

AGENDA
Board Meeting
January 24, 2024, 9:00am-10:00am
Location: Online Zoom Meeting

To attend via Zoom webinar, please register at this link:
<https://nhvaccine.org/event/nhva-january-24-2024/>

Time	Agenda Item
9:00-9:05	1. Welcome & Roll Call (S. Tenney) <ul style="list-style-type: none"> a. Recording Announcement b. Roll Call c. Board Chair Statement re: Public Commentary During Meetings*
9:05-9:10	2. Review and Acceptance of Minutes (S. Tenney) <ul style="list-style-type: none"> a. November 29, 2023 Board Meeting Minutes* – VOTE
9:10-9:20	3. Review and Acceptance of the Proposed Changes to the Plan of Operation (S. Tenney and P. Miller)* – VOTE
9:20-9:30	4. Executive Director Report (P. Miller) <ul style="list-style-type: none"> a. Unaudited Financials Through December 31, 2023* b. Rate Setting Model Mid-Year Projections Update
9:30-9:40	5. DHHS Update (A.M. Mercuri)
9:40-9:45	6. Public Comments (S. Tenney)
9:45-10:00	7. Executive Session (if needed) – Board Attendance Only (S. Tenney)
10:00	8. Adjournment

* denotes an attachment.

NEW HAMPSHIRE VACCINE ASSOCIATION

Board Chair Statement re: Public Commentary During Meetings

I welcome members of the public. Please also inform the Board now if you will be recording this meeting by raising your hand or using the chat feature.

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

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

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

MINUTES

Board of Directors Meeting

November 29, 2023

Scheduled 9:00 a.m. – 11:00 a.m.

Presiding Officer: Susan Tenney, Chair

The meeting 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.

Attendance – The following individuals attended the meeting:

Board Members:

Susan Tenney, HPHC, Chair
Edward Moran, Public Member, Vice Chair
Jason Margus, Anthem, Treasurer
Morgan Brown, Cigna, Secretary
Marc Fournier, USNH, Self-Insured Entity
Michelle Heaton, NHID
Anne Marie Mercuri, NH DHHS
Lorraine Radick, RPh, Public Member
Wendy Wright, DNP, Healthcare Provider
Harold Young, Cigna, Retiring Board Member

Excused Board Member:

Patricia Edwards, MD, Healthcare Provider

Administrative Staff:

Patrick Miller, Helms & Company, Inc.
Erin Meagher, Helms & Company, Inc.
Keith Nix, Helms & Company, Inc.

Members of the Public:

Jacob Brouillard, State Representative, Rockingham
Brooke Cardoso, CSL Seqirus
Barbara Comtois, State Representative, Belknap
Laura Condon, Bedford, NH
Luke Cunniff, Merck
Jason Gerhard, State Representative, Merrimack
Angela M., Concord, NH
Elizabeth Manley, Sanofi
Emily Phillips, State Representative, Rockingham
Laura Trexler, Stoddard, NH

1. Welcome and Roll Call

Ms. Tenney thanked everyone for attending the Board of Directors meeting of the NH Vaccine Association. She advised the group that Helms & Company, Inc. (Helms) is recording the meeting for the purpose of creating meeting minutes and the recording will be deleted once the minutes are approved. She then asked if any members of the public were recording to please indicate so by raising their virtual hand or to announce it in the chat. Ms. Condon indicated she was recording the meeting.

Ms. Tenney conducted a roll call of Board members for attendance:

	<u>Present</u>
Morgan Brown	X
Patricia Edwards, MD	Absent
Marc Fournier	X
Michelle Heaton	X
Jason Margus	X
Anne Marie Mercuri	X
Edward Moran	X
Lorraine Radick, RPh	X
Susan Tenney	X
Wendy Wright, DNP	X
Harold Young	Not present at roll call

Ms. Tenney read the "Board Chair Statement re: Public Commentary During Meetings."

Ms. Tenney introduced and welcomed Morgan Brown to the meeting. Ms. Brown is a new Board Member representing Cigna Healthcare and replacing Harold Young on the Board.

2. Review and Acceptance of the September 20, 2023, Board of Directors Meeting

Ms. Tenney asked if there was any discussion regarding the minutes of the September 20, 2023, Board of Directors meeting. Hearing no discussion, Ms. Tenney asked for a motion.

VOTE RECORDED: *On a motion by Ms. Wright, seconded by Mr. Moran, by roll call it was unanimously*
VOTED: *To approve the September 20, 2023, Board of Directors meeting minutes as presented.*

	<u>Yes</u>	<u>No</u>
Morgan Brown	X	
Patricia Edwards, MD	Absent	
Marc Fournier	X	
Michelle Heaton	X	
Jason Margus	X	
Anne Marie Mercuri	X	
Edward Moran	X	
Lorraine Radick, RPh	X	
Susan Tenney	X	
Wendy Wright, DNP	X	

3. Review and Acceptance of the FY2023 Annual Report

Ms. Tenney directed the Board to the draft 2023 Annual Report in the meeting packet and asked Mr. Miller if he wanted to highlight any portion of the report. Mr. Miller referenced the decline in assets and the slight reduction in administrative costs as a percentage of assessments. He invited Ms. Mercuri to comment on the two pages dedicated to the Department of Health and Human Services (DHHS). Ms. Mercuri provided a brief overview of the immunization coverage rates and reportable communicable disease events.

Ms. Tenney asked if there were any questions from the Board. Hearing none, she asked for a motion.

