

Washington Vaccine Association – Board of Directors Meeting
January 20, 2015 – 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:

Jason Farber, Esq.
Beth Harvey, M.D.
Dennis Kirkpatrick
Pat Kulpa, M.D.
Ed Marcuse, M.D.
Allene Mares (T)
Mary Kay O'Neill, M.D.
John Pierce, Esq.
Diana Rakow (T)
Norm Seabrooks (T)
John Sobeck, M.D.
Jay Fathi, M.D.

DOH:

Michele Roberts
Jan Hicks-Thomson

Others:

Anne Redman, Esq.

KidsVax.org®:

Fred Potter
Margaret Lane
Claire Roberge (T)
Peter Smith (T)
Julia Walter
Emily McKenna

Absent:

II. **Summary of Actions Taken and/or Recommended**

A. **Actions Taken (votes adopted)**

1. To approve the minutes of the October 21, 2014 WVA Board Meeting.
2. To approve the minutes of the November 12, 2014 WVA Vaccine Committee Meeting.
3. To authorize the KeyBank line of credit as set out in the Commitment Letter from KeyBank dated December 15, 2014 addressed to Fred Potter and to authorize any two of: Chairman, John Pierce, Treasurer, Dennis Kirkpatrick, or Secretary, Norm Seabrooks, to execute such documents as may be helpful or necessary to update the previously-approved Line of Credit Facility with KeyBank National Association to restore the full original \$15,000,000 level to the Line through and including December, 2016. [See resolution incorporated in minutes with respect to line of credit.]
4. To adopt a resolution approving WVA renewing its credit/loan and security agreement with KeyBank, on the terms set forth in the Commitment Letter from KeyBank presented at the meeting and providing for a Fifteen Million Dollar (\$15,000,000) revolving line of credit for a two (2) year term at a floating interest rate of KeyBank Prime Rate or based on LIBOR plus 2.75% as set forth in the Commitment Letter and providing for a security interest in WVA assessment receivables.
5. To increase individual vaccine assessment levels from the current 110% of the CDC contract rates to 130% of the CDC contract rates on or after 4/1/2015, and have such increase effective for dates of service on or after 7/1/2015.
6. To affirm Dr. Mary Kay O'Neill as the board member representing Coordinated Care, whose term renews in 2015, pursuant to RCW 70.290.030(3)(c).
7. To affirm Dr. Pat Kulpa as the board member representing the Regence Group, whose term renews in 2016, pursuant to RCW 70.290.030(3)(a).
8. To affirm Diana Birkett Rakow as the board member representing Group Health, whose term renews in 2015, pursuant to RCW 70.290.030(3)(b).

9. To authorize that the quarterly payment cap for supplemental services under the KidsVax® contract, absent prior written approval, be increased from \$10,000 to \$20,000.

B. Follow up Tasks/Action Items

1. Peter Smith will research options for interest rates on the line of credit.

III. Minutes

Welcome and Introductions

At 2:00 p.m., a quorum having been established, Chairman John Pierce called the meeting to order. Ms. Lane introduced Dr. Pat Kulpa, the new representative to the Board from Regence. She also introduced Julia Walter and Emily McKenna from KidsVax.

Consent Calendar Items

Chairman Pierce moved to approve all consent calendar items which includes board minutes from October 21, 2014 and Vaccine Committee minutes from November 12, 2014.

Upon motion duly made and seconded, it was unanimously

VOTED: To approve the minutes of the October 21, 2014 WVA Board Meeting and the minutes from the November 12, 2014 Vaccine Committee.

Executive Director Updates

Ms. Lane gave the executive director's update. She said that the WVA's IRS tax exempt status was reconfirmed. She also informed the board that Secretary Wiesman sent a letter in response to the WVA's financial report filing thanking the board members and staff for their work. She reviewed the WVA's public communications report. Ms. Lane then discussed the line of credit and covenant compliance issues. She said that the reason that the WVA needs to restore the full line of credit is due to a combination of inflation increases since the last assessment increase, payer system errors (most of which have now been corrected), slower progress than was expected on the recovery of TRICARE payments, and a very high flu vaccine purchase. In October the board determined to restore the line of credit rather than implement an assessment increase prior to July 1, 2015. The proposal for the July 1 change is to increase all vaccines to 130% of the CDC contract rate. Ms. Lane then addressed the process of how the assessment increase is calculated. The same percentage over the CDC contract rate is applied to each vaccine, which all have different prices, so an average increase results, but each vaccine will increase a different percentage. The Operations Committee would like the increase to happen after April 1, because April 1 is when the CDC sets its contract rates, which are generally in the 3-4% increase range.

Mr. Potter asked the board to look at page 03.a.2 in the board meeting book. He said that the reason an average 19% increase above the current WVA rates was calculated is because no inflation increases have been made for several years, and a margin was built in to repay the line of credit. The line of credit was an unexpected development because of new CDC funding requirements imposing a requirement for DOH to prepay for vaccines rather than pay in arrears, therefore the WVA had to borrow money under the original line of credit, which has not been paid off yet. So the 19% increase will allow the WVA to accommodate inflation increases, pay down the line of credit, and restore the cash reserve. Mr. Potter stated that it would be helpful to receive instructions from the board on the development of an assessment grid that would be at 130 % of the CDC contract rate for implementation on July 1, 2015. Mr. Potter stated that it is the recommendation of /Kidsvax.org that the Board approve the line of credit at today's meeting which means that the Board will have agreed to a contract with the bank, the terms of which are that the board's next movement on the assessment grid will be an overall 19% increase. This is why these two motions are listed together in the votes, because the line of credit requires contractually that the assessment rate move up an average of 19%. Dr. Marcuse brought up the point that the purpose of the WVA is to lower costs, so the board needs to monitor how high the assessments get. Mr. Potter said that the projections show that the WVA will

still be at an over 6% savings compared to the CDC market survey prices after the grid increase, and the next grid movement after that will be down again. Mr. Potter described the terms of the line of credit. This terms sheet will amend, extend and restate the existing line of credit. This can all be completed within a matter of weeks. There was some discussion about the interest rate. It was the sense of the board that KidsVax.org should look into interest rate options and make sure that the best rate is chosen because the market circumstances are currently being influenced by European rates.

Upon motion duly made and seconded, it was unanimously

VOTED: To authorize the KeyBank line of credit as set out in the Commitment Letter from KeyBank dated December 15, 2014 addressed to Fred Potter and to authorize any two of: Chairman, John Pierce, Treasurer, Dennis Kirkpatrick, or Secretary, Norm Seabrooks, to execute such documents as may be helpful or necessary to update the previously-approved Line of Credit Facility with KeyBank National Association to restore the full original \$15,000,000 level to the Line through and including December, 2016. [See attached resolution with respect to line of credit.]

Upon motion duly made and seconded, it was unanimously

VOTED: To adopt the following resolution:

WHEREAS: the Board of Directors has determined it is desirable to renew the line of credit with KeyBank National Association ("KeyBank") until January 1, 2017 (maturity) in the amount of Fifteen Million dollars to finance timing differences between the requirements for payment to the Universal Vaccine Purchase Account for vaccine ordering expenses of the Department of Health and the collection of assessments from payers by the WVA:

RESOLVED: pursuant to the authority vested in this Board of Directors under Chapter 70.290 RCW the Board of Directors hereby approves WVA renewing its credit/loan and security agreement with KeyBank, substantially on the terms set forth in the letter dated December 15, 2014 ("Commitment Letter") from KeyBank presented at the meeting and providing for a Fifteen Million Dollar (\$15,000,000) revolving line of credit for a two (2) year term at a floating interest rate of KeyBank Prime Rate or based on LIBOR plus 2.75 percent as set forth in the Commitment Letter, and providing for a security interest in WVA assessment receivables; RESOLVED FURTHER: that any two of the three WVA officers President John Pierce, Vice President/ Treasurer Dennis Kirkpatrick, or Secretary Norman Seabrooks, are authorized and directed to execute and deliver on behalf of the corporation, with the advice of counsel, the Commitment Letter, a loan/ credit and security agreement, promissory note, and any other necessary documents, and to take or cause all other actions necessary and appropriate to be taken by the officers of the corporation to effect the action approved by this resolution.

Ms. Lane stated that the health plans and TPAs are informed about assessment changes through the Operations Committee, the providers receive a blast fax, and an email update goes out to anyone signed up for the WVA email alerts. The new grid is also immediately posted on the website. A sixty day notice is given. Mr. Potter said that the larger carriers also automatically re-price upward even if providers submit claims with the old amount.

Upon motion duly made and seconded, it was unanimously

VOTED: To increase individual vaccine assessment levels from the current 110% of the CDC contract rates to 130% of the CDC contract rates on or after 4/1/2015, and have such increase effective for dates of service on or after 7/1/2015.

Board Development

Ms. Lane stated that there is a list at 5.a.i that has the directors and terms. There has been a fair amount of turnover, but four board members have been on since the WVA's creating. There are affirmation votes for the new members, Dr. Pat Kulpa, Dr. Mary Kay O'Neill and Dianna Birkett Rakow.

Upon motion duly made and seconded, it was unanimously

VOTED: To affirm Dr. Mary Kay O'Neill as the board member representing Coordinated Care, whose term renews in 2015, pursuant to RCW 70.290.030(3)(c).

Upon motion duly made and seconded, it was unanimously

VOTED: To affirm Dr. Pat Kulpa as the board member representing the Regence Group, whose term renews in 2016, pursuant to RCW 70.290.030(3)(a).

Upon motion duly made and seconded, it was unanimously

VOTED: To affirm Diana Birkett Rakow as the board member representing Group Health, whose term renews in 2015, pursuant to RCW 70.290.030(3)(b).

DOH Updates

Ms. Roberts, who was representing the Department of Health at today's meeting said that the state is longer able to use federal funds to buy vaccines for kids in the state's Children's Health Program. The DOH and Healthcare Authority asked that money for those children be included in the state budget this year, and that request made it into the governor's budget, now it is just waiting for approval by the legislature. For the benefit of the board and especially the new members, Ms. Roberts gave an overview of the operations and duties of the Office of Immunization and Child Profile, a division of The Prevention and Community Health division. Hicks-Thomson gave an update regarding the HPV-9 vaccine and the process and timeline for adding that to the assessment grid. DOH expects to have it available by May. It will be a 13% increase in cost over the HPV 4. There was further discussion about the ages the vaccine is licensed for.

WVA Mission Statement and Board Involvement in Immunization Activities

Chairman Pierce stated that one of the goals of the board this year is to decide strategically as a board what direction they want to take in regards to immunization activities. There has been a conversation about whether they should be a board that assesses entities and pays for vaccines or do they have some other opportunity or responsibility to do more than that to help immunization rates. He stated that Premera has a process called "Synectics," a way of gathering and brainstorming ideas. He said that he would like to invite members of the board and public to join him at Premera for a session to discuss ways in which the board can expand its activities. There was further discussion about what the forum would be talking about. There was also discussion about whether the statute would need to be changed in order for the Board to take on added responsibility. Ms. Roberts gave an overview of what the DOH currently does for vaccine and preventable disease awareness. A list of invitees for the Premera event was discussed. Scheduling for the April 14, 2015 meeting was discussed. The meeting will be longer than usual, it will be scheduled from 3-6pm and be a regular board meeting plus board retreat and social time.

