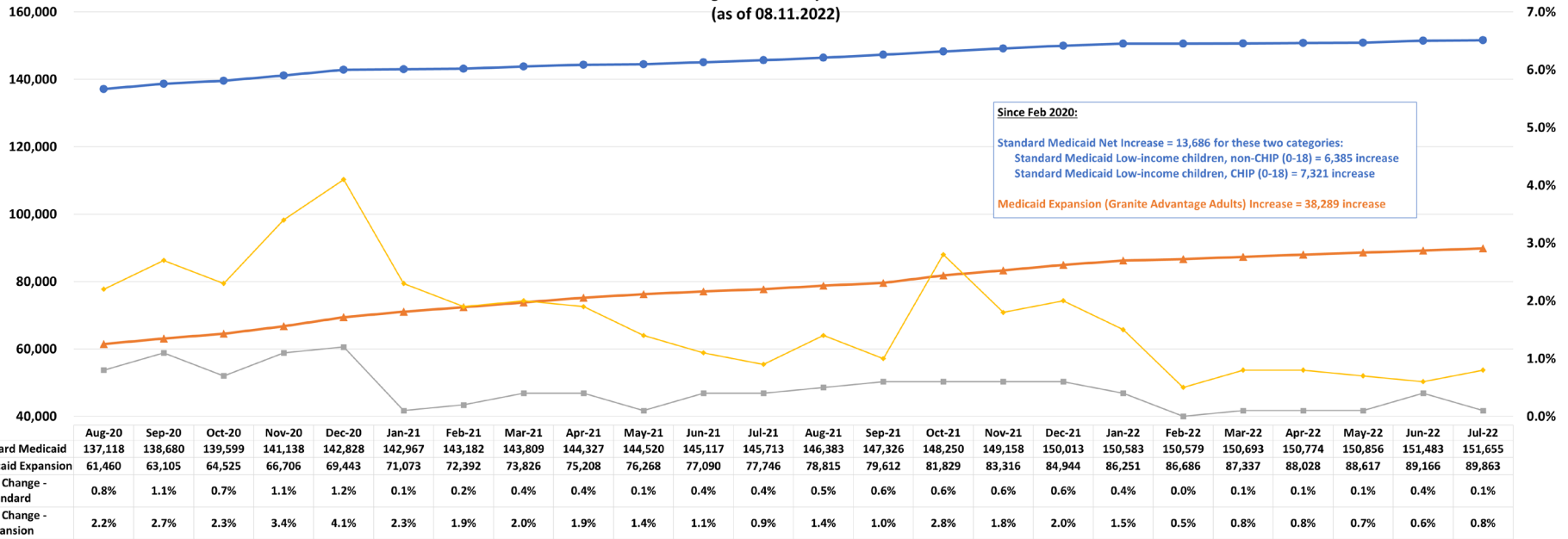


<https://www.nhes.nh.gov/elmi/statistics/laus-data.htm>

Medicaid Child Enrollment is Leveling Off but Higher Than Pre-Pandemic

NH Medicaid Enrollment

NH Medicaid Enrollment
August 2020 - July 2022
(as of 08.11.2022)



Since Feb 2020:
 Standard Medicaid Net Increase = 13,686 for these two categories:
 Standard Medicaid Low-income children, non-CHIP (0-18) = 6,385 increase
 Standard Medicaid Low-income children, CHIP (0-18) = 7,321 increase
 Medicaid Expansion (Granite Advantage Adults) Increase = 38,289 increase

Source: NH DHHS

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



		SFY 2022 Year end calculations to bring cash forward															
		SFY22	SFY21	SFY20	SFY19	SFY18	SFY17	SFY16	SFY15	SFY14	SFY13	SFY12	SFY11	SFY10	SFY09	SFY08	
Source		2021/2022	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	\$29,080,442	\$ 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	\$11,493,322	\$ 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	not provided	\$ 156,375	\$ 920,358	\$ 720,612	\$ 1,676,638	\$ 735,871	\$ 2,219,343
State Funds	3	St. Ap(5178-513)	\$108,251	\$ 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	\$11,601,573	\$ 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	\$0	\$ 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	\$17,777,373	\$ 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	\$17,478,869	\$ 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
		Mercuri, Anne Marie: Check balance remaining to apply to SFY22	\$298,504														
year end encumbered	8	State Approp	\$298,469	\$ 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	\$35	\$ (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	\$0	\$0	\$ 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	\$2,837,845	\$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				Mercuri, Anne Marie: Underpayment of \$2,043,813 paid in SFY22		\$ 19,863	\$ 13,916	\$ 37,311	\$ 29,970	\$ 119,460					
		Source: From Anne Marie Mercuri on August 1, 2022					a										
Note: NHVA as % of total budget			60.11%	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%