VOTE RECORDED: *On a motion by Mr. Moran, seconded by Mr. Fournier, by roll call it was unanimously*
VOTED: *To approve the 2023 Annual Report as published.*

	<u>Yes</u>	<u>No</u>
Morgan Brown	X	
Patricia Edwards, MD	Absent	
Marc Fournier	X	
Michelle Heaton	X	
Jason Margus	X	
Anne Marie Mercuri	X	
Edward Moran	X	
Lorraine Radick, RPh	X	
Susan Tenney	X	
Wendy Wright, DNP	X	

86
87 **4. Executive Director Report**
88

89 Mr. Miller thanked Harold Young for his two and a half years of service as a member of the Board of Directors and
90 his contribution as Secretary during that time. Mr. Young thanked the Board and said he has enjoyed working with
91 the Board and wished them all the best. Ms. Tenney thanked Mr. Young for his service and he then left the meeting.
92

93 Mr. Miller highlighted several items in the unaudited financial statements. The assessment income of \$2,095,199
94 as of October 31, 2023, is about half of what is expected by November 15, when the filing period ends. The November
95 statements will show the final revenue figure. Most cash assets, \$8.4M, are held in the ICS account with another
96 approximately \$4.5M held in short-term investments. Total assets equaled \$13,034,153. NHVA is ahead of budget
97 by \$6,400. For the collection quarter ending November 15, the average assessed lives were 159,651 – 349 covered
98 lives under the budgeted 160,000.
99

100 Mr. Miller reviewed several data trend charts that are used in the assessment setting process for child covered lives.
101 The first chart showed that unemployment rate trends for the United States rates (blue line) and New Hampshire
102 (orange line) have increased slightly in October but are still well below where we were prior to the pandemic.
103 Medicaid enrollment has been quite variable in the months since the pandemic emergency ended. It has fallen
104 considerably. The expectation is that the NHVA should start to see an increase in covered lives as more children
105 become covered under commercial insurance products. The assessment rate trend was presented on the same chart
106 as the number of child covered lives. Both the rate and the number of child covered lives have increased in recent
107 quarters. The final graph illustrates the increase in interest rates for the ICS account. In November 2023 the rate
108 increased to five percent.
109

110 **5. NH Department of Health and Human Services (NH DHHS) Update**
111

112 Ms. Mercuri advised the Board that this year, as of October 1, the CDC balance was \$2,068,194. She stated that this
113 figure reflects the cash value of the inventory at the close of the federal fiscal year. The amount is \$676,944 higher
114 than last year's amount as NH DHHS works to meet the CDC's 90-day inventory goal. Ms. Mercuri reported NHVA
115 expenditures of \$9.8M for SFY2024 through October 31, 2023. This figure was 41% higher than the same period last
116 year, due to the inventory increase, an increase in overall vaccine price inflation, and the introduction of new
117 vaccines such as Prevnar 20 and COVID-19.
118

119 Mr. Moran asked about the 90-day supply requirement. Ms. Mercuri explained that is the CDC's recommended
120 inventory level which equates to one quarter worth of inventory on hand at any given time to protect against supply
121 chain issues from a manufacturer, a government shutdown, etc. For several years, New Hampshire's program has
122 run much leaner than 90 days. The goal is to have approximately \$3.5M in inventory on hand.
123

124 Ms. Tenney asked if the cost associated with the buildup of vaccine inventory factored into the overall vaccine costs
125 during the development of the assessment rate for 2024. Mr. Miller advised that this was taken into consideration
126 while developing the rate along with the higher costs of new vaccines as they come onto the market. Additionally,
127 the CDC credit balance was removed from the assessment model during the rate setting process.
128

129 Mr. Miller restated the recommendation from the September board meeting that the organization keep adequate
130 reserves for unexpected increases in vaccine costs and the introduction of new vaccines. He stated that efforts are
131 being made to better understand the vaccine manufacturer pipelines and where new vaccines stand in the clinical
132 trials process. Vaccines that have been released over the past 18 months have entered the market in the \$70 up to
133 \$180 range per dose. Many have replaced one or more existing vaccines, with higher costs than older formulations.
134

Mr. Moran asked about quality and efficacy of the newer vaccines. Ms. Mercuri explained that because the State offers provider choice, if a new vaccine provides the same protection as an existing vaccine with no significant benefit over the other, both will be offered. Factors considered when adding a vaccine include cost, clinical efficacy, impact to the child and family, and FDA and CDC recommendations.

Ms. Wright asked Ms. Mercuri about the Vaccine Selection Committee. Ms. Mercuri indicated that the process for obtaining Commissioner approval is being reviewed.

Ms. Mercuri provided an update on the COVID-19 vaccines. Just over 6,000 doses of COVID-19 vaccine have been purchased with New Hampshire Vaccine Association funds. The initial purchase was conservative due to the cost of the vaccines and uncertainty regarding uptake rates.

6. Public Comment

Ms. Tenney opened the meeting up for members of the public to comment¹. Rep. Brouillard was invited to address the Board. He posed a question regarding whether new vaccines being introduced are mRNA vaccines. Mr. Miller stated that the public comment period was not an interactive session and asked Rep. Brouillard to reach out to him directly. Rep. Brouillard asked why the question could not be answered and Ms. Tenney referred Rep. Brouillard to the NHVA's "Board Chair Statement re: Public Commentary During Meetings", that was read at the beginning of the meeting. Rep. Brouillard stated that he would reach out to Mr. Miller directly.

Mr. Gerhard was recognized to speak and asked why the meeting recordings were deleted after the meeting minutes were published. Ms. Tenney asked the question be posed to the Executive Director after the meeting as this was not an interactive session.