Public Comment

There was no public comment.

Other Business

There was no other business.

Executive Session

Mr. Potter gave an update on the TRICARE issue. There are 20-25 different processing categories that are still not being paid to the WVA. Norm Roberge has been working through the issues. It has moved largely away from the legal to administrative. Mr. Potter requested that the board increase the quarterly cap stated in the KidsVax.org contract on funds designated to addressing TRICARE. The amount originally stated in the contract was determined when we thought that the TRICARE issue would be simple to solve, that work ended up being much more extensive than originally thought. The disclosure process on how those funds are spent would remain the same. Chairman Pierce proposed that the board authorize Mr. Kirkpatrick and Chairman Pierce to review this issue and come up with a proposal to bring back at the next meeting.

The record for the balance of the meeting was prepared by outside general counsel, Anne Redman, who was present with the board throughout that portion of the meeting.

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



What: Washington Vaccine Association (WVA) Annual Meeting of Board of Directors
 Date and Time: January 20, 2015/2:00 pm -4:00 pm PDT
 Place of Meeting: Ellis, Li & McKinstry PLLC, Market Place Tower, Penthouse A (see directions under Item 10)
 Call in Numbers: (760) 569-7171 Participant Code: 237931720

Notice: The meeting may be recorded for the benefit of the secretary. The WVA intends to delete the recording after the minutes of the meeting are approved. Kindly review the attached antitrust policy in advance.

Agenda for Board Meeting in Person

Approx. Time	Topic/[Anticipated Action]	Presented by:
2:00-2:05 p.m.	1. Welcome, Introductions & Identification of any Items for Section 8	J. Pierce
2:05-2:10 p.m.	2. Consent Calendar Items	J. Pierce
	* a. Board minutes (Oct 21, 2014)	
	* b. Vaccine Committee minutes (November 12, 2014)	
2:10-2:20 p.m.	3. Executive Director Updates	M. Lane
	* a. Executive Director's Report	
	* i. Enhanced Quarterly Financials for the Quarter Ending December 31, 2014	F. Potter
	* ii. IRS Tax Determination letter	
	* iii. Secretary's letter acknowledging receipt of WVA's 2013-2014 Annual Report and Financial Statements	
	* iv. Investment Report (Intentionally omitted)	
	* b. WVA Communications Update	
2:20-2:45 p.m.	4. Update on Financial Status	P. Smith/F. Potter
	* a. Cash Reserve Analysis	
	* b. Renewal of KeyBank Line of Credit	
	c. Assessment level increase to be effective 07-01-15	
2:45-2:50 p.m.	5. Board Development	M. Lane
	* a. Board Composition Changes	
2:50-3:00 p.m.	6. DOH Updates	
	a. Update on Health Care Authority Budget Request	
	* b. DOH Strategic Plan for Increasing Immunization	A. Mares
	c. New Gardasil Vaccine	
3:00-3:25 p.m.	7. WVA Mission Statement and Board Involvement in Immunization Activities	J. Pierce
	a. Preparation for April Board Discussion	M. Roberts/
	* b. Criteria and Proposed Projects	E. Marcuse
3:25-3:30 p.m.	8. Other Matters from Board Members	
	a.	
	b.	
3:30-3:45 p.m.	9. Closing Section	J. Pierce
	a. Public comment	
	b. Executive session (all staff, guests excluded; outside counsel included)	
	* i. TRICARE	
	ii. Board and F. Potter only	
	iii. Board only	
	c. Wrap up	
	10. Reference Documents	
	* a. Contact List: board, committees	
	* b. Governing statute	
	* c. Schedule of upcoming meetings	
	* d. Proposed form of votes for this meeting	
	* e. Directions to Ellis, Li and McKinstry	

*Indicates agenda item attached

WAvaccine.org

P 1.888.928.2224 • F 1.888.928.2242
 PO Box 94002 • Seattle WA 98124-8402

Washington Vaccine Association – Board of Directors Meeting
October 21, 2014 – 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:

Suzanne Daly (T)
Beth Harvey, M.D.
Dennis Kirkpatrick
Ed Marcuse, M.D.
Mary Kay O'Neill, M.D.
John Pierce, Esq.
Norm Seabrooks (T)
John Sobeck, M.D.
Jay Fathi, M.D.

DOH:

Michele Roberts

Others:

Anne Redman, Esq.

KidsVax.org®:

Fred Potter
Margaret Lane
Claire Roberge (T)
Terry Mills (T)
Norm Roberge (T)
Julia Walter

Absent:

Allene Mares
Jason Farber, Esq

II. Summary of Actions Taken and/or Recommended

A. Actions Taken (votes adopted)

1. To approve the minutes of the June 17, 2014 WVA Board Meeting.
2. To authorize any two of the following officers: Chairman John Pierce, Treasurer Dennis Kirkpatrick, or Secretary Norman Seabrooks to execute such documents as may be helpful or necessary to modify the previously-approved Line of Credit Facility with KeyBank National Association to restore the full original \$15,000,000 level to the Line through and including December 2016.
3. To authorize KidsVax.org® to proceed with publication of the 2013/2014 WVA Annual Report in the form as presented to the Board and to designate such report to serve in lieu of an Annual Meeting.
4. To ratify the action of the Audit Committee in authorizing publication of the FYE 2013/14 Financial Statements and independent auditor's report and to recommend to the Board that the financial statements and audit report also be approved by the Board on an annual basis.
5. To affirm the continuation of Board member Dennis Kirkpatrick, whose term renews in 2014 and who has been re-appointed by the Secretary.
6. To affirm the continuation of Board members John Pierce and Dr. John Sobeck, whose terms renew in 2014.
7. To approve the election of the proposed slate of WVA Officers listed on the WVA Board of Directors and Committees list for one-year terms pursuant to Section 6.1 of the WVA Bylaws.
8. To approve the individuals listed on the WVA Board Committee list presented at the meeting to serve on the Audit, Operations, and Vaccine Committees, respectively, with the committee chairs listed.
9. To approve the draft Code of Ethics, in the form recommended to the Board by the Audit Committee.
10. To approve the revised WVA Mission Statement, in the form as presented to the Board.

11. To approve the KidsVax® goals for 2014-2015, in the form presented to the Board.
12. To ratify the KidsVax® contract amendment for the 2014-2015, in the form presented to the Board.

B. Follow up Tasks/Action Items

1. Mr. Potter will check with the insurance regarding the fiduciary liability coverage.
2. Mr. Potter will follow up on securing a quote on a positive pay for fraud prevention.

III. Minutes

Welcome and Introductions

At 2:00 p.m., a quorum having been established, Chairman John Pierce called the meeting to order. Mr. Potter introduced Julia Walter and announced that KidsVax.org is now doing set up work for the Alaska vaccine program, with the understanding that KidsVax.org will be asked to submit a proposal for permanent work. He gave a brief summary of how the Alaska program will work. There was some discussion about the Federal CDC's skepticism of the dosage based assessment.

Consent Calendar Items

The consent calendar was briefly reviewed.

Upon motion duly made and seconded, it was unanimously

VOTED: To approve the minutes of the June 17, 2014 WVA Board Meeting.

Executive Director Updates

Mr. Potter addressed payment delays due to system changes on the payer side. He reported that the WVA will be out of covenant compliance if financial stability is not addressed right away. He stated that reauthorizing the line of credit at the 15 million dollar level would solve this problem. He asked if the Board would like to do that now. Mr. Potter presented the Board with an authorization request to allow the Board Chair or the Treasurer to authorize WVA to go back to the 15 million dollar amount. Chairman Pierce indicated to the Board that they needed to make a choice between restoring the full line of credit, or advancing the assessment rate increase so that it would be effective before July. Mr. Potter said that restoring the line of credit would make the assessment rate increase a little higher, because of the added interest. Mr. Potter replied that the Operations committee has expressed that the industry would like to have the assessment rate changes made in July versus January due to work load management. Ms. Lane added that a July increase would also follow the CDC April 1 price changes, and that the WVA has committed to give the payers 60 days' notice before an assessment rate change. Mr. Potter said that the interest on the line of credit is low. Mr. Kirkpatrick asked what Peter Smith's opinion on the line of credit is; Mr. Potter indicated that Mr. Smith would rather change the assessment now, from a financial viewpoint, but understands that waiting until July to change the assessment rate is preferred from an operational standpoint. Further discussion regarding Mr. Smith's Cash Reserve Analysis followed. There was discussion about what the assessment rate increase might be, Mr. Potter assured the Board that a 3% to 4% CDC rate increase was included in Mr. Smith's analysis. Chairman Pierce requested that the document authorizing the line of credit be signed by both he and Mr. Kirkpatrick. Mr. Potter asked if he wanted to add a third name and so that two of the three could sign in case of unavailability. Mr. Seabrooks agreed to be the third.

Upon motion duly made and seconded, it was unanimously

VOTED: To authorize any two of the following officers: Chairman John Pierce, Treasurer Dennis Kirkpatrick, or Secretary Norman Seabrooks to execute such documents as may be helpful

or necessary to modify the previously-approved Line of Credit Facility with KeyBank National Association to restore the full original \$15,000,000 level to the Line through and including December 2016.

Mr. Kirkpatrick asked if the fiduciary liability coverage limits board members from taking on larger dollar decisions. Mr. Potter said that the coverage is at 10 million, but that he would double check and give the Board a report at the next meeting.

Ms. Lane presented the 2013/14 Annual Report and asked for the Board's edits or approval. Chairman Pierce said that it is the sense of the Board that the document is ready and can be printed and distributed.

Upon motion duly made and seconded, it was unanimously

VOTED: To authorize KidsVax.org® to proceed with publication of the 2013/2014 WVA Annual Report in the form as presented to the Board and to designate such report to serve in lieu of an Annual Meeting pursuant to section 4.2 of the WVA Bylaws.

Financial Audit Report

Ms. Daly indicated there were no items of concern found during the audit. The one issue was regarding the tax exemption, which is not related to the audit report. Mr. Potter said that the audit firm is continuing to work with the IRS on this issue and indicated that a document is included in the Board packet describing this issue. One IRS office said that there was no need for WVA to submit a 990, while an office in a different state has threatened cancelation of exempt status unless a 990 is filed.

Ms. Daly said that it is the recommendation of the auditor that the Board authorize publication of the 2013/14 financial statements and auditor's report.

Upon motion duly made and seconded, it was unanimously

VOTED: To ratify the action of the Audit Committee in authorizing publication of the FYE 2013/14 Financial Statements and independent auditor's report.

Mr. Potter said that the Board as a whole is not required to approve the publication of these documents, it is only required that the Audit Committee does so. It was the feeling of the Board that it is part of their duty to oversee these matters and that they would like to continue to approve the publishing of financial reports.

