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**MINUTES**  
**Audit Committee Meeting**  
**August 21, 2024**  
**9:00 a.m.**  
**Via Zoom Webinar**  
**Presiding Officer: Jason Margus, Chair, Audit Committee**

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

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

**1. Welcome and Introductions**

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

<b>Committee Members:</b> Jason Margus, Anthem, Chair Susan Tenney, HPHC, Vice Chair Anne Marie Mercuri, NH DHHS	<b>Administrative Staff:</b> Patrick Miller, Helms & Company Erin Meagher, Helms & Company
<b>Committee Members Excused</b>	<b>Members of the Public:</b> Laura Condon, NVIC, Bedford, NH Elizabeth Manley, Sanofi, Medford, MA

Mr. Margus opened the meeting by reciting NHVA’s statement regarding public commentary during meetings. He asked if any member of the public was recording to please raise their hand or indicate so in the Zoom chat. No member of the public indicated they were recording initially, and Ms. Condon later raised her hand.

Mr. Margus conducted roll call for attendance purposes.

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

**2. Review and Acceptance of April 17, 2024, Meeting Minutes**

Mr. Margus asked the Committee if any members had questions or comments about the April 17, 2024, meeting minutes. With no comments heard, Mr. Margus asked for a motion.

**VOTE RECORDED:** *On a motion by Ms. Tenney, seconded by Mr. Margus, by roll call vote, it was unanimously VOTED: To accept the April 17, 2024, Audit Committee meeting minutes as presented.*

<u>Committee Member</u>	<u>Yes</u>	<u>No</u>	<u>Absent</u>
Jason Margus	X		
Anne Marie Mercuri	X		
Susan Tenney	X		

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**3. Review and Recommend FY2024 Audited Financial Statements**

Mr. Margus invited Ms. Carew to present the draft financial statements for fiscal years ending June 30, 2024 and 2023. She began with a review of the governance letter. There was one adjustment that occurs each year that is considered immaterial related to accrued legal expenses. Ms. Carew will re-date the governance letter to reflect August 31, 2024. There was no management letter this year as there were no recommendations for the Administrator (Helms). Ms. Carew stated that the draft financial statements for fiscal years ending June 30, 2024 and 2023 were considered to have a clean opinion and that the process was smooth with full cooperation from the Administrator’s staff. She noted that the total assets were down slightly, but that the organization had funds to meet its obligations. She asked the Committee members if they had any questions. There were none.

Mr. Margus asked for a motion to move into Executive Session with the Committee members and Ms. Carew.

**VOTE RECORDED:** *On a motion by Ms. Tenney, seconded by Ms. Mercuri, by roll call vote, it was unanimously*

**VOTED:** *To move into Executive Session with the Committee members and Ms. Carew.*

<u>Committee Member</u>	<u>Yes</u>	<u>No</u>	<u>Absent</u>
Jason Margus	X		
Anne Marie Mercuri	X		
Susan Tenney	X		

After the Committee and Ms. Carew returned from the Executive Session, Mr. Margus thanked Ms. Carew for her efforts. Mr. Miller thanked Mr. Nix and Ms. Meagher for their work throughout the year and the audit process.

**4. Executive Director Report**

Mr. Margus invited Mr. Miller to present the Executive Director Report.

**4.a. CY 2025 Initial Rate Setting Discussion**

Mr. Miller and Ms. Walker reviewed the CY2025 rate setting presentation. Mr. Miller began by stating that the FY2025 NH DHHS immunization program budgeted \$39.6M for childhood vaccines, of which 60% is attributed to the commercial population. For CY2025 rate setting, the high-level assumptions include no growth in covered lives, the inclusion of nirsevimab given the passage of SB559, and strengthening the reserves.

Mr. Miller proceeded to review the historical trends: assessment rates, covered lives, CDC weighted price increases, specific immunization cost increases, fund source split, cash and investments, unemployment rates, and NH Medicaid enrollment.

Mr. Miller then reviewed the data provided by the NH DHHS related to prior expenditures, projected cost estimates, and administrative costs. Mr. Miller stated that the NH DHHS estimates costs will be \$2.1M greater than last fiscal year due to increased childhood population, increased cost of vaccine, new immunizations, and maintaining the CDC balance. To manage costs, NH DHHS reduced the pre-book influenza amounts by 5,000 doses and is conservatively ordering nirsevimab and COVID-19 immunizations.

Mr. Miller then reviewed each of the rate modeling components used in the NHVA assessment rate modeling tool. He provided an overview of why reserves are necessary given the recent introduction of high-volume high-cost immunizations and continued expectation of this trend. He further provided information regarding the due dates by calendar year of the laddered CD portfolio as this is part of the cash management strategy under consideration during the assessment setting process. Finally, Mr. Miller reviewed two different rate options, the first being a level rate for three years and the second being a level rate for three years, plus a one-time assessment for nirsevimab. Ms. Walker highlighted the nirsevimab figures in the model.

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 96 Discussion ensued amongst the Committee members, Ms. Walker, and Mr. Miller. Mr. Margus stated that  
 97 the model assumptions seemed reasonable. Ms. Tenney stated that she was not in favor of an additional, one-time  
 98 assessment for nirsevimab, but would like to see additional modeling options so as to have a higher level of reserves  
 99 at the end of 2027. Ms. Mercuri was asked about the modeling done for the RSV projections and she stated that  
 100 4,500 children were expected to receive one dose of nirsevimab, and an additional 1,680 two doses based upon  
 101 birth projections and high-risk populations.

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 103 Mr. Miller and Ms. Walker said that they would model different rate options for the Committee to consider  
 104 at the September 5, 2024, Audit Committee meeting.

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 106 **4.b. Unaudited Financial Statements as of July 31, 2024**

107 Mr. Miller reviewed the unaudited financial statements for July 2024. They reflect initial assumptions for  
 108 receipts, which will be adjusted after the rate setting process has been completed. Total assets are \$6.3M with the  
 109 majority being held in the laddered CD portfolio. The FY2025 administrative budget is reflected in the statements.  
 110 There were no questions.

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 112 **4.c. Assessments Received as of August 15, 2024**

113 Mr. Miller reported that as of August 21, a total of 484,480 total lives have been reported. Final numbers  
 114 will be presented in the August 2024 unaudited financial statements in September.

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 116 **5. Other Business**

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 118 Mr. Margus asked the Committee members if there was any other business to transact. There was none.

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 120 **6. Public Comment**

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 122 Ms. Condon raised her hand to speak, and Mr. Margus welcomed her to the meeting. Ms. Condon had one comment  
 123 and multiple questions<sup>1</sup>. She commented that the NH DHHS request for administrative funds should not be  
 124 submitted by NH DHHS due to Attorney McCue’s prior letter to the Board.

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 126 **7. Adjournment**

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 128 Having no other business, Mr. Margus asked for a motion to adjourn.

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 130 **VOTE RECORDED:** *On a motion by Ms. Tenney, seconded by Mr. Margus, by roll call, it was unanimously*  
 131 **VOTED:** *To adjourn the Audit Committee meeting at 10:28 a.m.*

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<u>Committee Member</u>	<u>Yes</u>	<u>No</u>	<u>Absent</u>
Jason Margus	X		
Anne Marie Mercuri	X		
Susan Tenney	X		

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 138 Respectfully submitted by  
 139 Patrick Miller, Helms & Company, Inc.  
 140 August 29, 2024

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<sup>1</sup> Per the public commentary statement read at the beginning of the meeting, questions should be directed to the Administrator as the public comment section is not an interactive session.