Ms. Condon was recognized to speak and began by acknowledging that this is not an interactive session. She then stated that COVID shots are mRNA vaccines.

With no further members of the public asking to provide comment, Ms. Tenney thanked those who spoke and reminded everyone that Mr. Miller could be reached via the NH Vaccine Association website (www.nhvaccine.org).

Executive Session

Ms. Tenney asked if any member of the Board if there was a need to move into executive session. Hearing none, she asked for a motion to adjourn.

VOTE RECORDED: *On a motion by Mr. Fournier, seconded by Ms. Radick, by roll call it was unanimously*

VOTED: *To adjourn the Board of Directors meeting at 9:35 a.m.*

	<u>Yes</u>	<u>No</u>
Morgan Brown	X	
Patricia Edwards, MD	Absent	
Marc Fournier	X	
Michelle Heaton	X	
Jason Margus	X	
Anne Marie Mercuri	X	

¹ Note: Per the "Board Chair Statement re: Public Commentary During Meetings", the Public Comment portion of the agenda is not an interactive session with the Board and comments must be germane to the business of the NHVA. Any questions should be directed to the NHVA's Executive Director who will respond in a timely fashion.

181	<i>Edward Moran</i>	<i>X</i>
182	<i>Lorraine Radick, RPh</i>	<i>X</i>
183	<i>Susan Tenney</i>	<i>X</i>
184	<i>Wendy Wright, DNP</i>	<i>X</i>

185
186
187 Board of Directors Meeting minutes respectfully submitted by
188 Morgan Brown, Secretary
189 December 5, 2023

190 # # #

DRAFT

NEW HAMPSHIRE VACCINE ASSOCIATION

Amended and Restated Plan of Operation

WHEREAS, the New Hampshire General Court has enacted New Hampshire Revised Statutes Annotated ("RSA") Chapter 126-Q (the "Act") establishing a mechanism to assess insurers for the costs of vaccines provided to certain children in New Hampshire;

WHEREAS, the Act authorizes the formation of a not-for-profit, voluntary corporation known as the New Hampshire Vaccine Association (the "Association");

WHEREAS, the Association is governed by a Board of Directors (the "Board");

WHEREAS, the Act requires the Board to develop a Plan of Operation, which the Board has adopted;

WHEREAS, the legislature has amended the Act from time to time and the Board, following such amendments, has updated the Plan of Operation to implement changes in the Act;

WHEREAS, the Board has approved clarifying revisions to the fourth and eighth paragraphs of Article VI and desires to restate the Plan of Operation for clarity and convenience (as amended and restated, the "Plan"); and

WHEREAS, the Board has developed the following Plan as required by the Act:

ARTICLE I

Effective Date / Amendment

This Plan, and any amendments to same that may be recommended from time to time by the Board, shall become effective upon the approval of the Commissioner of the Department of Insurance (the "Insurance Commissioner") after consultation with the Commissioner of the Department of Health and Human Services (the "HHS Commissioner"). The Board may propose additional amendments at any time. Amendments may include a retroactive effective date if such date is proposed in the amendments and approved by the Insurance Commissioner. The completion of any blanks in the exhibits will not constitute an amendment to this Plan, but the change in the structure or substance of any exhibit will be considered an amendment requiring approval.

ARTICLE II

Conformity to Act; Immunity from Liability; Certain Definitions

The Association shall perform its functions under this Plan and in accordance with the Act, which is hereby incorporated as part of this Plan. Nothing in the Articles, the Bylaws, this Plan, or the actual operation of the Association shall create any private right of action against (1) any member of the Board, (2) the Association, (3) any administrator or executive director of the Association, (4) the Insurance Commissioner, (5) the HHS Commissioner or (6) any employee, personal representative, or agent of any of the foregoing. All such persons shall at all times enjoy immunity from liability to the fullest extent afforded by [the provision of any applicable law or regulation](#), including, without limitation, RSA 126-Q:8 and RSA 292:2. Terms used but not defined in this Plan which are defined in RSA 126-Q:1 shall have the meanings set forth in that statute.

ARTICLE III

Management of the Association and its Assets; Board

The Association shall have no employees. Rather, the Board shall select one or more third parties to provide services needed to administer the Association and to implement the steps contemplated in the Plan. Included among such third parties, the Board may retain an administrator (the "Administrator") to serve as its executive director and manage the day-to-day affairs of the Association. The Board shall be constituted as set forth in the Bylaws. Provisions in the Bylaws covering Board selection are hereby incorporated by reference in this Plan.

ARTICLE IV

Public Awareness

The Board may establish and maintain public awareness of the Association through (1) maintenance of a website containing information about its meetings, descriptive data and downloadable copies of the Association's Articles and Bylaws, together with this Plan and such other data as the Board or the Administrator may determine to be helpful or necessary from time to time and (2) publication, via e-mail or otherwise, of a summary annual report. If, in the judgment of the Board, additional efforts are helpful or necessary to establish and maintain public awareness of the Association, the Board shall be authorized to undertake such additional efforts. The Board shall include the estimated costs for its public awareness program in its annual budget.

ARTICLE V

Governance / Administrative Expenses / Accounting / Financial Reporting

A. Governance. The Board shall conduct its operations in accordance with the Annual Event and Meeting Calendar set forth as **Exhibit A**. The Board may from time to time make such adjustments to the dates of events listed on **Exhibit A** as it may determine to be appropriate.

B. Financial and Other Records. Monthly, quarterly, and annual financial records shall be maintained and distributed by the Administrator in accordance with the schedule set forth in **Exhibit B**.