Board Development

Ms. Lane stated that under the bylaws this Annual Meeting was the time to elect officers and reappoint those Board members whose terms are coming to a close. The Board members whose terms will expire at the end of 2014, were John Pierce, Dennis Kirkpatrick and Dr. John Sobek. They all agreed to stay on the Board if the Board would like them to do so for the next term of three years. It was decided that it was appropriate for the Board to acknowledge the selection of the continuing Board members including board members appointed by other organizations such as the Department of Health.

Upon motion duly made and seconded, it was unanimously

VOTED: To acknowledge the continuation on behalf of the organization of those board members whose terms would otherwise expire, John Pierce, Dr. John Sobek, and Dennis Kirkpatrick

1 **VOTED:** To elect to one-year terms the officers: Dennis Kirkpatrick as Vice-chair and Treasurer,
 2 John Pierce as Chairman and Norman Seabrooks as Secretary pursuant to Section 6.1 of
 3 the WVA Bylaws.

4
 5 The Board then moved on to the election of committee members and chairs.

6
 7 **Upon motion duly made and seconded, it was unanimously**

8
 9 **VOTED:** To approve the individuals listed on the WVA Board Committee list presented at the
 10 meeting to serve on the Audit, Operations, and Vaccine Committees, respectively, with the
 11 committee chairs listed.

12
 13 The WVA Mission Statement was then presented to the Board. The Board had reviewed it earlier, but a
 14 section has been removed because it is beyond the scope of the WVA's statutory reach. One suggestion was
 15 made that the word "prior" be replaced with "existing" in the visual schematic. The Board accepted the
 16 document with the changes suggested.

17
 18 **Upon motion duly made and seconded, it was unanimously**

19
 20 **VOTED:** To approve the revised WVA Mission Statement, in the form as presented to the Board.

21
 22
 23 The Board meeting calendar was also presented and discussed.

24
 25 DOH Updates

26
 27 Ms. Roberts, who was representing the Department of Health at today's meeting, let the Board know that the
 28 Department is no longer allowed to use 317 funding to purchase vaccines for children on state insurance
 29 plans. The Health Authority, with the help of the Health Department, has sent a budget request to the
 30 Governor's office for funds for those children so that Washington can remain a universal state. Ms. Roberts
 31 also reminded the Board that vaccine selection is currently open through October 31. She also said that the
 32 Department is working on their budget projections. There were some issues with flu vaccine supply, which
 33 was resolved. The Department also received a grant to increase HPV vaccination rates. Discussion ensued
 34 about HPV vaccination rates and the release of a new HPV vaccine.

35
 36 Audit Committee Update

37 Ms. Daly stated there is a meeting summary in the board packet and that the last meeting was very brief, the
 38 committee met with the auditor to develop the recommendations.

39
 40 Code of Ethics

41 Ms. Redman stated that the Code of Ethics was developed under the encouragement of the Audit Committee.
 42 The draft was prepared by Mr. Potter and reviewed by Ms. Redman and Mr. Farber. Ms. Redman gave a brief
 43 summary of the Code of Ethics contents. Chairman Pierce asked the Board if they wanted to approve it now,
 44 or come back to it at a later date after further review. After brief discussion the Board moved to approve it
 45 now, with one correction of a typo in line 8.

46
 47 **Upon motion duly made and seconded, it was unanimously**

48
 49 **VOTED:** To approve the draft Code of Ethics, in the form recommended to the Board by the
 50 Audit Committee with the typographical correction found during the meeting.

51
 52
 53 2014-15 Goals

1 Mr. Potter presented the Board with the goals as amended after some discussion at the April and June Board
2 meetings, and input from the executive committee. Mr. Potter reminded the Board that these are the
3 supplemental yearly goals that are added to the ongoing list of goals. Mr. Potter and Chairman Pierce then
4 gave the Board an update on the work done by KidsVax and the TRICARE Task Force on the TRICARE matter.

5
6 **Upon motion duly made and seconded, it was unanimously**

7
8 **VOTED:** To approve the KidsVax® goals for 2014-2015, in the form presented to the Board
9 with the TRICARE goal increased to one million dollars.

10
11 There was some discussion regarding how vaccine related data from the Department of Health could assist the
12 WVA going forward with some of the issues discussed at this meeting,

13
14 Mr. Potter and Chairman Pierce discussed whether the vote on the KidsVax.org contract needed to happen in
15 Executive session, they decided it did not.

16
17 **Upon motion duly made and seconded, it was unanimously**

18
19 **VOTED:** To ratify the KidsVax® contract amendment for the 2014-2015, in the form
20 presented to the Board.

21
22
23 Public Comment

24
25 There was no public comment.

26
27 Other Business

28 Chairman Pierce asked Ms. Lane to give an update on a matter that came up earlier in the meeting. Ms. Lane
29 stated she has been contacted the Board of Health regarding an initiative they have to protect vulnerable
30 populations from vaccine preventable diseases. The Department of Health wants to put together an advisory
31 group to create some rules for emergency situations such as a disease outbreak. Ms. Lane was contacted
32 about the WVA possibly participating in this advisory committee. It was the sense of the Board that this was
33 outside the scope of the WVA.

34
35 Mr. Kirkpatrick said that they had talked about a positive pay for anti-fraud prevention being set up, and asked
36 if that was something that could be discussed in the future or by the Audit Committee if that was the more
37 appropriate group to discuss it. Mr. Potter said that KidsVax.org is trying to get some quotes on it. Mr.
38 Kirkpatrick asked if the annual review of the investment plan would be done at the next meeting. Mr. Potter
39 said that it was KidsVax.org's recommendation that it not be done this year since there are nominal funds, and
40 affirmed that this was the instruction of the Board and is not in violation of any Board policy.

41
42
43 There being no further business, the meeting adjourned at approximately 4:00 p.m.

Vaccine Committee Meeting Minutes

Nov. 12, 2014, 10:30 - 11:30 AM

Location: Ellis, Li, McKinstry

I. Attendance

The following individuals participated in the meeting:

Committee:

Jeffrey Gombosky (T)
Jay Fathi
Jan Hicks-Thomson (T)
Dr. Ed Marcuse
Dr. Mary Kay O'Neill

Consultants & Others:

Margaret Lane, WVA
Dr. John Dunn, consultant
Dr. Rachel Wood, consultant
Dr. Pat Kulpa

Absent:

Michele Roberts
Norm Seabrooks
Fred Potter

II. Actions Taken at Meeting

Dr. Marcuse requested committee members to share ideas about potential projects for WVA to support increasing immunization levels, including the size of any project and selection criteria.

III. Minutes

At 10:30 AM, a quorum having been established, Dr. Ed Marcuse, Chairman of the Vaccine Committee, opened the meeting.

Vaccine Selection Process

Jan Hicks-Thomson from DOH presented on the vaccine selection process. Vaccine selection occurs twice a year. The last session closed on Oct. 31 and 55 providers made a change in one or more products. The majority of the changes, 32 of the 55, came from two larger organizations that made changes to two products.

Two products with the most changes were the meningococcal vaccine and Hib vaccine: 28 providers switched from Menveo to Menactra and 19 from Menactra to Menveo. For the Hib vaccine, 27 providers changed from ActHib, which is a four-dose series, to PedvaxHib, which is a three-dose series. One changed from PedvaxHib to ActHib. All of the combination vaccines are available on every provider's order set. It's not unusual to see only a few providers making a change.

Changes in 317 Direct Assistance Financing

317 is a federally funded source and over the last few years there have been quite a few changes. Direct assistance means vaccines in lieu of cash. The federal vaccine budget is about \$4 billion and there has been an increased amount of scrutiny and accountability. That includes increases in the number of site visits: DOH is required to do a compliance site visit with 50 percent of providers who participated in the program every year. For Washington, that's about 550 site visits and the responsibility is shared with

local health departments. DOH has to report vaccine inventory with every single provider order placed. There's increased accountability for how the budget is reported.

Initially, the federal 317 DA funding was completely discretionary and there was a lot of vaccine availability that could be used for any population the state selected. In Washington the funding was used to offset the state's portion of the responsibility for children to maintain the universal purchase of vaccine for all children. That continued with the inception of WVA for a couple of years.

Since that time, the requirements have become stricter. In 2011, the requirements changed so that 317 funding can no longer be used for insured children, which means it can no longer be used to offset state's cost of maintaining universal purchase. More recently, the CDC stopped allowing the use of this funding for children in the SCHIP program. In addition to policy changes, there has been a dramatic decrease in the amount of 317 funding available, from \$6 million in FY09 to \$1.5 million in FY14.

The amount of purchased flu vaccine has almost doubled (from about 450,000-500,000 doses in the early years to almost 800,000 during the first year when WVA funding became the primary source for flu vaccine for insured children, replacing 317 funding). The flu vaccine was significantly impacted by this change. In the first few years after WVA was in place, no WVA funds were spent on flu vaccine because 317 funds could be used. In 2011 and 2012, the state had \$1.3 million of flu vaccine money from WVA assessments. In 2013 and 2014, about \$4 million of WVA assessments were needed to purchase the flu vaccine.

Margaret noted that the higher than anticipated cost of the flu purchase was one of the reasons that WVA cash reserves decreased. DOH is working on ensuring providers order only what they need and will use in order to avoid waste. Last year providers wasted almost 100,000 doses of flu vaccine, so this year less was ordered. Flu vaccine is the highest contributor in the state to vaccine wastage.

Jan said another change this year has been a transition to 100 percent use of the quadrivalent flu vaccine, which is much more expensive than the trivalent product.

The Health Care Authority currently funds vaccine for SCHIP, under an MOU with the department. That funding is about \$2 million a year. The Health Care Authority also funds an insurance program for undocumented children called the Children's Health Program (CHP). Because these children are also considered insured, 317 DA funds can no longer be used to purchase vaccine for them. The Health Care Authority has put forward a decision package to the Legislature to request a \$1.8 million, or \$900,000 a year for vaccines in the CHP program.

Finally, a few years ago the state of Idaho said they could no longer serve Washington children who are vaccinated in Idaho with 317 money. The WVA stepped up with a plan to fund vaccines for these children. Through a memorandum of understanding with the department, WVA funds are used to allow these WA kids to be vaccinated in Idaho. Many of them are on the border and live in areas without access to providers in Washington. The last fiscal year the bill was about \$40,000. WVA sends a check to the Idaho immunization program to cover the purchase of the state-funded vaccine.

Vaccine Updates

Flu vaccine:

Jan reported that this year, 100 percent of the childhood flu vaccine is quadrivalent. Last year there was mixed product and that had some challenges. Dr. Marcuse noted we went from a bivalent vaccine, which had one A and one B strain, about 10 years ago, to trivalent because the epidemiology of influenza changed and there were two A strains circulating. Two or three years ago, one B strain was circulating in China and the Eastern Hemisphere and a different B strain in Europe and the Western Hemisphere, and that has persisted. Worldwide, there are two A and two B strains now and things could get even more complicated.

Jan reported that distribution began on August 12 and one of the challenges this year was that not all vaccine products were available on that date. The last few years most products have come out by mid-September but this year the multi-dose quadrivalent vaccine was delayed nationwide until October.

About 69 percent of product has been ordered and about 31 percent is still available, which is a good position moving into mid-November.

