

Washington Vaccine Association – Board of Directors Annual Meeting
November 21, 2013 – 2:00 p.m. – 4:00 p.m.
Location: Ellis, Li & McKinstry

I. Attendance. Participating in all or part of the meeting in person or by telephone (T) were the following individuals:

Directors:

Brian Ancell
Jason Farber (T)
Jay Fathi (T)
Beth Harvey
Dennis Kirkpatrick (T)
Ed Marcuse
Allene Mares
John Sobeck

DOH:

Janna Bardi
Michele Roberts
John Wiesman

KidsVax.org®:

Margaret Lane
Terry Mills (T)
Laurie Beth Pliakos
Fred Potter
Claire Roberge (T)
Norm Roberge (T)
Peter Smith (T)

Absent:

Suzanne Daly
Mary Kay O’Neill
Norm Seabrooks

II. Summary of Actions Taken and/or Recommended

A. Actions Taken (votes adopted)

1. To extend AMCC claim review services.
2. To approve the board terms, offices, and committees.
3. To thank Ms. Bardi.
4. To approve the Information Release Policy.
5. To proceed with TRICARE litigation and to hire Ellis, Li & McKinstry as WVA’s litigation counsel.
6. To create a litigation task force consisting of Fred L. Potter, Anne Redman, and John Pierce.
7. To authorize Fred L. Potter to sign a demand letter to TRICARE.
8. To supplement Attorney Redman’s engagement as WVA’s general counsel.

B. Follow up Tasks/Action Items

1. Ms. Lane will continue her research regarding providers’ additional expenses stemming from the DBA submissions and determine if the WVA can do anything to alleviate this added burden.
2. KidsVax® will set the meeting dates for 2014.
3. Ms. Lane will continue to work with Desautel Hege Communications to refine and implement the Communications Plan.

III. Minutes

Welcome and Introductions

At 2:00 p.m., a quorum having been established, Chairman Brian Ancell called the meeting to order. Mr. Ancell welcomed two new board members, Dr. Jay Fathi of Coordinated Care, and Dr. John Sobeck of Cigna. Dr. Fathi will fill the board seat reserved for the Association of Washington Healthcare Plans. Dr. Sobek will fill Cigna’s seat on the board. Mr. Ancell reported that United has given up its board seat because of perceived conflict caused by their having the federal defense contract. Cigna has taken United’s place because it is the next largest plan in the state, and the WVA statute requires that the three largest plans have a seat on the board. Everyone in attendance and on the phone introduced themselves and welcomed the new board members.

Mr. Ancell thanked the Washington State Secretary of Health, John Wiesman, for attending. Secretary Wiesman thanked the Board for its work and expressed how important the partnership is between the WVA and the Department of Health, especially for the parents and children who benefit from the partnership. Prior to the formation of the WVA, Secretary Wiesman was concerned about the state’s ability to protect Washington’s children from diseases in light of the state’s impending inability to fund its universal childhood vaccine program. He was greatly relieved when the WVA was formed and began working to preserve universal access to childhood vaccines. Secretary Wiesman noted that his predecessor, Secretary Selecky, was very involved in forming the WVA. He expressed the DOH’s continuing commitment to the vaccine program and the WVA. He thanked Ms. Mares for representing the DOH on the board and emphasized that he is very willing to assist the Board in any way.

Dr. Marcuse thanked the Secretary for working to resolve the problems caused by the CDC’s announced requirement of separate provider-level vaccine inventories. Secretary Wiesman reported that they are still working on this issue and that he met directly with CDC Director Dr. Thomas Frieden to express his concerns. Secretary Wiesman will continue working through national associations and other organizations to resolve the issue. It is generally believed that a separate inventory approach will drive providers away and hurt immunization rates. The DOH has submitted a plan to the CDC for tracking vaccine inventories based on funding source. If the plan is approved, providers will not be required to keep separate inventories. The DOH expects to have a call with the CDC tomorrow to discuss the proposal further.

Consent Calendar Items

It was the sense of the Board that the meeting minutes should be edited for conciseness. Now that WVA has completed its startup, it seems appropriate to reduce the length of minutes. The minutes will be revised and re-evaluated at the next meeting.