C. Assessment Determination and Administrative Expenses. The Board shall be authorized to expend monies for the payment of administrative expenses, including but not limited to, the following types of expenses: fees for professional services, including legal, actuarial, accounting, auditing or any other services that are helpful or necessary to provide assistance in the operation of the Association; travel expenses, and other administrative expenses deemed helpful or necessary by the Board to conduct operations effectively. The Association's financial records shall segregate administrative expenses for the benefit of the Board in managing such expenses.

D. Auditing. The Association shall retain an independent CPA firm to conduct an annual audit of the financial statements of the Association. The audit shall be conducted in accordance with generally accepted auditing standards, and an opinion shall be rendered by the CPA firm as to whether the Association's financial statements are fairly stated in accordance with generally accepted accounting principles. In conjunction with the annual audit, the CPA firm shall produce a management letter for the benefit of the Board. The results of the annual audit, together with the management letter, shall be presented to the Board's Audit Committee and forwarded to the entire board. The CPA firm selected-recommended by the

Association's [Audit Committee for Board approval](#) must be authorized to do business in the State of New Hampshire.

E. Budgeting. The Board shall develop an annual expense budget in the format shown in **Exhibit C** prior to the commencement of each fiscal year. The Board shall be entitled to assume that adequate internal control policies and procedures with respect to the handling of Association assets and liabilities by the Administrator including but not limited to, cash, cash receipts, cash disbursements, assessments, premiums, claims payments, investments, accounts payable, and administrative expenses, are in place, but may, in its discretion, at any time, engage the CPA firm to review such policies and procedures.

F. Bank Accounts. Money and marketable securities shall be kept in bank accounts and investment accounts as approved by the Board. The Association shall deposit receipts and make disbursements from these accounts. All bank accounts ~~/checking accounts~~ shall be established in the name of the Association, and shall be approved by the Board. [Vendor payments will be made electronically \(e.g., ACH, wire, or by bank-issued check\) after electronic payment approval by the Board Chair and the Audit Committee Chair. Should a physical check be required, both the Board Chair and the Audit Committee Chair will sign the check.](#) Authorized check signers shall be approved by the Board. ~~Two signatures shall be required on all checks in excess of \$5,000.00.~~

G. Examination and Annual Reports. The Association shall be subject to examination by the HHS Commissioner or the Insurance Commissioner. The Board shall submit to each commissioner each year, not later than 120 days after the Association's fiscal year, a financial report, and a report of its activities during the preceding fiscal year. The Association's fiscal year shall be the 12 months ending June 30. Not later than December 31 each year, the Association shall submit an annual report regarding the Association's activities, its financial reports, and any newly ~~-~~approved vaccines [\(as such term is defined in RSA 126-Q from time to time\)](#) adopted by the Department of Health and Human Services to the President of the Senate, the Speaker of the House of Representatives, and the Governor.

ARTICLE VI

Assessment Collections / Remittance to State Treasurer / Assessment Revenue Recognition

On behalf of the Board, the Administrator shall bill and collect assessments in accordance with the schedule in **Exhibit A**, and render periodic financial reports as scheduled in **Exhibit B**.

Upon request from time to time, the HHS Commissioner shall cause to be delivered to the Administrator the remittance request for the state fiscal year along with such other reasonably available DHHS data as may be helpful to the Board for its assessment rate setting work.

Not less frequently than annually, the Board shall review and establish a quarterly child covered lives assessment rate using a rate-setting spreadsheet tool developed and updated from time to time by the Administrator and approved by the Board. The spreadsheet shall incorporate all factors set forth in RSA 126-Q:4, II. The approved spreadsheet tool shall be published on the Association's website in .pdf form, showing the most recent calculations, and, as published from time to time, is hereby incorporated by reference.

The Association shall undertake reasonable efforts to provide Assessable Entities not less than ninety (90) days' notice, and in no event less than seventy-five (75) days' notice, of the effective date of any assessment rate change. Notice shall be deemed given when posted to the Association's website. The Administrator shall also undertake to send e-mail notices of any assessment rate change using one or more of the e-mail addresses

filed by the Assessable Entity using the Association's self-reporting assessment system.

Assessable Lives shall be reported by Assessable Entities and assessments shall be due from Assessable Entities for each quarter ending in September, December, March, and June forty-five (45) days after the end of each quarter, i.e., November 15, February 15, May 15, and August 15. For the Association's financial statement preparation and reporting purposes, assessment revenues shall be considered revenue in the period in which the assessment payments were due notwithstanding the fact that the measurement period for covered lives may be in a prior period. Therefore, each fiscal year ending June 30 shall include as revenue the assessments due for payment during the fiscal year July 1 through June 30 and not the assessment due the following August 15 (which is determined based upon covered lives of Assessable Entities in April, May, and June of the reporting year).

The Association shall endeavor to maintain assessment equity by proportionately matching, as near as is reasonable, the assessments to those payers who have child beneficiaries who access state supplied vaccines funded by the Association. It may from time to time enter into agreements with other states as contemplated by RSA 126-Q:3, V(n) and adopt policies or procedures as contemplated by RSA 126-Q:3, V(p) to support equitable allocation of assessments among Assessable Entities. No Assessable Entity shall be required to report as an Assessable Life or pay an assessment for such life where vaccines with respect to such life clearly are paid for, in fact, by another state or by the federal government in programs such as the federal Vaccine For Children ("VFC") program or on-base immunization of TRICARE military beneficiaries using Department of Defense purchased vaccine supply. Assessable Lives shall be reported on a self-reporting online assessment system developed by the Administrator and updated from time to time as directed by the Board.