John Dunn stated that one of the B strains is the H1N1 strain from the pandemic a few years back. At a CDC meeting about a week ago data was presented that looked at response from the 2013-2014 season last winter and for reasons that are not apparent, it doesn't look like that particular strain in the LAIV vaccine was effective, which is different from the H1N1 component in the injectable vaccine.

This complicates things because the CDC and the American Academy of Pediatrics consider these to be equivalent products for children over age 9 and adults. For children under 9 the LAIV was recommended by the CDC as the preferred product for the year. The AAP didn't identify a preferred product, but both issued communications last week making no change in their recommendation.

Dr. Marcuse noted that this situation has led many to review the LAIV and QIV (live vaccine) and in the infectious disease community, the enthusiasm for LAIV vaccine for kids under age 9 is unabated.

Dr. Rachel Wood asked about the data sources and clinical outcome data. Jan Hicks-Thomson commented that the state Vaccine Advisory Committee issued clinical guidance on flu vaccine and included the preference for LAIV vaccine for kids 2-8 and the state plans to follow the CDC lead and not change that clinical guidance for the year.

HPV:

Jan reported on the numbers of vaccine ordered in 2013 by various entities. She said in the first three years after the recommendations for HPV, distribution was strong and showed good growth. There was a drop in the fourth year, but with the addition of recommendations for males, the trending is back up.

The HPV vaccine is a little over \$120 a dose so it affects the budget, but there shouldn't be a big challenge with increasing rates because the dosage based assessment collects assessments based on each vaccination that is given. About 25 percent of the total vaccine budget goes to HPV vaccine.

In 2013, 214,000 total doses were ordered for males and females. If we had three doses for every female in a single cohort, the need would be 135,000 and one dose (females only) would be 45,000 – about half the cohort. This shows what we would need if we are vaccinating for 100% of females for one dose versus vaccinating for all females for three doses. The size of the cohort is 88,000 children in the 11-12 age range. The rate of fully immunized females (who have received three doses) in the state is less than half (42 percent) and males about a quarter.

Dr. Marcuse commented that many other countries are using a two-dose schedule but two doses only work to provide sustained immunity if one of those is a booster dose, which requires a six-month delay between the dose and the booster. To get durable immunity, you need the third dose.

Meningococcal B:

Dr. Marcuse stated that there are two candidate meningococcal vaccines and they will be approved for 10 and above but it's not clear how these vaccines will be used.

Improving Immunization Rates

Dr. Marcuse said there are ongoing concerns about immunization rates in Washington, even though they have been improving. For HPV especially, the potential is not being realized in protecting against cancer. The question came up whether WVA do anything to increase vaccine uptake in the state.

Research into the statute suggested that no WVA money can be used on anything but the purchase of vaccines. But that didn't end the conversation — there's still interest in discussing whether a mechanism can be found to support immunization rates in Washington state. One way that may be done is through voluntary contributions by the payers, and Dr. Marcuse is recommending bringing potential projects through the Vaccine Committee. Criteria he suggests could include:

- Projects that are in the form of a public-private partnership (VAX Northwest is an example of this kind of public-private partnership.)
- Good likelihood of successful impact
- Some evaluation component
- Projects in the range of \$25,000-\$50,000 to start

Dr. Marcuse asked for committee members to share via email ideas about the mechanism and criteria.

Dr. O'Neill reported that she has been working on the governor's panel on preventative measures; a series of meetings has produced state metrics for evaluating the performance of a community regarding quality. People are looking at *communities of health* as a way of organizing resources using state metrics. Dr. O'Neill suggested that what might be helpful would be seeing if it would be possible to get advocacy in these other communities, not just in doctors' offices.

There being no further business for the Committee, the meeting was adjourned at 11:28 AM.

January 20, 2015 Executive Director Overview

Assessment Collections since inception:	\$203+ Million
Remittances to State of WA since inception:	\$205+ Million
Receivables	\$8+ Million
Cash Balance as of December 31, 2014:	\$6+ Million
Morgan Stanley as of December 31, 2014:	\$10,000
Utilized Line of Credit	\$12 Million
Available Line of Credit	None

2014 was a year of significant change for the insurance industry and, in part due to this general industry turmoil for WVA's board membership. That turbulence has continued into early 2015. We welcome back at this meeting, Dr. Mary Kay O'Neill, who is returning to WVA's board now as the representative for Coordinated Care Health. We also welcome Dr. Patricia Kulpa, from Regence Group-Healthcare Services and Diana Birkett Rakow, organization representative for Group Health. The Board will want to consider audit committee composition and leadership in light of these changes.

We want to express our appreciation to Suzanne Daly, organization representative for Group Health who stepped in following the departure of Laura McMillan, also of Group Health, as Audit Chair. During Suzanne's brief Chair term, WVA brought current pending audit committee work. I am pleased to report, as you will see under item 3.a.ii., that the IRS has again affirmed WVA's tax status as a 501(c)(3) tax exempt organization. That confirmation also again confirmed that no form 990s are required from WVA. I want to thank our auditing firm for their work in chasing down this approval, yet again, and express our gratitude for their maintaining a client's perspective and helping us pursue the filing exemption. This exemption spares WVA the annual expense of completing ever-more-complicated 990 report forms.

In the fall, we reported that, despite the remarkable progress and increasing stabilization of WVA's Dosage-Based Assessment System generally, WVA faced numerous challenges due to payer system errors. I am pleased to report that to our current knowledge, all matters apart from TRICARE now have been resolved going forward and that we have made good progress on assessment recoveries for the one large private payer arrearage. We anticipate that will be resolved fully prior to the end of WVA's fiscal year.

TRICARE recoveries remain challenging, but TRICARE's management and now United Healthcare military's management have remained resolute in their expressed commitment to work toward full resolution. As you will see from the TRICARE billing reports in the Executive Session portion of the packet, we continue to see progress reflected tangibly in the marked increase in collections rate. I wish I could report that all of that flowed automatically following the implementation of the conceptual agreement to participate obtained through the hard work of your TRICARE task force. It did not. While that initial management level decision was necessary for the progress that followed, working this out

has been a very granular process “down in the weeds” in scrubbing data and past claims records as KidsVax® has been able, gradually, to gain increasing detail from TRICARE data extracts. That has been almost entirely the work of Norm Roberge in which, category-by-category, he has waded through claim denials to get the appropriate claims processing “switches” turned “on.” It does appear, thankfully, that once each switch is set in the right direction, the claim approvals persist.

TRICARE collection work, however, has its ups and downs especially with respect to our work to fine-tune our arrearage estimate. Most recently, for example, the number attributed to past amounts improperly paid to third parties from actual claims settlement records was substantially reduced. Norm was able to identify that, notwithstanding earlier TRICARE assurance to the contrary, the number reported to us included provider vaccine administration services payments as well as vaccine payments. We continue to work all known TRICARE issues on both the go forward denial challenges and the arrearage estimate. On the arrearage estimate work, however, we face a short-term hiatus as Norm Roberge will be unavailable to WVA until the end of January and then on a reduced basis through the end of April due to his other personal and professional commitments, including overseas service work and tax preparation practice.

TRICARE detailed work has involved more services than were in view at the time the \$10,000 quarterly payment cap on special projects was entered into our contract at last year’s renewal. We request that the Board either adjust that quarterly cap to \$20,000 or confirm that costs in excess of the cap can be carried forward for reimbursement in subsequent quarters.

As reviewed in detail at our last meeting, the TRICARE delays and the strains from other payers contributed with WVA’s absorption of two annual inflation increases to create significant cash flow strains. Additionally, as prior Board members will recall, WVA had been forced to implement, on an expedited basis, a line of credit to respond to CDC’s 2013 surprise cash call requiring states to move from reimbursement to prepayment for universal vaccine supply ordering systems. As a result, WVA, while still having sufficient operating cash to timely meet all obligations, had fallen out of covenant compliance last year as the line of credit limit dropped from its initial \$15 Million to \$10 Million. Last meeting we presented the Board the alternatives of an immediate assessment rate increase or request to KeyBank for line of credit restoration to the \$15 Million original level, accompanied by a larger increase (19%) effective July 1. The Board sought to proceed with its longstanding objective of moving to July 1 as its customary assessment rate increase date and instructed KidsVax® to seek the line of credit restoration approval from KeyBank. I am pleased to report we were successful in that endeavor and the line of credit commitment letter is included with this Board packet. To proceed with implementation, two votes would be appropriate: 1) to accept the updated commitment letter and authorize corresponding adjustments to the line of credit documents, and 2) to authorize the required 19% WVA assessment rate increase, effective July 1.

Alternative strategies going forward have been analyzed by KidsVax®’s financial analyst, Peter Smith. These include alternatives of either a regular smaller increase a year from now and then a return to more normal levels the subsequent July or an expected two-year level assessment rate with a lower drop in July of 2017.

This 19% increase covers several factors:

1. Three years of inflation increases (since the rate was last set effective December 1, 2013) to our charges on April 1 of 2014, 2015 and 2016. For planning purposes, 3.5% annual inflation has been a fairly typical price increase in the CDC wholesale contract which is the source of vaccine supply funded by WVA.

2. Approximately 10% to complete the repayment of the \$15 Million line of credit initially drawn and also provide sufficient funds to rebuild cash reserves to the Board's new liquidity target of \$4 Million.

We are pleased that with these actions all of WVA's significant pending management policy matters will be favorably resolved. Thank you for your guidance in navigating through the turbulent waters of health care changes generally over the last two years along with those that have affected vaccine programs and Washington payers more specifically.

All of WVA's regular year end reports were timely filed in accordance with the enhanced communication strategies approved by the Board last year. Secretary Wiesman's kind letter acknowledging receipt and expressing appreciation for your work is enclosed as agenda item 3.a.iii. I trust you will be encouraged by that, as have your KidsVax® team members.

This provides a good opportunity to thank you, once again, for the remarkable public/private partnership which is WVA. As Dr. Marcuse has urged over the years and the Board approved on an exploratory basis last fall, Chairman Pierce has initiated work to update our strategic thinking about how WVA, consistent with its statutory mission, can deploy its unique positioning to better serve the overall objective of improving childhood health outcomes in the State of Washington. We look forward to continuing preparation for the special project you requested of an enlarged April Board meeting. Like the special Board meeting and recognitions held in 2012 in Olympia, April's meeting should afford an opportunity to reflect over both our past work and to give careful consideration to our mission going forward. We look forward to that time with you and want to thank Chairman John Pierce and his Premera colleagues for again donating their considerable management expertise to help our April meeting together as an entire Board be more productive.



Fred L. Potter, writing January 14, 2015 for the January 20, 2015 board meeting.