Mercuri, Anne Marie: Artificially inflated due to \$2m SFY21 payment made in SFY22



Vaccine Forecast for SFY 23 New Hampshire Immunization Program																					
Actual Doses for SFY 22		2021 Price per Doses Cost	1st Qtr Totals	Total	2nd qtr totals	Total	3rd qtr totals	Total	4th qtr totals	2022 Price Per Doses Cost	Total	2022 Price Total	Total ordered in SFY 22	SFY 22 Total Cost	.05% wastage	SFY 2023 +1.5%	Roundings	2022 Price Per Doses Cost	SFY 23 Total Projected Cost	Private Price*	
DT																					
DAPTACEL		\$57	3	\$170	7	\$397	0	\$0	5	\$62	\$309	15	\$876	8	23	30	\$62	\$1,852	\$62	\$1,852	
DAPTACEL		\$19	320	\$6,144	280	\$5,376	220	\$4,224	330	\$20	\$6,560	1,150	\$22,304	575	1,725	1,700	\$20	\$33,796	\$34	\$58,055	
PENTACEL		\$63	5,680	\$359,998	5,590	\$354,294	4,545	\$288,062	2,825	\$66	\$185,800	18,640	\$1,188,155	9,320	27,960	28,000	\$66	\$1,841,560	\$106	\$2,973,040	
QUADRACEL		\$43	820	\$35,547	760	\$32,946	630	\$27,311	540	\$44	\$23,933	2,750	\$119,736	1,375	4,125	4,100	\$44	\$181,712	\$58	\$239,276	
INFANRIX		\$20	2,120	\$42,061	1,690	\$33,530	1,930	\$38,291	1,750	\$20	\$35,648	7,490	\$149,529	3,745	11,235	11,200	\$20	\$228,144	\$27	\$302,736	
PEDIARIX		\$62	3,900	\$243,711	3,910	\$244,336	3,500	\$218,715	2,650	\$62	\$165,599	13,960	\$872,360	6,980	20,940	20,900	\$62	\$1,306,041	\$90	\$1,882,045	
KINRIX		\$44	3,150	\$137,466	2,880	\$125,683	1,750	\$76,370	2,140	\$45	\$96,878	9,920	\$436,397	4,960	14,880	14,900	\$45	\$674,523	\$57	\$852,578	
VAQTA		\$21	680	\$14,552	420	\$8,988	550	\$11,770	290	\$23	\$6,566	1,940	\$41,876	970	2,910	2,900	\$23	\$65,656	\$36	\$103,269	
HAVRIX		\$22	7,420	\$161,162	6,940	\$150,737	5,090	\$110,555	6,040	\$22	\$134,994	25,490	\$557,448	12,745	38,235	38,200	\$22	\$853,775	\$36	\$1,370,234	
RECOMBIVAX HB		\$13	880	\$11,440	780	\$10,140	650	\$8,450	410	\$14	\$5,556	2,720	\$35,586	1,360	4,080	4,100	\$14	\$55,555	\$26	\$104,960	
ENGERIX B		\$16	4,100	\$64,247	4,250	\$66,598	3,110	\$48,734	2,170	\$16	\$35,306	13,630	\$214,884	6,815	20,445	20,400	\$16	\$331,908	\$26	\$537,336	
ACTHIB		\$10	5,580	\$55,912	5,885	\$58,968	5,535	\$55,461	4,595	\$10	\$47,742	21,595	\$218,082	10,798	32,393	32,400	\$10	\$336,636	\$18	\$590,976	
HIBERIX		\$10	230	\$2,213	100	\$962	100	\$962	50	\$10	\$506	490	\$4,642	240	720	700	\$10	\$7,077	\$12	\$8,400	
IPOL		\$14	780	\$10,967	780	\$10,967	460	\$6,468	510	\$15	\$7,706	2,530	\$36,107	1,265	3,795	3,800	\$15	\$57,418	\$39	\$147,212	
PROQUAD		\$45	3,870	\$559,718	3,180	\$459,823	2,570	\$371,699	3,020	\$154	\$463,600	12,640	\$1,854,941	6,320	18,960	19,000	\$154	\$2,916,690	\$250	\$4,750,380	
MM-RII		\$22	3,800	\$84,018	3,320	\$73,405	2,750	\$60,803	2,920	\$24	\$69,116	12,790	\$287,342	6,395	19,185	19,200	\$24	\$454,464	\$87	\$1,676,352	
PREVNAR 13 TM		\$151	11,180	\$1,686,279	11,260	\$1,698,346	12,130	\$1,829,568	10,130	\$158	\$1,602,363	44,700	\$6,816,557	22,350	5,040	5,040	\$158	\$797,227	\$226	\$1,141,207	
PNEUMOVAR 23		\$62	38	\$2,359	14	\$869	20	\$1,242	14	\$66	\$921	86	\$5,391	43	129	100	\$66	\$6,580	\$117	\$11,708	
ROTATEQ		\$75	6,100	\$455,853	6,410	\$479,019	6,720	\$502,186	5,440	\$77	\$418,608	24,670	\$1,855,666	12,335	37,005	37,000	\$77	\$2,847,150	\$91	\$3,348,500	
ROTARIX		\$99	1,930	\$191,919	1,100	\$109,384	1,510	\$150,154	9,900	\$102	\$1,013,376	5,530	\$552,834	2,765	8,295	8,300	\$102	\$849,920	\$131	\$1,085,806	
VAXELIS		\$92	0	\$0	1,230	\$112,656	2,990	\$273,854	3,860	\$95	\$366,970	8,080	\$753,480	4,040	12,120	12,100	\$95	\$1,150,347	\$140	\$1,694,847	
VARIVAX		\$116	3,420	\$395,933	3,390	\$392,460	2,810	\$325,314	3,120	\$123	\$382,730	12,740	\$1,496,438	6,370	19,110	19,100	\$123	\$2,342,997	\$151	\$2,883,718	