A late fee of **eighteen (18%)** equal to **the** product of (i) the number of days late times (ii) .000493 times (iii) the amount past due will be added to amounts due for any assessment payment received by the Administrator after its due date. The Administrator shall follow up with respect to any late assessment receipts in accordance with the protocol set forth in **Exhibit D**. Late payment interest shall be collected in accordance with the Association's Late Payment Interest Policy, as revised from time to time.

The Association shall remit the amount requested for the respective fiscal year to the New Hampshire State Treasurer (or to such other state official as may be designated by the Department of Health and Human Services from time to time), to the credit of the vaccine purchase fund established pursuant to RSA 141-C:17-a, on or before June 30 each year. The timing of the actual expenditure of those funds by any state agency shall have no impact in determining any credit for any surpluses in the Association's assessment calculations. Rather amounts considered as surpluses or shortfalls for the subsequent year's assessment determination shall be only those amounts above or below the targeted Net Remittance established by the Board for the prior year.

ARTICLE VII

Penalties/Adjustments and Dispute Resolution

A. Penalties / Adjustments:

1. **Background.** Given numerous factual determinations and tasks to be performed by insurers relative to their calculations of Assessable Lives as reported to the Association, it is expected that all Assessable Entities will exercise the highest degree of good faith and due diligence in all aspects of their relationship with the Association. Errors may occur, however, and it is appropriate that the sanctions applicable to such errors be detailed.

2. **Errors Related to Assessments.** All Assessable Entity errors related to the assessment shall require the immediate payment of additional amounts due plus interest calculated from the date such sum should have been paid, plus an administrative charge as established by the Board.

3. **Gross Negligence and Intentional Misconduct.** If the Board determines that the nature or extent of the errors of a particular Assessable Entity may reflect gross negligence or intentional misconduct, the Board shall refer its findings to the Insurance Commissioner for appropriate action.

4. **Interest and Administrative Charges.** All interest payments required under this Plan of Operation shall be calculated from the date the incorrect payment occurred or correct payment should have been made through the date of payment. The Administrative charges shall be established by the Board and may be waived by the Board.

B. Time Considerations with respect to Assessment Payment Adjustments. Once assessment rates are set by the Board in any year, any adjustment for Assessable Entity over reporting of Assessable Lives or overpayments shall be considered first by the Board 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. 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 (6) months after the first due date for the immediately following assessment year after the overpayment error. It is expected that each fiscal year's first due date will be August 15 and that, consequently, any request for reconsideration or refund must be filed no later than the following February 15. Any underpayment due to late payments or underreporting of Assessable Lives shall be made by Assessable Entity at the earliest possible date and shall include interest and administrative charges as set forth above.

C. Assessable Entity Appeal of Disputes to Board. Assessable Entities may request permission to appear before the Board at any time in connection with any dispute with the Association. No request or appeal relating to assessments shall be heard until the protesting party has paid the assessment in full. Any assessment amount paid under protest shall be held in an interest-bearing account (which may be commingled with other accounts of the Association) with principal and interest to be paid to the prevailing party upon final resolution of the protest.

D. Arbitration. All disputes and differences that cannot be agreed upon by the parties will be decided by arbitration. The arbitrator(s) will have the authority to interpret this Plan of Operation and in doing so, shall consider the customs and practices of the insurance industry. The arbitration shall be conducted under the auspices of the American Arbitration Society in accordance with its commercial arbitration rules. Such arbitration shall be held in Concord, New Hampshire. This agreement to arbitrate shall be enforceable and judgment upon any award may be entered in any court having jurisdiction, which the parties hereby stipulate and agree, will include any court of appropriate subject matter jurisdiction located within the State of New Hampshire. Reasonable costs of arbitration shall be borne equally by the parties and each party shall pay the cost of its own personnel and counsel involved in such proceedings.

Article VIII Termination

The Association shall continue in existence subject to termination in accordance with applicable requirements of the laws of the State of New Hampshire and the United States of America. In case of enactment of a law or laws which in the determination of the Board and the HHS Commissioner shall result in the termination of the Association, the Association shall terminate and conclude its affairs in a manner to be determined by the Board with the approval of the HHS Commissioner. Prior to any liquidation and distribution pursuant to the Articles of Agreement, all statutory liabilities under RSA 126-Q will be satisfied in full.

In accordance with RSA 126-Q:3, V(c), the foregoing Amended and Restated Plan of Operation has been approved following consultation with the Commissioner of the New Hampshire Department of Health and Human Services.

New Hampshire Insurance Department

By: _____ Date: _____, 20222024
Christopher R. NicolopoulosDavid J. Bettencourt, Commissioner