Standard Attachments

- i. Quarterly financial reports through December 2014
- ii. Cash Reserve Analysis
- iii. Investment Report (Omitted – balance presently maintained is at the placeholder level of \$10,000)
- iv. KidsVax® Performance Dashboard
- v. WVA Calendar

**Washington Vaccine Association
Statement of Financial Position
As of December 31, 2014**

A**ASSETS**

Current assets		
1	Cash and cash equivalents	\$ 6,692,452.04
2	Investments	10,000.42
3	Assessment receivable	8,164,252.00
4	Prepaid Vaccine	4,047,638.32
5	Total current assets	18,914,342.78
6	Total assets	\$ 18,914,342.78

LIABILITIES AND NET ASSETS

Current liabilities		
7	Accounts payable	\$ 32,529.06
8	Key Bank - Line of Credit	12,000,000.00
9	Payable to Washington Department of Health	-
10	Other accruals	-
11	Total current liabilities	12,032,529.06
Net assets		
12	Excess Assessments - Vaccines	35,084,609.78
13	Excess Assesments - Administrative Activities	(28,202,796.06)
14	Total net assets	6,881,813.72
15	Total liabilities and net assets	\$ 18,914,342.78

**Washington Vaccine Association
Statement of Activities and Changes in Net Assets**

	For 6 Months Ending December 31, 2014						
	A		B		C		
	Month Ending December 31, 2014		Month Ending December 31, 2014				
	Administrative		Vaccine				
	Activities		Activities		Total		
Revenues:							
1	Assessments	\$	248,863.08	\$	4,230,804.00	\$	4,479,667.08
2	Less: Vaccine expense		-	(4,188,475.72)		(4,188,475.72)	
3	Net Assessment margins		248,863.08	42,328.28		291,191.36	
4	Investment income		-	-		-	
5	Other income		-	-		-	
6	Net revenues		248,863.08	42,328.28		291,191.36	
Expenses:							
7	Administrative services - fixed contract		33,316.00	-		33,316.00	
8	Adm services - variable compensation		-	-		-	
9	Legal fees		-	-		-	
10	Audit		-	-		-	
11	Annual report / special communications		-	-		-	
Special projects:							
12	DOH vaccine order system		-	-		-	
13	Denied claims recovery		2,174.91	-		2,174.91	
14	All other special projects		-	-		-	
15	Insurance		-	-		-	
16	Bank fees		8,277.45	-		8,277.45	
17	Investment advisor / manager		-	-		-	
18	Other administration expenses		-	-		-	
19	Total administrative expenses		43,768.36	-		43,768.36	
20	Line of credit - financing costs		30,354.15	-		30,354.15	
21	Total expenses		74,122.51	-		74,122.51	
22	Increase (decrease) in net assets	\$	174,740.57	\$	42,328.28	\$	217,068.85
23	Unrestricted net assets, beginning of year						
24	Unrestricted net assets, end of year	\$					

**Washington Vaccine Association
Statement of Cash Flows
For the Periods Ending**

WVA 2015-01-20 03.a.i. 3

	A	B	C	D
	Inception Through 10/31/2014	Month 11/30/2014	Month 12/31/20014	Inception Through 12/31/20014
1 Cash balance - beginning of period	\$ -	\$ 4,356,716.66	\$ 5,334,575.94	\$ -
Inflows:				
2 Principal prepayments	7,800,001.00	-	-	7,800,001.00
3 Vaccine collections	192,530,285.99	5,243,376.37	5,488,950.08	203,262,612.44
4 Interest income	53,408.37	-	-	53,408.37
5 Investment income/ (loss)	149,787.97	-	-	149,787.97
6 Key Bank - LOC advances	12,000,000.00	-	-	12,000,000.00
7 Total inflows	212,533,483.33	5,243,376.37	5,488,950.08	223,265,809.78
Outflows:				
8 Principal repayments	(7,799,908.85)	-	-	(7,799,908.85)
Program				
9 Vaccine remittance State of WA	(196,821,237.87)	(4,188,475.72)	(4,047,638.32)	(205,057,351.91)
10 Vaccine Selection Development	(79,950.00)	-	-	(79,950.00)
11 Public information	(116,820.98)	-	(409.36)	(117,230.34)
12 Total program disbursements	(197,018,008.85)	(4,188,475.72)	(4,048,047.68)	(205,254,532.25)
Administration				
13 Administrative services	(1,608,287.02)	(33,316.00)	(33,316.00)	(1,674,919.02)
14 Project management fees	(419,367.64)	-	-	(419,367.64)
15 Denied claims recovery	(33,128.32)	(2,194.98)	(2,057.42)	(37,380.72)
16 Design and advertising	(31,031.38)	-	-	(31,031.38)
17 Claims system development	(26,000.00)	-	-	(26,000.00)
18 Legal fees	(223,363.98)	(1,821.88)	-	(225,185.86)
19 Audit fees	(63,055.00)	(2,100.00)	-	(65,155.00)
20 Website and information technology	(112,258.32)	(485.00)	-	(112,743.32)
21 Travel	(1,829.68)	-	-	(1,829.68)
22 Total administration	(2,518,321.34)	(39,917.86)	(35,373.42)	(2,593,612.62)
Office				
23 Bank Fees	(348,794.60)	(6,769.33)	(8,277.45)	(363,841.38)
24 Office supplies	958.92	-	-	958.92
25 Postage and shipping	(1,438.36)	-	-	(1,438.36)
26 Printing	(4,819.61)	-	-	(4,819.61)
27 Office Rent	(51,313.90)	-	-	(51,313.90)
28 Telephone	(2,514.23)	-	-	(2,514.23)
29 Total office	(407,921.78)	(6,769.33)	(8,277.45)	(422,968.56)
Other				
30 Insurance	(112,984.13)	-	-	(112,984.13)
31 Interest Line of Credit	(319,260.72)	(30,354.18)	(29,375.01)	(378,989.91)
32 Board meetings	(361.00)	-	-	(361.00)
33 Total Other	(432,605.85)	(30,354.18)	(29,375.01)	(492,335.04)
34 Total outflows	(208,176,766.67)	(4,265,517.09)	(4,121,073.56)	(216,563,357.32)
35 Cash balance - end of period	\$ 4,356,716.66	\$ 5,334,575.94	\$ 6,702,452.46	\$ 6,702,452.46

Note: Cash balance includes amounts in Key Bank and Morgan Stanley

1. Maintain Core Service Metrics	Original Due Date	Approved change	Now expected	6/10/2014 Status	YE Expected	Comments
a. Responsiveness						
i. Telephone (85% within 1 business day 100% within 2)	ongoing			G	M	
ii. Emails (85% acknowledged w/ delivery time in 3 days 100% in 5 days)	ongoing			G	M	
b. Financial Reporting (from period end)						
i. Monthly financials w/in 15 business days (except 1st month of year)	ongoing			G	M	
ii. Annual within 40 business days	ongoing			G	M	
iii. Quarterly 12-month liquidity forecasts w/in 25 business days	ongoing			G	M	
c. State funding						
i. 100% funding on or before due date	ongoing			G	M	
ii. Annual regulatory reports on or before due date	ongoing			G	M	
2. Provider & Payer Compliance						
a. 95% Provider Compliance	ongoing			G	M	
b. 100% Payer compliance (except for TriCare)	ongoing			Y	M	Still working through systems problems with one major carrier.
3. System / Operational Improvements						
a. i. Implement new VaxFact\$ _W Annual Report format	11/14/2014			M	M	Scheduled for completion in April.
ii. Update & rewrite WVA website FAQs.	3/20/2015			G	M	Operationally, this is proving to be very difficult & time consuming. Reliable
b. Coordinate special event to allow for strategic focus discussion	5/22/2015			G	M	TRICARE data analyst has been reassigned.
c. [Stretch Objective] TRICARE cumulative collections to surpass \$1 Million.	6/19/2015			Y	M	

STATUS KEY	
M	Goal has been Met for the year
G	On schedule for full performance
Y	Problems &/or uncertainty &/or changes
R	Have missed date or performance unlikely

KidsVax requests related to dashboard items (if any)

None as of 1/14/2015.

Internal Revenue Service
P.O. Box 2508
Cincinnati, OH 45201

Department of the Treasury

Date: October 10, 2014

Person to Contact:

R. Meyer ID# 0110429

Toll Free Telephone Number:

877-829-5500

Employer Identification Number:

27-2251833

WASHINGTON VACCINE ASSOCIATION
PO BOX 94002
SEATTLE, WA 98043-2160

Dear Sir or Madam:

This is in response to your September 29, 2014 request for information regarding your tax-exempt status.

Our records indicate you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in May 2013.

Our records also indicate you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section 509(a)(1) and 170(b)(1)(A)(vi).

Subsequent to the determination letter, you have or will receive notice CP120A, indicating that you have been automatically revoked for failure to file a return or notice for three consecutive years. Please disregard this notice.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Please refer to our website www.irs.gov/charities for information regarding filing requirements. Specifically, note that section 6033(j) of the Code automatically revokes the tax-exemption of any organization that fails to satisfy its filing requirement for three consecutive years. The automatic revocation of exemption is effective as of the due date of the third required annual filing or notice. The IRS maintains a list of organizations whose tax-exempt status was automatically revoked at IRS.gov.

If you have any questions, please call the phone number in the heading of this letter.

Sincerely,



Tamera Ripperda
Director, Exempt Organizations



STATE OF WASHINGTON
DEPARTMENT OF HEALTH

*PO Box 47890 • Olympia, Washington 98504-7890
Tel: 360-236-4030 • TDD Relay Service: 800-833-6388*

November 24, 2014

Fred L. Potter, Executive Director
Washington Vaccine Association
Post Office Box 940002
Seattle, Washington 98124-9402

Dear Mr. ^{Fred}Potter:

I am in receipt of and have read the WVA's 2013-2014 annual report and annual financial statements for program year ending June 30, 2104.

I am very appreciative of the Board of Director's work to help ensure our state's children have universal access to vaccines while saving costs through the association. Washington State is a leader in this public-private partnership and I am very grateful for everyone's involvement.

I wish you and the board a most joyous holiday season and happy new year.