Executive Director Updates

Mr. Potter reviewed his written report and stated that the KeyBank loan closed, the WVA is in covenant compliance, and the WVA now has \$5MM reserve capacity. KidsVax[®]'s financial forecast proved surprisingly accurate. Mr. Potter reported that KidsVax[®] has engaged Mr. Smith, as an independent compliance officer, to take on the duty of monitoring the WVA's covenant compliance. He asked Mr. Smith to confirm where the WVA currently stands in terms of compliance. Mr. Smith explained that the WVA has an obligation to keep \$4MM reserve in cash due to the line of credit. At the end of September, there was \$5.6MM in cash. That number has gone down slightly, but the WVA is successfully maintaining compliance. Compliance is measured on a quarterly basis, and the WVA can draw on the line of credit at measurement points if necessary to maintain cash reserves. However, this will only be done if it is absolutely necessary. Mr. Smith projects that the low point of cash availability could occur in December 2013. He will update the Board further at a later date. Mr. Potter reported that because of the WVA's planned assessment rate increase and the inherent delayed cash impact arising from this change, KeyBank has agreed to postpone the first measurement until the first quarter of 2014. Further discussion ensued.

Mr. Potter briefly reviewed the KidsVax[®] Performance Dashboard. Mr. Potter asked for clarifications with regard to several items in the "New Undertakings" section. Mr. Ancell instructed him to put those items on a separate page to make it clear that they do not directly affect compensation to KidsVax[®] under the variable compensation provisions of the WVA/KidsVax[®] contract. No specific relief was requested at this time.

Next, Mr. Potter reported that the claims recovery servicer, AMCC, has generated positive financial return to WVA over its initial six-month contract. The contract was set to end in December of this year. Mr. Potter recommended that the Board engage AMCC for another six months and review AMCC's performance prior to next year's budget cycle. Along with generating positive financial return, AMCC has helped the WVA by identifying various reasons why claims are denied. This knowledge allows the WVA to train providers so that there will be fewer claim denials and the program will run more efficiently. Dr. Harvey expressed that this approach seems responsible and that it could be useful to be mindful of AMCC's findings as WVA proceeds under its recently drafted Communications Plan.

Upon motion duly made by Dr. Marcuse and seconded by Dr. Sobeck, it was unanimously

VOTED: To approve authorization of the special project for AMCC claim review and monitoring services by KidsVax[®] staff for an additional six months.

Ms. Lane updated the Board on her research regarding additional costs that provider offices feel they have for submitting the DBA. Some offices pay their claims service provider on a per-claim basis, so they may incur additional costs if they have to submit two claims instead of one. Other offices just pay a monthly fee. This issue is still under review. Dr. Marcuse emphasized that the WVA should exercise appropriate diligence and be responsive to providers' concerns. Ms. Lane will bring back the final report once the research is completed.

Election and Reelection of Officers

Mr. Ancell reviewed the board member list as well as the members' respective terms and committee assignments. He noted that Dennis Kirkpatrick has agreed to be Vice-Chair and Treasurer, and Norm Seabrooks has agreed to be the Secretary. Additionally, he pointed out the suggested chairs for each of the committees.

Upon motion duly made by Dr. Harvey and seconded by Ms. Mares, it was unanimously

VOTED: To approve the board terms, offices, and committees listed on the WVA Board of Directors and Committee list presented at the meeting.

Review of 2014 Meeting Date Alternatives

Mr. Potter explained that meeting dates have not been finalized because a new board member, Suzanne Daly of Group Health, is unavailable on some meeting dates. Group Health wants to participate in the WVA and will designate another executive if the Board cannot find meeting times that fit into Ms. Daly's schedule. Mr. Potter will continue working to coordinate the meeting dates. He anticipates that there will be four regularly scheduled board meetings in 2014.

DOH Updates

Allene Mares reported that Janna Bardi has taken a new position in the DOH as the Director of the Office of Healthy Communities. Ms. Mares introduced Michele Roberts, the new Office Director for Immunizations and Child Profile, and explained that Ms. Roberts will replace Ms. Bardi on the vaccine committee. Jan Hicks-Thomson remains available for all the day-to-day activities around vaccine accountability.

Ms. Bardi gave a brief update regarding the DOH rulemaking process. The universal vaccine financing law gives the Secretary authority to levy fines and penalties against any payer who does not reimburse the cost of an audit the WVA calls for or for failure to pay the assessments. The DOH and KidsVax[®] have been working on rulemaking to support the Secretary's authority. Ms. Bardi explained that after the DOH initiated the rulemaking process, it subsequently identified another section of the Washington Administrative Code that needs to be amended.