Exhibit A
NEW HAMPSHIRE VACCINE ASSOCIATION
Annual Event & Meeting Calendar¹

<u>Date</u>	<u>Event</u>	<u>Statutory/Bylaws Reference</u>
1. By 4 th Week of January	Board of Directors Meeting	
2. February 15	Calendar Quarter ending Dec. 30 prior year Covered Lives Assessment Due	RSA 126-Q:3, V.(l)
3. By 4 th Week of March	Board of Directors Meeting <ul style="list-style-type: none"> a. Review collections results b. Assessable Entity board member proxy selection 	Bylaws Section 3.A.
4. By 4 th Week of April	Audit Committee Meeting <ul style="list-style-type: none"> a. Review collections results b. Review and recommend next year's expense budget b.c. <u>Review and recommend outside external auditing firm for current year's annual audit</u> 	
4. May 15	Calendar Quarter ending March 30 Covered Lives Assessment Due	RSA 126-Q:3, V.(l)
5. 3 rd Week of June	Board of Directors Annual Meeting of Members and Annual Meeting <ul style="list-style-type: none"> a. <u>Report on proxy submissions</u> b. <u>Count and certify votes for the three Assessable Entity Representatives</u> a.c. <u>Select Directors Election of Officers and Committee member appointments</u> for terms beginning August 1 d. <u>Oath of Office, Conflict of Interest Statement, and Code of Ethics Annual Affirmation</u> e. <u>Confirm and ratify assessment amount due by June 30 to State Treasurer</u> f. <u>Adopt next fiscal year's expense budget</u> b.g. <u>Adopt external auditing firm recommendation</u> e. <u>Review Report of Administrator for year's operation</u> d. <u>Review Discharge of Director Duties</u> e. <u>Confirm and Ratify Assessment due June 30 to State Treasurer</u> 	RSA 126Q:3, V.
6. By June 30	Remit Assessment to State Treasurer	RSA 126-Q:3, v.(n)
7. June 30	NHVA Fiscal Year End for Prior Year	
8. August 15	Calendar Quarter ending June 30 Covered Lives Assessment Due	RSA 126-Q:3, V.(l)
9. By 3 rd Week of September	Audit Committee <ul style="list-style-type: none"> a. Meet with outside auditors b. Review audit report and recommend to Board Board of Directors Meeting <ul style="list-style-type: none"> a. Accept the Audit Committee's audit report and audited financials b. HHS vaccine budget and forecast c. Finalize Assessment Rate for next year effective January 1 	RSA 126-Q4, 1
10. 2 nd Week of October	Release prior year's financials Set current year's assessment if not done earlier	RSA 126-Q:6 RSA 126-Q:3, V.(e)
11. October 1 st to 15 th	Notify Payers of final Assessment Rate	RSA 126-Q:3, V.(e)
12. November 15	Calendar Quarter ending September 30 Covered Lives Assessment Due	RSA 126-Q:3, V.(l)

13. By 4th week of November **Board Meeting**
Review and Approve Annual Report

14. By December 31 Submit Annual Report RSA 126-Q:3, V.(k)

¹ All meeting dates are approximate. Actual meeting dates may be established by the Board Chair or Executive Director in consultation with Board members.

Exhibit B

NEW HAMPSHIRE VACCINE ASSOCIATION Schedule of Financial Statements

Financial statements will be released on the following schedule:

- a. Monthly Bank Reconciliation: To Audit Committee members and any Board member requesting copies 15 business days after the close of each month.
- b. Quarterly Statements: To the full Board 20 business days after the close of each quarter.
- c. Annual Statements: Management's statements will be ready for internal review 60 business days after the close of the year; full statements will be released to the public as soon as the audit is completed, and the audit report accepted by the Board.

Exhibit C

**NEW HAMPSHIRE VACCINE ASSOCIATION
Estimated Expense Budget Format**

1	Administrative Fees	\$
2	Subcontractors	\$
3	Subtotal	\$
4	Bank Fees	\$
5	Board Meeting Expense	\$
6	Stationery and Printing	
7	Dues and Subscriptions	\$
8	Insurance Expense (D&O)	\$
9	Licenses and Fees	\$
10	Postage & Shipping	\$
11	Professional Fees - Audit	\$
12	Professional Fees - Legal	\$
13	Public Information Expense	\$
14	Website	\$
15	Subtotal	\$
16	Total Budget	\$

Exhibit D

NEW HAMPSHIRE VACCINE ASSOCIATION Follow-up for Past Due Assessments

For all Carriers required to file only and file and make payment:

- Send Late Notice letter via email within three (3) business days after the due date to both administrative and executive contacts on file.
- If no reply with filing and/or payment status, send follow up email three (3) business days after Late Notice sent~~due date~~.
- If no reply with filing and/or payment status, make a phone call four (4) business days after ~~due date~~follow up email sent.
- Continue follow up (combination of calls and emails as appropriate) every -other business day until filed/paid.
- If Carrier continues to not reply, carbon copy Executive Director and Compliance and Enforcement Counsel at NH Insurance Department (NHID) as advisement to Carrier that if Carrier continues to not respond, a formal referral will be made to the NHID for non-compliance.
- If still no reply, complete referral process to NHID for non-compliance and carbon copy Executive Director.
- ~~If no reply, enlist Executive Director's assistance, and if necessary, At~~ Executive Director's discretion will make a referral the matter to NHVA's external legal counsel.
- As necessary, pProvide delinquency report to Board of Directors for non-compliant assessable entities.

In addition to the above, report to the Commissioner of Insurance as required by RSA 126-Q:3, V(k). At the Annual Meeting of the Board, recommend collection / follow up activity for any remaining delinquencies and follow up in accordance with Board instruction. ~~In light of~~Considering RSA 126-Q:5, I, however, it is contemplated that any collection follow-up after six months of notification would be handled by the Department of Insurance pursuant to that statute.