Sincerely,

John Wiesman, DrPH, MPH
Secretary of Health

WVA Communications Plan Progress
Dec-14



Green = Done	Yellow = In process	Blue = Held for 2015
-------------------------	--------------------------------	---------------------------------

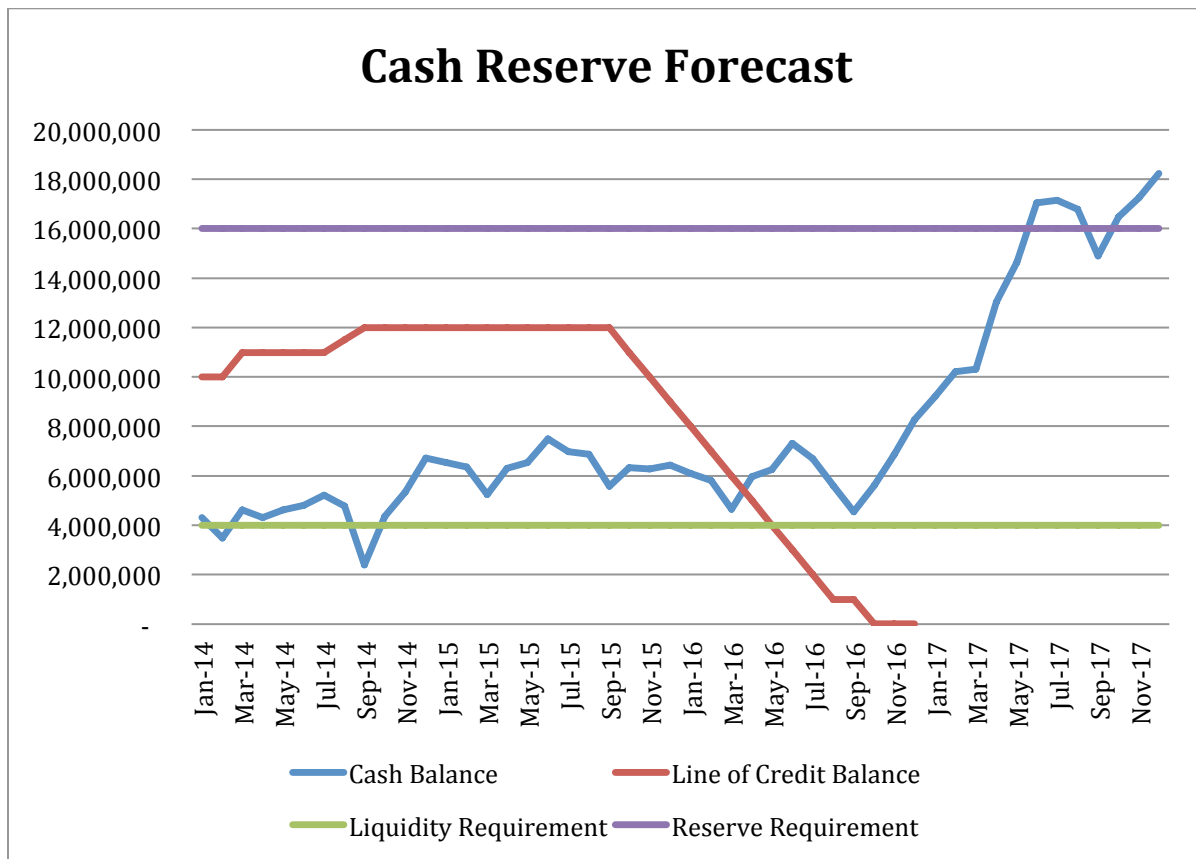
Tactic	Progress	Measurement	Notes
Contributed Article	1st Edition Done	Sent to 10 associations Placed in 3 newsletters Building relationships	Distributed article to all state provider associations. Published in WANP, WCAAP, WSMGMA newsletters. Timing for next outreach TBD
Board President news release	Done	N/A, Margaret identified opportunity, one placement	Wrote and distributed short press release to announce John Pierce's election to board. Placed in "People on the Move" section of Puget Sound Business Journal in February
Review DOH materials	Done	TBD	Reached out to Paul Throne and Jan Hicks-Thomson at DOH. Working with Jan to review.
Partner organization web links	Done	Sent to 10 associations Link exists on 2 websites (WCAAP and WSMA)	DHC reached out to contacts at Washington state provider associations to initiate conversation about linking to WVA's website.
Board resolution	Done	N/A, Margaret identified opportunity	April effort to recognize Brian Ancell for his leadership
Janna Bardi Award Nomination	Done	Margaret identified opportunity. Janna did not win, but copy was repurposed	DHC worked with Margaret and Jan Hicks-Thomson to pull together information for nominating Janna Bardi for the "Neighborhood Immunization Champion" for the NAIS Immunization Excellence Awards.
Website Review/update	WVA in process	TBD	Margaret started internal process. DHC standing to help if needed.
Tactics for Q2 - Q4			Notes
TPA Outreach piece	Done	Sent to 3 associations, Placed in one newsletter seen by ~900 TPAs Building relationships	Call with Margaret and Payer personnel to identify needs and timing. Sent to 3 groups recommended by Operations Committee member, published in the Sept. issue of SPBA Update
Mid-year provider update	WVA in process		Based on best timing for communicating issues, moved to end of year update - Margaret is leading, content focuses on new flu product. DOH will distribute in early January
Contributed article	Held for 2015		Reassess need in 2015, grid update will necessitate outreach
Annual Report	Done	DOH shared at legislative policy meeting and received good feedback, copies mailed to board, WVA distributes as needed, posted on website	Completed in new one sheet format using national template
Legislative onesheet	Done		Annual Report filled this role
Legislative outreach meetings	Held for 2015	See above about WVA mention in DOH policy meeting	Margaret and Fred continue to assess need
Annual DOH Secretary Briefing	Held for 2015		Determine timing and schedule with WVA and DOH
Call/Question tracking review	Ongoing	Trends inform ongoing outreach	Margaret leading, and will signal need for support from DHC.

DECEMBER 31, 2014 CASH RESERVE ANALYSIS SUMMARY

Cash on hand as of December 31:	\$ 6,692,452
Value of invested funds at Dec. 30:	\$ 10,000
Total Cash Reserve:	\$ 6,702,452
LOC Liquidity Requirement:	\$ 4,000,000
LOC Balance at 12/31:	\$ 12,000,000
Net liquidity at 12/31:	\$ (5,297,547)
Reserve target:	\$ 16,000,000
Projected months to desired reserve:	30

As discussed last quarter, the annual influenza payment in September of \$3.8MM along with increased collections delays since April have brought cash reserves lower than expected. Accounts Receivable on the Balance Sheet had gone from 5.4MM in July to 11MM as of September 30, but have since stabilized and decreased by over \$2MM to \$8.2MM as of 12/31/2014. Cash Reserves have increased this quarter accordingly along with increased overall collections resulting in \$4.3MM more in cash reserves as of 12/31 compared to 9/30.

The WVA assessment rate increase of 19% in July 2015 discussed last quarter along with the renewed \$15MM line of credit availability through December 2016 will provide the liquidity needed to meet cash flow needs, pay off the line of credit by October 31, 2016 and to rebuild the cash reserves to the targeted \$16MM level by June 30, 2017. The below graph shows the projected cash and debt balances.





CASH FLOWS PROJECTION

Below is the cash reserve projection for the next 36 months based on the recommended increase in assessment rates by approximately 19% as of July 1, 2015. This will bring rates from 110% of CDC contract rates to approximately 130% temporarily for 24 months while the line of credit is repaid and cash reserves are rebuilt to \$16MM. Even at 130% of CDC, WVA rates should still be on average 6.6% lower than the CDC published market survey (using data and methodology from the 9/16/2014 WVA savings memo).

Assumptions include the stability of collections at current relative levels and modest 4% average CDC price increases each April 1st. No estimate has been included regarding the outcome of future TRICARE payments or other contingencies.

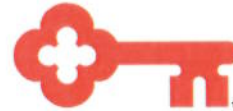
Month	Projected Net Cash Receipts	Projected DOH Reimb	Flu / CDC Advance	Admin Exp / Other	Borrowing cost	LOC Draws & Repayment	Net Cash Change	Cash Balance (a)	Line of Credit Balance (b)	Net Liquidity (a - b)	
Apr-13	2,156,326	(3,115,878)	-	(37,310)			(996,861)	12,909,276	-	12,909,276	Note: Assessment Changes are shown in Green Vaccine cost increase estimates shown in Red.
May-13	2,829,101	(3,804,548)	-	(48,074)			(1,023,519)	11,885,757	-	11,885,757	< Rates intended to stabilize cash implemented
Jun-13	3,047,800	(3,902,000)	-	(41,080)			(895,280)	10,990,477	-	10,990,477	< Actual average CDC cost increase (in April) was 2.39%
Jul-13	3,027,852	(3,801,140)	(3,992,235)	(60,420)			(4,825,944)	6,164,533	-	6,164,533	< WVA's Flu share increased due to end of \$317 funds
Aug-13	3,231,765	(4,216,037)	-	(55,473)			(1,039,745)	5,124,788	-	5,124,788	
Sep-13	3,826,780	(5,331,858)	(7,909,996)	(36,147)	(17,717)	10,000,000	531,061	5,655,849	10,000,000	(4,344,151)	< Advance 2 months per CDC funding policy change
Oct-13	3,629,425	(4,341,800)	-	(106,734)	(12,020)		(831,129)	4,824,720	10,000,000	(5,175,280)	
Nov-13	3,635,478	(3,759,778)	-	(35,858)	(28,559)		(188,718)	4,636,002	10,000,000	(5,363,998)	
Dec-13	3,112,548	(3,936,128)	-	(70,295)	(24,479)		(918,354)	3,717,648	10,000,000	(6,282,352)	< Increase grid rates by 49% to 110% CDC rates as of 4/1/2014
Jan-14	4,331,740	(3,686,910)	-	(40,987)	(25,295)		578,549	4,296,196	10,000,000	(5,703,804)	
Feb-14	3,499,703	(4,250,279)	-	(34,162)	(25,225)		(809,964)	3,486,232	10,000,000	(6,513,768)	
Mar-14	4,555,105	(4,360,550)	-	(33,252)	(22,847)	1,000,000	1,138,456	4,624,688	11,000,000	(6,375,312)	
Apr-14	4,293,975	(4,542,162)	-	(35,897)	(24,684)		(308,768)	4,315,920	11,000,000	(6,684,080)	< Includes estimated 4% CDC cost increase
May-14	4,879,921	(4,503,422)	-	(35,729)	(27,847)		312,922	4,628,842	11,000,000	(6,371,158)	
Jun-14	4,371,923	(4,117,206)	-	(67,678)	(27,825)		159,214	4,788,057	11,000,000	(6,211,943)	
Jul-14	5,228,653	(4,747,851)	-	(29,356)	(26,927)		424,519	5,212,576	11,000,000	(5,787,424)	
Aug-14	5,127,133	(5,956,855)	-	(84,802)	(23,513)	500,000	(438,037)	4,774,539	11,500,000	(6,725,461)	
Sep-14	5,833,482	(4,742,513)	(3,899,421)	(48,122)	(28,845)	500,000	(2,385,419)	2,389,120	12,000,000	(9,610,880)	< Balance out of covenant compliance (4MM)
Oct-14	6,191,518	(4,153,755)	-	(50,444)	(28,722)		1,958,597	4,347,717	12,000,000	(7,652,283)	
Nov-14	5,243,376	(4,188,476)	-	(37,687)	(30,354)		986,859	5,334,576	12,000,000	(6,665,424)	
Dec-14	5,488,950	(4,048,048)	-	(43,651)	(29,375)		1,367,877	6,702,453	12,000,000	(5,297,547)	
Jan-15	4,250,450	(4,337,816)	-	(46,647)	(32,500)		(166,513)	6,535,939	12,000,000	(5,464,061)	
Feb-15	4,554,707	(4,664,036)	-	(46,647)	(32,500)		(188,476)	6,347,463	12,000,000	(5,652,537)	
Mar-15	4,897,238	(5,915,738)	-	(46,647)	(32,500)		(1,097,647)	5,249,816	12,000,000	(6,750,184)	
Apr-15	6,211,525	(5,084,477)	-	(46,647)	(32,500)		1,047,901	6,297,717	12,000,000	(5,702,283)	< Includes estimated 4% CDC cost increase
May-15	5,338,701	(5,036,259)	-	(46,647)	(32,500)		223,295	6,521,012	12,000,000	(5,478,988)	
Jun-15	5,288,072	(4,240,722)	-	(46,647)	(32,500)		968,203	7,489,215	12,000,000	(4,510,785)	
Jul-15	4,452,758	(4,890,287)	-	(46,647)	(32,500)		(516,676)	6,972,540	12,000,000	(5,027,460)	< Adjust Rates as of 7/1 (approx 19% increase to 130% of CDC)
Aug-15	6,110,413	(6,135,561)	-	(46,647)	(32,500)		(104,295)	6,868,245	12,000,000	(5,131,755)	
Sep-15	7,666,383	(4,884,788)	(4,000,000)	(46,647)	(32,500)		(1,297,552)	5,570,693	12,000,000	(6,429,307)	
Oct-15	6,103,543	(4,278,367)	-	(46,647)	(32,500)	(1,000,000)	746,029	6,316,721	11,000,000	(4,683,279)	
Nov-15	5,345,820	(4,314,130)	-	(46,647)	(29,792)	(1,000,000)	(44,748)	6,271,973	10,000,000	(3,728,027)	
Dec-15	5,390,505	(4,169,489)	-	(46,647)	(27,083)	(1,000,000)	147,286	6,419,259	9,000,000	(2,580,741)	
Jan-16	5,209,777	(4,467,951)	-	(46,647)	(24,375)	(1,000,000)	(329,196)	6,090,062	8,000,000	(1,909,938)	
Feb-16	5,582,705	(4,803,957)	-	(46,647)	(21,667)	(1,000,000)	(289,566)	5,800,496	7,000,000	(1,199,504)	
Mar-16	6,002,545	(6,093,211)	-	(46,647)	(18,958)	(1,000,000)	(1,156,271)	4,644,225	6,000,000	(1,355,775)	
Apr-16	7,613,467	(5,237,011)	-	(46,647)	(16,250)	(1,000,000)	1,313,558	5,957,783	5,000,000	957,783	< Includes estimated 4% CDC cost increase
May-16	6,543,645	(5,187,347)	-	(46,647)	(13,542)	(1,000,000)	296,110	6,253,893	4,000,000	2,253,893	
Jun-16	6,481,590	(4,367,943)	-	(46,647)	(10,833)	(1,000,000)	1,056,166	7,310,059	3,000,000	4,310,059	
Jul-16	5,457,745	(5,036,995)	-	(46,647)	(8,125)	(1,000,000)	(634,022)	6,676,032	2,000,000	4,676,032	< Adjust Rates as of 7/1 (modest 4% increase to track w/CDC)
Aug-16	6,293,725	(6,319,628)	-	(46,647)	(5,417)	(1,000,000)	(1,077,966)	5,598,072	1,000,000	4,598,072	
Sep-16	8,212,230	(5,031,332)	(4,200,000)	(46,647)	(2,708)		(1,068,458)	4,529,614	1,000,000	3,529,614	
Oct-16	6,538,115	(4,406,719)	-	(46,647)	(2,708)	(1,000,000)	1,082,042	5,611,655	-	5,611,655	< LOC Paid off by 10/31/2016
Nov-16	5,726,443	(4,443,554)	-	(46,647)	-		1,236,242	6,847,897	-	6,847,897	
Dec-16	5,774,309	(4,294,574)	-	(46,647)	-		1,433,089	8,280,986	-	8,280,986	
Jan-17	5,580,713	(4,601,989)	-	(46,647)	-		932,076	9,213,062	-	9,213,062	
Feb-17	5,980,193	(4,948,076)	-	(46,647)	-		985,470	10,198,532	-	10,198,532	
Mar-17	6,429,926	(6,276,007)	-	(46,647)	-		107,272	10,305,804	-	10,305,804	
Apr-17	8,155,545	(5,394,121)	-	(46,647)	-		2,714,777	13,020,581	-	13,020,581	< Includes estimated 4% CDC cost increase
May-17	7,009,553	(5,342,967)	-	(46,647)	-		1,619,939	14,640,520	-	14,640,520	
Jun-17	6,943,079	(4,498,982)	-	(46,647)	-		2,397,450	17,037,970	-	17,037,970	< Reach Target Reserve 16MM
Jul-17	5,355,048	(5,188,105)	-	(46,647)	-		120,296	17,158,266	-	17,158,266	< Adjust Rates as of 7/1 (stabilizing 10% decrease)
Aug-17	6,175,298	(6,509,217)	-	(46,647)	-		(380,566)	16,777,700	-	16,777,700	
Sep-17	7,747,790	(5,182,272)	(4,400,000)	(46,647)	-		(1,881,129)	14,896,571	-	14,896,571	
Oct-17	6,168,355	(4,538,920)	-	(46,647)	-		1,582,788	16,479,359	-	16,479,359	
Nov-17	5,402,586	(4,576,861)	-	(46,647)	-		779,078	17,258,437	-	17,258,437	
Dec-17	5,447,746	(4,423,411)	-	(46,647)	-		977,688	18,236,125	-	18,236,125	