This is to bring clarity to due process procedures for any payers who may contest fines. This would be handled through an already-existing 30-day abbreviated process called a "brief adjudicative proceeding." Because the initial rulemaking paperwork did not identify that code provision, the DOH had to start the rulemaking process over again. The DOH anticipates that the new rulemaking timeline will include an open comment period in February, a hearing in March, and rule finalization in April. Ms. Bardi will provide the final rule language to the Board today. The DOH remains available to discuss the rule further.

The Board members expressed that they are grateful to Ms. Bardi for her hard work in service to the WVA.

Upon motion duly made by Dr. Marcuse and seconded by Dr. Harvey, it was unanimously:

VOTED: To thank Ms. Bardi for helping to create the WVA and for her service over its history.

WVA Communication Enhancements

Ms. Lane introduced Sara Johnston and Lisa Cargill of Desautel Hege Communications. Pursuant to a new board initiative, KidsVax[®] conducted a RFP process on WVA's behalf to engage a communications firm to increase the frequency of strategic, concise communications. KidsVax[®] solicited recommended candidates and followed up on every name suggested by board members, as well as others in the community. The finalists completed a job sample, and Desautel Hege was the clear winner. The firm has a history of working on public health issues with hospital systems and other providers.

Ms. Johnston thanked the Board for choosing Desautel Hege and gave a brief overview of the firm's background. She then reviewed the draft Communications Plan in detail, including the research findings, communications strategies, and measurement goals. She explained that prior to creating the plan, Desautel Hege conducted insight interviews with board members and the DOH to identify the WVA's strengths and weaknesses and areas of opportunity from a communications standpoint. Ms. Cargill added that the WVA is off to a good start because it already has clearly identified goals. She recommended that the WVA focus on four main areas of communication. It should seek to maintain communication with providers, strong relationships with payers and TPAs, and collaboration with DOH, and it should work to grow awareness beyond those audiences. Ms. Cargill reviewed a number of specific strategies for communication. She noted that Dr. Marcuse is already working on our first contributed article. Several board members suggested additions to the plan. Specifically, they requested that Desautel Hege expand the definition of "providers" to include pharmacists and the professional associations of any providers licensed to deliver vaccines in the state. Ms. Johnston and Ms. Cargill thanked the Board for its suggestions and expressed willingness to edit the plan as the Board sees fit.

Mr. Potter suggested that the Board allow Ms. Lane to act as the primary liaison between the firm and the WVA. Dr. Marcuse expressed that he anticipates that the added service to WVA will be valuable because it will help WVA create and preserve long-term relationships in the state. Ms. Lane noted that the plan also has operational value because if the WVA can provide health plans and providers with concise communications and directions, then their customer service employees will know what to do when they see the WVA tax ID on a claim. This will help ensure that the payment flow works effectively.

At this point, the Board went into Executive Session.

Executive Session: Information Release Policy

Mr. Ancell explained that the WVA registers TPAs for the state as part of its role as assessment system administrator. The WVA has now been asked for access to its TPA database by the DOH for a required mailing to TPAs. Mr. Ancell distributed a draft Information Release Policy stating that it is the general policy of the WVA that it will not release information for purposes unrelated to WVA business. Further discussion ensued, and several minor changes to the policy were suggested.

Upon motion duly made by Dr. Harvey and seconded by Dr. Sobeck, it was unanimously

VOTED: To approve the Information Release Policy as edited in this meeting.

Executive Session: TRICARE

The Board then moved on to a discussion regarding the potential TRICARE litigation.

Upon motion duly made by Dr. Fathi and seconded by Dr. Sobeck, it was

VOTED: To proceed with TRICARE litigation and to hire Ellis, Li & McKinstry as WVA's litigation counsel in this matter.

Ms. Mares abstained from voting due to her position with the state.

Upon motion duly made by Dr. Sobeck and seconded by Dr. Harvey, it was

VOTED: To create a litigation task force to oversee the WVA litigation strategy, consisting of Fred L. Potter, Anne Redman, and John Pierce.

Ms. Mares abstained from voting due to her position with the state.

Upon motion duly made by Dr. Sobeck and seconded by Dr. Harvey, it was

VOTED: To authorize Fred L. Potter to sign a demand letter to TRICARE on WVA's behalf once approved by the task force.

Ms. Mares abstained from voting due to her position with the state.

Upon motion duly made by Dr. Sobeck and seconded by Dr. Harvey, it was

VOTED: To supplement Attorney Redman's engagement as WVA's general counsel as discussed in this meeting.

Ms. Mares abstained from voting due to her position with the state.

There being no further business, the meeting adjourned at approximately 4:00 p.m.