NHVA UNAUDITED
Statement of Cash Flow
Quarter Ended December 31, 2023

	FY24 - Q1 Actual	FY24 - Q2 Actual	FY24 - Q3 Actual	FY24 - Q4 Actual	FY 2024 YTD Actual	FY 2024 YTD Budget	Difference YTD Act to Budget	FY 2024 Annual Budget
Receipts (Source)								
Assessment Income	\$ 4,105,526	\$ 4,072,877	\$ -	\$ -	\$ 8,178,403	\$ 8,197,171	\$ (18,768)	\$ 18,319,171
* Accounts Receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income - Assessments	\$ 625	\$ 220	\$ -	\$ -	\$ 845	\$ 413	\$ 432	\$ 450
Interest Income - Bank & Sweep (ICS)	\$ 56,979	\$ 109,041	\$ -	\$ -	\$ 166,019	\$ 159,935	\$ 6,084	\$ 530,345
Interest Income - Investments	\$ 12,990	\$ 19,731	\$ -	\$ -	\$ 32,722	\$ 27,488	\$ 5,234	\$ 57,039
Dividend Income	\$ 3,031	\$ 2,734	\$ -	\$ -	\$ 5,765	\$ 8,220	\$ (2,455)	\$ 16,838
Accrued Investment Income	\$ 2,332	\$ (2,440)	\$ -	\$ -	\$ (108)	\$ -	\$ (108)	\$ -
Investment Advisory fees	\$ (4,311)	\$ (4,294)	\$ -	\$ -	\$ (8,605)	\$ (8,659)	\$ 54	\$ (17,326)
Realized Gain or Loss	\$ 17	\$ -	\$ -	\$ -	\$ 17	\$ 2	\$ 15	\$ 1,889
Unrecognized Gain or Loss	\$ 10,841	\$ 89,603	\$ -	\$ -	\$ 100,444	\$ 1,212	\$ 99,231	\$ 25,490
** Investment - Short term, CDs and Accrual.	\$ (24,901)	\$ (105,333)	\$ -	\$ -	\$ (130,234)	\$ -	\$ (130,234)	\$ -
	<u>\$ 4,163,129</u>	<u>\$ 4,182,138</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,345,267</u>	<u>\$ 8,385,782</u>	<u>\$ (40,515)</u>	<u>\$ 18,933,897</u>
Disbursements (Use)								
*** Expenses	\$ 45,161	\$ 37,315	\$ -	\$ -	\$ 82,476	\$ 78,825	\$ 3,651	\$ 155,173
* Prepays & Accrual Changes	\$ (9,126)	\$ 10,806	\$ -	\$ -	\$ 1,680	\$ -	\$ 1,680	\$ -
Vaccine Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,655,478
	<u>\$ 36,035</u>	<u>\$ 48,121</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 84,156</u>	<u>\$ 78,825</u>	<u>\$ 5,331</u>	<u>\$ 21,810,651</u>
Increase (Decrease)	\$ 4,127,094	\$ 4,134,017	\$ -	\$ -	\$ 8,261,111	\$ 8,306,957	\$ (45,846)	\$ (2,876,754)
Cash Balance - Beginning	\$ 2,293,531	\$ 6,420,626	\$ 10,554,642	\$ 10,554,642	\$ 2,293,531	\$ 2,293,531	\$ -	\$ 2,293,531
Cash Balance - Ending	\$ 6,420,626	\$ 10,554,642	\$ 10,554,642	\$ 10,554,642	\$ 10,554,642	\$ 10,600,488	\$ (45,846)	\$ (583,223)

Notes:

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

** A positive number represents amounts transferred to the ICS account from the Short Term Investments (CDs) account

A negative number represents amounts transferred to the Short Term Investments (CDs) account from the ICS account

*** Budgeted expense includes annual State of NH payment due June 2024

NHVA UNAUDITED
Statement of Financial Position
YTD FY2024 Q2
Quarter Ended December 31, 2023

	<u>Jun 30, 23</u>	<u>Sept 30, 23</u>	<u>Dec 31, 23</u>	<u>Mar 31, 24</u>	<u>Jun 30, 24</u>
	FYE 23	FY24 - Q1	FY24 - Q2	FY24 - Q3	FY24 - Q4
ASSETS	Audited	Interim	Interim		
Current Assets					
Checking/Savings					
Bank of NH #851031104	\$ 46,350	\$ 50,000	\$ 46,490	\$ -	\$ -
Bank of NH - ICS	\$ 2,247,181	\$ 6,370,626	\$ 10,508,152	\$ -	\$ -
Total Checking/Savings	\$ 2,293,531	\$ 6,420,626	\$ 10,554,642	\$ -	\$ -
Accounts Receivable					
Accounts Receivable (A/R)	\$ -	\$ -	\$ -	\$ -	\$ -
Allowance for Account Receivable	\$ -	\$ -	\$ -	\$ -	\$ -
Total Accounts Receivable	\$ -	\$ -	\$ -	\$ -	\$ -
Other Current Assets					
Prepaid Expenses	\$ 1,960	\$ 1,120	\$ 3,640	\$ -	\$ -
Short Term Investments :					
Short Term Investment - FMV	\$ 4,475,664	\$ 4,498,232	\$ 4,606,006	\$ -	\$ -
Accrued Investment Income	\$ 6,195	\$ 8,528	\$ 6,087	\$ -	\$ -
Total Short Term Investments	\$ 4,481,859	\$ 4,506,760	\$ 4,612,093	\$ -	\$ -
Total Other Current Assets	\$ 4,483,819	\$ 4,507,880	\$ 4,615,733	\$ -	\$ -
Total Current Assets	\$ 6,777,350	\$ 10,928,506	\$ 15,170,376	\$ -	\$ -
TOTAL ASSETS	\$ 6,777,350	\$ 10,928,506	\$ 15,170,376	\$ -	\$ -
LIABILITIES & EQUITY					
Liabilities					
Current Liabilities					
* Accrued Expenses & Deferred Revenue	\$ -	\$ 8,286	\$ -	\$ -	\$ -
Other Current Liabilities					
Liquidity Reserve	\$ 250,000	\$ 250,000	\$ 250,000	\$ -	\$ -
Total Current Liabilities	\$ 250,000	\$ 258,286	\$ 250,000	\$ -	\$ -
Total Liabilities	\$ 250,000	\$ 258,286	\$ 250,000	\$ -	\$ -
Equity					
Retained Earnings	\$ 8,471,343	\$ 4,681,322	\$ 4,681,322	\$ -	\$ -
Fund Balance to be Distributed	\$ 1,846,029	\$ 1,846,029	\$ 1,846,029	\$ -	\$ -
Net Income	\$ (3,790,021)	\$ 4,142,869	\$ 8,393,025	\$ -	\$ -
Total Equity	\$ 6,527,350	\$ 10,670,220	\$ 14,920,376	\$ -	\$ -
TOTAL LIABILITIES & EQUITY	\$ 6,777,350	\$ 10,928,506	\$ 15,170,376	\$ -	\$ -