**ALTERNATE PROJECTION**

Below is an alternate projection based on leaving rates unchanged at July 1, 2016 and a lesser decrease in rates in July of 2017. This would lengthen the time to reach the cash reserve target by six months. With either model, regular review and analysis will be needed to make sure there are no significant changes to the underlying assumptions.

Version 2 with no rate adjustment at 7/1/2016

Month	Projected Net Cash Receipts	Projected DOH Reimb	Flu / CDC Advance	Admin Exp / Other	Borrowing cost	LOC Draws & Repayment	Net Cash Change	Cash Balance (a)	Line of Credit Balance (b)	Net Liquidity (a - b)	
Apr-13	2,156,326	(3,115,878)	-	(37,310)			(996,861)	12,909,276	-	12,909,276	< Rates intended to stabilize cash implemented
May-13	2,829,101	(3,804,548)	-	(48,074)			(1,023,519)	11,885,757	-	11,885,757	< Actual average CDC cost increase (in April) was 2.39%
Jun-13	3,047,800	(3,902,000)	-	(41,080)			(895,280)	10,990,477	-	10,990,477	
Jul-13	3,027,852	(3,801,140)	(3,992,235)	(60,420)			(4,825,944)	6,164,533	-	6,164,533	< WVA's Flu share increased due to end of \$317 funds
Aug-13	3,231,765	(4,216,037)	-	(55,473)			(1,039,745)	5,124,788	-	5,124,788	
Sep-13	3,826,780	(5,331,858)	(7,909,996)	(36,147)	(17,717)	10,000,000	531,061	5,655,849	10,000,000	(4,344,151)	< Advance 2 months per CDC funding policy change
Oct-13	3,629,425	(4,341,800)	-	(106,734)	(12,020)		(831,129)	4,824,720	10,000,000	(5,175,280)	
Nov-13	3,635,478	(3,759,778)	-	(35,858)	(28,559)		(188,718)	4,636,002	10,000,000	(5,363,998)	
Dec-13	3,112,548	(3,936,128)	-	(70,295)	(24,479)		(918,354)	3,717,648	10,000,000	(6,282,352)	< Increase grid rates by 49% to 110% CDC rates as of 4/1/2014
Jan-14	4,331,740	(3,686,910)	-	(40,987)	(25,295)		578,549	4,296,196	10,000,000	(5,703,804)	
Feb-14	3,499,703	(4,250,279)	-	(34,162)	(25,225)		(809,964)	3,486,232	10,000,000	(6,513,768)	
Mar-14	4,555,105	(4,360,550)	-	(33,252)	(22,847)	1,000,000	1,138,456	4,624,688	11,000,000	(6,375,312)	
Apr-14	4,293,975	(4,542,162)	-	(35,897)	(24,684)		(308,768)	4,315,920	11,000,000	(6,684,080)	< Includes estimated 4% CDC cost increase
May-14	4,879,921	(4,503,422)	-	(35,729)	(27,847)		312,922	4,628,842	11,000,000	(6,371,158)	
Jun-14	4,371,923	(4,117,206)	-	(67,678)	(27,825)		159,214	4,788,057	11,000,000	(6,211,943)	
Jul-14	5,228,653	(4,747,851)	-	(29,356)	(26,927)		424,519	5,212,576	11,000,000	(5,787,424)	
Aug-14	5,127,133	(5,956,855)	-	(84,802)	(23,513)	500,000	(438,037)	4,774,539	11,500,000	(6,725,461)	
Sep-14	5,833,482	(4,742,513)	(3,899,421)	(48,122)	(28,845)	500,000	(2,385,419)	2,389,120	12,000,000	(9,610,880)	< Balance out of covenant compliance (4MM)
Oct-14	6,191,518	(4,153,755)	-	(50,444)	(28,722)		1,958,597	4,347,717	12,000,000	(7,652,283)	
Nov-14	5,243,376	(4,188,476)	-	(37,687)	(30,354)		986,859	5,334,576	12,000,000	(6,665,424)	
Dec-14	5,488,950	(4,048,048)	-	(43,651)	(29,375)		1,367,877	6,702,453	12,000,000	(5,297,547)	
Jan-15	4,250,450	(4,337,816)	-	(46,647)	(32,500)		(166,513)	6,535,939	12,000,000	(5,464,061)	
Feb-15	4,554,707	(4,664,036)	-	(46,647)	(32,500)		(188,476)	6,347,463	12,000,000	(5,652,537)	
Mar-15	4,897,238	(5,915,738)	-	(46,647)	(32,500)		(1,097,647)	5,249,816	12,000,000	(6,750,184)	
Apr-15	6,211,525	(5,084,477)	-	(46,647)	(32,500)		1,047,901	6,297,717	12,000,000	(5,702,283)	< Includes estimated 4% CDC cost increase
May-15	5,338,701	(5,036,259)	-	(46,647)	(32,500)		223,295	6,521,012	12,000,000	(5,478,988)	
Jun-15	5,288,072	(4,240,722)	-	(46,647)	(32,500)		968,203	7,489,215	12,000,000	(4,510,785)	
Jul-15	4,452,758	(4,890,287)	-	(46,647)	(32,500)		(516,676)	6,972,540	12,000,000	(5,027,460)	< Adjust Rates as of 7/1 (approx 19% increase to 130% of CDC)
Aug-15	6,110,413	(6,135,561)	-	(46,647)	(32,500)		(104,295)	6,868,245	12,000,000	(5,131,755)	
Sep-15	7,666,383	(4,884,788)	(4,000,000)	(46,647)	(32,500)		(1,297,552)	5,570,693	12,000,000	(6,429,307)	
Oct-15	6,103,543	(4,278,367)	-	(46,647)	(32,500)	(1,000,000)	746,029	6,316,721	11,000,000	(4,683,279)	
Nov-15	5,345,820	(4,314,130)	-	(46,647)	(29,792)	(1,000,000)	(44,748)	6,271,973	10,000,000	(3,728,027)	
Dec-15	5,390,505	(4,169,489)	-	(46,647)	(27,083)	(1,000,000)	147,286	6,419,259	9,000,000	(2,580,741)	
Jan-16	5,209,777	(4,467,951)	-	(46,647)	(24,375)	(1,000,000)	(329,196)	6,090,062	8,000,000	(1,909,938)	
Feb-16	5,582,705	(4,803,957)	-	(46,647)	(21,667)	(1,000,000)	(289,566)	5,800,496	7,000,000	(1,199,504)	
Mar-16	6,002,545	(6,093,211)	-	(46,647)	(18,958)	(1,000,000)	(1,156,271)	4,644,225	6,000,000	(1,355,775)	
Apr-16	7,613,467	(5,237,011)	-	(46,647)	(16,250)	(1,000,000)	1,313,558	5,957,783	5,000,000	957,783	< Includes estimated 4% CDC cost increase
May-16	6,543,645	(5,187,347)	-	(46,647)	(13,542)	(1,000,000)	296,110	6,253,893	4,000,000	2,253,893	
Jun-16	6,481,590	(4,367,943)	-	(46,647)	(10,833)	(1,000,000)	1,056,166	7,310,059	3,000,000	4,310,059	
Jul-16	5,457,745	(5,036,995)	-	(46,647)	(8,125)	(1,000,000)	(634,022)	6,676,037	2,000,000	4,676,037	< Adjust Rates as of 7/1 (modest 4% increase to track w/CDC)
Aug-16	6,293,725	(6,319,628)	-	(46,647)	(5,417)	(1,000,000)	(1,077,966)	5,598,072	1,000,000	4,598,072	
Sep-16	7,896,375	(5,031,332)	(4,200,000)	(46,647)	(2,708)		(1,384,313)	4,213,759	1,000,000	3,213,759	
Oct-16	6,286,649	(4,406,719)	-	(46,647)	(2,708)	(1,000,000)	830,576	5,044,334	-	5,044,334	< LOC Paid off by 10/31/2016
Nov-16	5,506,195	(4,443,554)	-	(46,647)	-		1,015,994	6,060,328	-	6,060,328	
Dec-16	5,552,221	(4,294,574)	-	(46,647)	-		1,211,000	7,271,328	-	7,271,328	
Jan-17	5,366,070	(4,601,989)	-	(46,647)	-		717,434	7,988,762	-	7,988,762	
Feb-17	5,750,186	(4,948,076)	-	(46,647)	-		755,463	8,744,224	-	8,744,224	
Mar-17	6,182,621	(6,276,007)	-	(46,647)	-		(140,033)	8,604,192	-	8,604,192	
Apr-17	7,841,871	(5,394,121)	-	(46,647)	-		2,401,102	11,005,294	-	11,005,294	< Includes estimated 4% CDC cost increase
May-17	6,739,955	(5,342,967)	-	(46,647)	-		1,350,341	12,355,634	-	12,355,634	
Jun-17	6,676,037	(4,498,982)	-	(46,647)	-		2,130,409	14,486,043	-	14,486,043	
Jul-17	5,502,435	(5,188,105)	-	(46,647)	-		267,683	14,753,726	-	14,753,726	< Adjust Rates as of 7/1 (stabilizing 7% decrease)
Aug-17	6,345,260	(6,509,217)	-	(46,647)	-		(210,604)	14,543,122	-	14,543,122	
Sep-17	7,961,032	(5,182,272)	(4,400,000)	(46,647)	-		(1,667,887)	12,875,235	-	12,875,235	
Oct-17	6,338,126	(4,538,920)	-	(46,647)	-		1,752,559	14,627,794	-	14,627,794	
Nov-17	5,551,281	(4,576,861)	-	(46,647)	-		927,773	15,555,567	-	15,555,567	
Dec-17	5,597,683	(4,423,411)	-	(46,647)	-		1,127,625	16,683,193	-	16,683,193	< Reach Target Reserve 16MM