Adolescent																					
GARDASIL9		\$196	8,020	\$1,574,486	6,610	\$1,297,675	4,870	\$956,078	5,160	\$208	\$1,073,538	24,660	\$4,901,778	12,330	36,990	37,000	\$208	\$7,697,850	\$254	\$9,383,200	
MENACTRA/MenQuadri		\$100	7,415	\$741,871	5,595	\$559,780	3,940	\$394,197	3,940	\$105	\$412,597	20,890	\$2,108,444	10,445	31,335	31,300	\$105	\$3,277,736	\$149	\$4,654,623	
MENVEO		\$100	1,475	\$146,881	865	\$86,137	1,135	\$113,023	775	\$103	\$79,476	4,250	\$425,517	2,125	6,375	6,400	\$103	\$656,320	\$144	\$922,752	
TRUMENBA		\$120	170	\$20,388	80	\$9,594	40	\$4,797	50	\$126	\$6,289	340	\$41,068	170	510	500	\$126	\$62,885	\$168	\$84,075	
BEXSERO		\$129	5,110	\$667,146	2,810	\$361,366	2,240	\$288,064	2,250	\$135	\$303,750	12,410	\$1,610,326	6,205	18,615	18,600	\$135	\$2,511,000	\$201	\$3,744,180	
TEINVAC		\$22	24	\$522	65	\$1,415	21	\$457	36	\$23	\$813	146	\$3,208	73	219	200	\$23	\$4,516	\$38	\$7,584	
ADACEL		\$33	170	\$5,637	220	\$7,295	20	\$663	160	\$34	\$5,504	570	\$19,100	285	855	900	\$34	\$30,960	\$50	\$45,432	
ADACEL		\$33	920	\$30,507	835	\$27,689	605	\$20,062	780	\$34	\$26,832	3,140	\$105,090	1,570	4,710	4,700	\$34	\$161,680	\$50	\$237,256	
BOOSTRIX		\$34	140	\$4,770	280	\$9,540	90	\$3,066	60	\$35	\$2,101	570	\$19,477	285	855	900	\$35	\$31,518	\$45	\$40,320	
BOOSTRIX		\$34	3,190	\$108,683	2,700	\$91,989	1,950	\$66,437	2,000	\$35	\$70,040	9,840	\$337,149	4,920	14,760	14,800	\$35	\$518,296	\$45	\$663,040	
				\$7,812,562		\$6,882,463		\$6,257,035			\$6,139,726		\$27,091,786						\$32,293,784		\$45,546,949
Committed State Doses to Purchase																					
Influenza Vaccine		1st Qtr Totals	2nd qtr totals	3rd qtr totals	4th qtr totals	Dist worth this Season VFC and State	Influenza ordered for Next Season	2022-2023 Price per Dose	Private Price*												
SANOFI .5 flu		\$14	16,850	\$231,856	14,900	\$205,024	5,280	\$72,653	570	\$14	\$7,843	37,600	\$517,376	48,000	\$14	\$684,000	\$19	\$894,240	\$19	\$535,800	
GSK .5 fluarix		\$14	30,810	\$439,043	26,040	\$371,070	0	\$0	0	\$14	\$0	56,850	\$810,113	28,200	\$15	\$413,412	\$19	\$535,800	\$19	\$535,800	
GSK .5 Flulaval		\$14	11,320	\$161,310	9,390	\$133,808	3,030	\$43,178	160	\$14	\$2,280	23,900	\$340,575	19,000	\$15	\$278,540	\$19	\$361,000	\$19	\$361,000	
Flucelvax		\$18	50	\$894	130	\$2,323	0	\$0	0	\$18	\$0	180	\$3,217	100	\$20	\$1,992	\$28	\$2,844	\$28	\$2,844	
Flumist		\$19	430	\$8,118	330	\$6,230	0	\$0	0	\$19	\$0	760	\$14,349	400	\$19	\$7,552	\$23	\$9,180	\$23	\$9,180	
				\$841,220		\$718,455		\$115,830			\$10,123	119,290	\$1,685,629				\$1,385,496		\$1,803,064		\$1,803,064
* CDC Online price list 4/1/2022																					
Actual TOTAL pediatric doses distributed taken from monthly Spend Plan Report																					
													\$28,777,415					\$33,679,280		\$47,350,013	
updated 07/12/22																					
R:\OPCHFH\Immunization\Group\VACCINE DISTRIBUTION_PURCHASING_ACCOUNTABILITY\DISTRIBUTION Data Analysis\SFY 22														VFC Estimated (last year) Vaccine Funds Contribution				\$-11,493,332	This is how much we spent last year		
														Estimated State Funds Contribution				\$-150,000			
														Estimated CDC credit				\$1,110,070			
														Estimated cost of vaccine after CDC credit				\$32,569,210	Final amount available after 10/1		
														NHVA Estimated Cost				\$19,541,526	60% of total estimated expense		
														Unspent NHVA revenue from prior SFYs				\$-289,504			
														DHHS Program Administrative Costs Request				\$522,506	See worksheet for details		
														Estimated NHVA funds needed for SFY23				\$19,774,528			