Notes: * AP State of New Hampshire Payable (June 2024)

Estimate

21,655,478

NHVA UNAUDITED
Statement of Changes in Net Assets
YTD FY2024 Q2
Quarter Ended December 31, 2023

	FY24 - Q1 Actual	FY24 - Q2 Actual	FY24 - Q3 Actual	FY24 - Q4 Actual	FY 2024 YTD Actual	FY 2024 YTD Budget	Difference YTD Act to Bud	FY 2024 Annual Budget
Ordinary Income/Expense	Interim	Interim						
Income								
Assessment Income	\$ 4,105,526	\$ 4,072,877	\$ -	\$ -	\$ 8,178,403	\$ 8,197,171	\$ (18,768)	\$ 18,319,171
Interest Income - Assessments	\$ 625	\$ 220	\$ -	\$ -	\$ 845	\$ 413	\$ 432	\$ 450
Interest Income - Bank & Sweep (ICS)	\$ 56,979	\$ 109,041	\$ -	\$ -	\$ 166,019	\$ 159,935	\$ 6,084	\$ 530,345
Return on Investments :								
Interest Income - Investments	\$ 12,990	\$ 19,731	\$ -	\$ -	\$ 32,722	\$ 27,488	\$ 5,234	\$ 57,039
Dividend Income	\$ 3,031	\$ 2,734	\$ -	\$ -	\$ 5,765	\$ 8,220	\$ (2,455)	\$ 16,838
Accrued Investment Inc Earned	\$ 2,332	\$ (2,440)	\$ -	\$ -	\$ (108)	\$ (725)	\$ 617	\$ -
Investment Advisory fees	\$ (4,311)	\$ (4,294)	\$ -	\$ -	\$ (8,605)	\$ (8,659)	\$ 54	\$ (17,326)
Realized Gain or Loss	\$ 17	\$ -	\$ -	\$ -	\$ 17	\$ 2	\$ 15	\$ 1,889
Unrecognized Gain or Loss	\$ 10,841	\$ 89,603	\$ -	\$ -	\$ 100,444	\$ 1,212	\$ 99,231	\$ 25,490
Total Return on Investments :	\$ 24,901	\$ 105,333	\$ -	\$ -	\$ 130,234	\$ 27,537	\$ 102,697	\$ 83,931
Total Income	\$ 4,188,030	\$ 4,287,471	\$ -	\$ -	\$ 8,475,502	\$ 8,385,056	\$ 90,445	\$ 18,933,897
Expenses								
Vaccine - Annual State Payment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,655,478
Management Fees	\$ 27,876	\$ 28,749	\$ -	\$ -	\$ 56,625	\$ 56,625	\$ -	\$ 114,123
Professional Fees								
Professional Fees - Legal	\$ 10,489	\$ 7,050	\$ -	\$ -	\$ 17,539	\$ 12,500	\$ 5,039	\$ 25,000
Professional Fees - Audit	\$ 5,850	\$ -	\$ -	\$ -	\$ 5,850	\$ 5,850	\$ -	\$ 9,350
Total - Professional Fees	\$ 16,339	\$ 7,050	\$ -	\$ -	\$ 23,389	\$ 18,350	\$ 5,039	\$ 34,350
Insurance	\$ 840	\$ 840	\$ -	\$ -	\$ 1,680	\$ 2,125	\$ (445)	\$ 4,250
Postage & Printing (Office)	\$ 106	\$ 190	\$ -	\$ -	\$ 297	\$ 270	\$ 27	\$ 540
Licenses and Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75	\$ (75)	\$ 75
Bank Service Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Website & SubContractors	\$ -	\$ 486	\$ -	\$ -	\$ 486	\$ 525	\$ (39)	\$ 525
Board Meetings Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 855	\$ (855)	\$ 1,310
Total Expenses	\$ 45,161	\$ 37,315	\$ -	\$ -	\$ 82,476	\$ 78,825	\$ 3,651	\$ 21,810,651
Net Ordinary Income	\$ 4,142,869	\$ 4,250,156	\$ -	\$ -	\$ 8,393,025	\$ 8,306,231	\$ 86,794	\$ (2,876,754)
Net Income	\$ 4,142,869	\$ 4,250,156	\$ -	\$ -	\$ 8,393,025	\$ 8,306,231	\$ 86,794	\$ (2,876,754)
Collection Data:								
Quarter being collected	SFY23 - Q4	SFY24 - Q1	SFY24 - Q2	SFY24 - Q3				
Payment Due Date	08/15/23	11/15/23	02/15/24	05/15/24				
Projected Average Monthly Lives	160,000	160,000	-	-				
Actual Average Monthly Lives	160,844	159,651	-	-				
Avg Lives Variance +(-)	844	(349)	-	-				
Approved Assessment Rate	\$ 8.50	\$ 8.50	\$ 8.50	\$ -				