DHHS Increases in Projected Costs Attributed to Five Factors:

1. The state has seen an increase in NH residents due to pandemic effect; families have migrated from other states and in 2021, NH experienced a 7% increase in birth rate, its first increase in birth rate in 7 years.
2. The formula for calculating the projected cost is estimated on the prior year's order, as such the SFY23 projection accounts for the pandemic rebound in vaccination as providers continue to catch children up to date with vaccination.
3. The CDC credit is anticipated to be lower than it has been historically, as a result of the NHVA's "claw back" of funds held at the DHHS.
4. The cost of vaccine continues to increase each year. There has been an increased price of 3-8% per each dose of vaccine over the last several years. This increase is significant since DHHS typically orders over 450,000 doses of vaccine each year.
5. The increased use of combo vaccines. While these combo vaccines are more widely accepted by parents due to fewer injections, these vaccines are also more expensive than the previously used formulas.



Expense	Description	Total Cost	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.	\$106,974.37	\$64,184.62
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.	\$99,864.71	\$59,918.83
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.	\$85,000.00	\$51,000.00
Immunization Information System Staff (2)	This positions perform HL7 onboarding, conductes provider trainings and 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 interoperabilty processes to inform evidence-based strategies.	\$218,941.00	\$131,364.60
Total		\$870,843.08	\$522,505.85

FY2023 Administrative Budget – Adopted by Board June 15, 2022

		Jul 22	Aug 22	Sep 22	Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	FY2023 Budget Total
EXPENSE														
1	Administrative Fees	\$ 9,083	\$ 9,083	\$ 9,083	\$ 9,292	\$ 9,292	\$ 9,292	\$ 9,292	\$ 9,292	\$ 9,292	\$ 9,292	\$ 9,292	\$ 9,292	\$ 110,877
2	Subcontractors													
3	Subtotal	\$ 9,083	\$ 9,083	\$ 9,083	\$ 9,292	\$ 9,292	\$ 9,292	\$ 9,292	\$ 9,292	\$ 9,292	\$ 9,292	\$ 9,292	\$ 9,292	\$ 110,877
4	Bank Fees													\$ -
5	Board Meeting Expense	\$ -	\$ -	\$ 615	\$ 120	\$ 120	\$ -	\$ 120	\$ -	\$ 120	\$ 95	\$ -	\$ 120	\$ 1,310
6	Stationary and Printing	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35	\$ 420
7	Dues and Subscriptions													\$ -
8	Insurance (D&O)							\$ 4,250						\$ 4,250
9	Licenses and Fees				\$ 75									\$ 75
10	Postage and Shipping	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 120
11	Professional Fees - Audit	\$ 3,500		\$ 2,350								\$ 3,500		\$ 9,350
12	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
13	Public Information Expense													\$ -
14	Website			\$ 525										\$ 525
15	Subtotal	\$ 5,628	\$ 2,128	\$ 5,618	\$ 2,323	\$ 2,248	\$ 2,128	\$ 6,498	\$ 2,128	\$ 2,248	\$ 2,223	\$ 5,628	\$ 2,248	\$ 41,050
TOTAL EXPENSE		\$ 14,711	\$ 11,211	\$ 14,701	\$ 11,615	\$ 11,540	\$ 11,420	\$ 15,790	\$ 11,420	\$ 11,540	\$ 11,515	\$ 14,920	\$ 11,540	\$ 151,927

4. Rate Assumptions and Assessment Rate Model

This Year's Rate Assessment Goals

- Address Historical Swings in Payments to NH DHHS
- Incorporate Concept of Zero Funds Held at NH DHHS
- Address Conclusion of TRICARE Specific Assessments
- Address Continued Covered Lives Decline
- Address Reserves

CY2023 Model Rate Assumptions

(as of August 16, 2022)

1. Board commitment to keeping rates stable in future years
2. No NHVA funds will be held by NH DHHS to recover in June CY2023
3. No reimbursement of NH DHHS Immunization Section administrative cost request of \$522,506 (Tabs C & E)
4. The TRICARE specific assessment recovery has been completed
5. Two 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 as needed
6. The percentage paid by the carriers is 60.0% for CY2023 based on NH DHHS/Federal fund source split
7. Interest rate assumptions for cash on hand assume 60bps for ICS and 125bps (net of fees) for CDs with an assumed rate of 60bps due to potential cash constraints
8. Total assessed lives have declined 5.5% between CY2014 Q2 and CY2021 Q4 with quarter-to-quarter declines of 0.2% per quarter; model assumes continuation in FY2023
9. FY2023 CDC credit estimated at \$1.1M (State estimate Tab C)*
10. Annual 2% administrative budget increase
11. No late payment interest assessments
12. The NHVA's payers benefit from a 28.9% discount from the open market by leveraging CDC pricing through DHHS

Draft for Discussion 08.24.2022

Actual SFY18 2017/2018	Actual SFY19 2018/2019	Actual SFY20 2019/2020	Actual SFY21 2020/2021	Actual SFY22 2021/2022	Forecast SFY23 2022/2023	Forecast SFY24 2023/2024	Forecast SFY25 2024/2025
---------------------------	---------------------------	---------------------------	---------------------------	---------------------------	-----------------------------	-----------------------------	-----------------------------

SFY2023 -25 Rate Model (as of August 16, 2022)

Actual SFY18 2017/2018	Actual SFY19 2018/2019	Actual SFY20 2019/2020	Actual SFY21 2020/2021	Actual SFY22 2021/2022	Forecast SFY23 2022/2023	Forecast SFY24 2023/2024	Forecast SFY25 2024/2025	
ASSUMPTIONS								
1 Average Annual Covered Lives per Quarter	499,062	501,634	495,795	487,768	481,128	480,000	475,000	475,000
2 Assessment Rate	10.30-6.70	6.70-6.47	6.47-6.80	6.80-6.25	6.25-6.85	6.85-8.50	8.50-9.85	9.85-9.85
3 TRICARE Rate			12.47-13.95	13.95-14.82	14.82-15.61	0.00	0.00	0.00
RESERVES								
4 10% Reserve (RSA 126-Q:4 II.(c))	\$ 1,881,915	\$ 1,549,196	\$ 1,524,930	\$ 1,505,465	\$ 1,747,887	\$ 1,954,153	\$ 1,797,171	\$ 1,851,086
5 Assessment Reserve					\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
6 Operational Reserve		\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
7 Remainder Reserves	\$ 2,071,713	\$ 10,682,570	\$ 12,553,810	\$ 14,159,657	\$ 3,632,864	\$ (1,979,531)	\$ (3,113,315)	\$ (3,083,975)
TOTAL EXPENSES								
	\$ 26,377,918	\$ 26,837,646	\$ 26,126,101	\$ 26,067,468	\$ 29,080,442	\$ 32,569,210	\$ 29,952,855	\$ 30,851,441
8 Total Government Expended	\$ 10,622,944	\$ 11,345,682	\$ 10,876,797	\$ 11,012,815	\$ 11,601,573	\$ 13,027,684	\$ 11,981,142	\$ 12,340,576
9 %	40.27%	42.28%	41.63%	42.25%	39.89%	40.00%	40.00%	40.00%
10 Total NHVA Expended	\$ 15,754,974	\$ 15,491,964	\$ 15,249,304	\$ 15,054,653	\$ 17,478,869	\$ 19,541,526	\$ 17,971,713	\$ 18,510,865
11 %	59.73%	57.72%	58.37%	57.75%	60.11%	60.00%	60.00%	60.00%
NHVA OUTFLOWS								
12 Total Distributed by NHVA (June Payment)	\$ 18,819,145	\$ 9,234,656	\$ 11,751,393	\$ 11,830,529	\$ 17,777,373	\$ 19,243,022	\$ 17,971,713	\$ 18,510,865
13 Administrative Expenses	\$ 178,953	\$ 388,786	\$ 127,226	\$ 125,713	\$ 136,150	\$ 138,873	\$ 141,650	\$ 144,483
14 Total Outflows	\$ 18,998,098	\$ 9,623,442	\$ 11,878,619	\$ 11,956,242	\$ 17,913,523	\$ 19,381,895	\$ 18,113,364	\$ 18,655,348
NHVA INFLOWS								
15 Assessments	\$ 18,588,579	\$ 17,796,407	\$ 13,390,088	\$ 13,470,273	\$ 12,785,174	\$ 13,944,000	\$ 16,791,250	\$ 18,715,000
16 Investment Income	\$ 18,168	\$ 357,265	\$ 336,301	\$ 75,858	\$ (224,867)	\$ 31,766	\$ 31,348	\$ 23,603
17 Total Inflows	\$ 18,606,747	\$ 18,153,672	\$ 13,726,389	\$ 13,546,131	\$ 12,560,307	\$ 13,975,766	\$ 16,822,598	\$ 18,738,603
18 NHVA BEGINNING CASH BALANCE	\$ 4,339,670	\$ 3,953,627	\$ 12,481,766	\$ 7,514,560	\$ 11,448,477	\$ 5,294,329	\$ 5,224,622	\$ 3,933,856
19 Outflows	\$ 18,998,098	\$ 9,623,442	\$ 11,878,619	\$ 11,956,242	\$ 17,913,523	\$ 19,381,895	\$ 18,113,364	\$ 18,655,348
20 Inflows	\$ 18,606,747	\$ 18,153,672	\$ 13,726,389	\$ 13,546,131	\$ 12,560,307	\$ 13,975,766	\$ 16,822,598	\$ 18,738,603
21 Accrual to Cash Items	\$ 5,308	\$ (2,091)	\$ (796)	\$ (3,507)	\$ 68,845			
22 Transfer (to)/from Investments			\$ (6,814,180)	\$ 2,347,535	\$ (869,777)	\$ 5,336,422		
23 To Supplement Assessments				\$ 0				
24 Ending Cash Balance	\$ 3,953,627	\$ 12,481,766	\$ 7,514,560	\$ 11,448,477	\$ 5,294,329	\$ 5,224,622	\$ 3,933,856	\$ 4,017,111
25 Ending Investment Balance			\$ 6,814,180	\$ 4,466,645	\$ 5,336,422	\$ -	\$ -	\$ -
BALANCE HELD AT STATE								
26 Beginning	\$ 9,915,172	\$ 12,979,343	\$ 6,722,035	\$ 3,224,124		\$ 298,504	\$ -	\$ -
27 Additions/Subtractions	\$ 3,064,171	\$ (6,257,308)	\$ (3,497,911)	\$ (3,224,124)	\$ 298,504	\$ (298,504)	\$ -	\$ -
	\$ 12,979,343	\$ 6,722,035	\$ 3,224,124	\$ (0)	\$ 298,504	\$ -	\$ -	\$ -

Contact

Patrick Miller, MPH

Executive Director, NHVA

pmiller@helmsco.com

603.225.6633 (o)