Christopher Algeo
Vice President
Senior Relationship Manager
Southern Puget Sound District

KeyBank
Commercial Banking
1101 Pacific Avenue 2nd Fl
Tacoma, WA 98402
253-305-7381
Chris_Algeo@KeyBank.com

December 15, 2014

Mr. Fred Potter, Executive Director
Washington Vaccine Association
2025 First Avenue, Marketplace Tower PH-A
Seattle WA 98121

Dear Fred:

We are pleased to inform you that KeyBank National Association (Bank) has approved the following credit facility under the following terms:

Borrower:	Washington Vaccine Association
Guarantor:	None
Summary of Facility:	Renew Revolving Line of Credit until January 1, 2017, with reviews conducted annually.
Amount:	Fifteen Million Dollars and zero cents (\$15,000,000.00) to reduce based on the following schedule: \$15,000,000.00 until January 31, 2016 \$10,000,000.00 until August 1, 2016 \$5,000,000.00 until January 1, 2017 (maturity)
Collateral:	Unsecured with a general UCC filing on Assessment Receivables as an abundance of caution
Purpose of Loan:	Finance the timing difference between the ordering of vaccines as needed by the Washington State Department of Health and collection of dosage based on assessment from all the Insurance Carriers and TPA's licensed to operate in the State of Washington (as defined under the Associations Plan of Operation and the House Bill 2551-RCW 70.290).
Terms:	A floating rate adjusted daily at what the Bank designates as its Prime Rate + zero percent (0%). Interest will be calculated on a 360-day year. The current Prime Rate is 3.25%, as of December 15, 2014.

Or

One-month LIBOR +2.75. The current One-Month LIBOR rate is .1875% as of December 15, 2014. Minimum LIBOR advances of \$100,000.00 are required. LIBOR advances are locked in for the entire One-month period and are subject to LIBOR breakage fees if principal payments are made during the LIBOR period.

Interest payments to be paid monthly on any outstanding balance via automatic payment from a demand deposit account with KeyBank NA.

The variable interest rate options above are based on current market rates as of the date of this commitment. The rates are subject to change based on market conditions between the date of the commitment and any advances from the facility.

Origination Fee: Upon closing of this facility a commitment fee in the amount of \$5,000.00 will be due and payable.

Reporting Requirements:

- Borrower to submit CPA Audited financial statement within 120 days of year end.
- Borrower to submit company prepared interim financial statements within 30 days of each quarter end.
- Borrower to submit annual budget for the upcoming fiscal year within 60 days of borrowers fiscal year end.
- Borrower to submit a Compliance Certificate, certified by the Executive Director or Finance Officer of the borrower within 30 days of each quarter end.

Financial Requirements:

Minimum Liquidity: Borrowers Cash and Investments to be maintained at no less than \$4,000,000.00 measured quarterly with company prepared interim statements.

Average Balances: Borrower must maintain an average of \$4,000,000.00 on deposit with KeyBank NA, measured quarterly with company prepared interim statements.

Minimum Clearance Period: Borrower shall reduce the amount of the short term indebtedness owing to Lender to zero (\$0) for at least 60 consecutive days prior to maturity (1/1/2017).

Subordination: Borrower must retire **ALL Key Bank** facility debt (including both principal and accrued interest) prior to repayment of any assessments as outlined within the Association's Operating Plan.

Conditions of Closing:

Washington Vaccine Association to provide an adopted Resolution of the Board of Directors that allows for the Line of Credit to Borrower in the amount above indicating whom the Board of Directors have authorized to sign agreements between Bank and Borrower. Additionally the Board of Directors to provide resolution allowing for the increase in assessments at a minimum of 19%.

Additional Terms: All documentation to be prepared by KeyBank approved Outside Legal Counsel. The facility is subject to the Bank's standard Business Loan Agreement.

Additional Fees: Borrower will pay all of Bank's out-of-pocket cost in connection with the loan, including, if applicable, title insurance, appraisal, filing and recording fees, and legal fee, including fees for work performed by Bank's in-house counsel if such counsel is used. Estimated fees of \$5,000.00. Fee's are subject to change depending upon the level of negotiation needed. Any fee's exceeding the current amount estimated will be communicated to and approved by Borrower.

Documentation and Acceptance:

All Loan documents shall be in a form satisfactory to Bank and Bank's counsel and shall consist of such agreements, instructions, and documents as the Bank or its counsel shall deem advisable, and will include additional terms and conditions not discussed above. The Bank will also require certain financial and other information prior to closing this loan, which will be discussed in detail upon acceptance of this commitment.

At the date of closing this loan, the financial condition and credit worthiness of Borrower and all other features of this transaction will be as represented to Bank without material adverse change. In the event of bankruptcy or insolvency or adverse material change in credit worthiness of Borrower, this commitment will terminate upon notice by Bank.

This commitment is non-assignable by Borrower and Borrower will not disclose the terms of this commitment except to their legal and financial advisors. This commitment supersedes any prior commitments, offers, or agreements, written or oral concerning the financing, and can only be modified in writing.

This commitment is not binding unless this original letter is signed by Borrower and received by Bank prior to 5:00 pm on **January 31, 2015**, at which time the commitment will expire without notice if not so accepted. If, after acceptance, the loan has not closed by **February 28, 2015** this commitment will expire without notice and all fees paid by Borrower will be retained by Bank as compensation for expenses incurred.

Borrower agrees that whether or not Bank makes the loan (unless failure to make the loan is a consequence of default by Bank), Borrower is liable for the payment of all expenses, fees, and charges incurred by Bank with respect to this commitment and the loan.

**ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR
TO FORBEAR FROM ENFORCING REPAYMENT OF DEBT ARE NOT ENFORCEABLE
UNDER WASHINGTON STATE LAW.**

KEYBANK NATIONAL ASSOCIATION

WASHINGTON VACCINE ASSOCIATION

By: 
Christopher Algeo
Its: Vice President

By: _____
Fred Potter
Its: Executive Director



Ensuring Funds for Childhood Vaccines

WVA Board of Directors, Board Terms, Corporate Officers, and Committees

The following individuals are voting members of WVA under RCW 70.290.010--090 (Wash. 2010) (the "Act").
Their respective terms and /committee assignments are set out below.

Name	Organization	Statutory Authority RCW 70.290.030	Year Term Ends	Officers	Executive Committee	Audit Committee	Vaccine Committee RCW 70.290.050
Pierce, John	Premiera BlueCross	Sec. (3)(a)	2017	Board Chair & President	C		
Rakow, Diana	Group Health	Sec. (3)(b)	2015				
Farber, Jason	Davis Wright Tremaine	Sec. (3)(e)	2016			X	
O'Neill, Dr. Mary Kay	Coordinated Care (AWHP election)	Sec. (3)(c)	2015				X
Harvey, Dr. Beth	South Sound Pediatric Associates	Sec. (3)(f)	2016		X		
Kirkpatrick, Dennis	Northwest Association of Administrators	Sec. (3)(d)	2017	Board Vice-Chair & Treasurer	X	X	
Marcuse, Dr. Ed	University of Washington	Sec. (3)(f)	2015				C
Mares, Allene	Department of Health	Sec.(3)(g)	*		X		
Dr. Pat Kulpa	Regence BlueShield	Sec. (3)(a)	2016				
Seabrooks, Norm	Aetna	Sec. (3)(a)	2015	Board Secretary	X		X
Sobeck, John	Cigna	Sec. (3)(a)	2017			X	

Legend:

- ("C") = Chairperson
- ("X") = Member
- (•) = Serves until a successor is appointed by the Secretary

Vaccine Committee:

- In addition to the above board members, the following individuals have been named to serve on the Vaccine Committee:
 - Appointed by the Secretary RCW 70.290.050 (1):
 - Michele Roberts (voting)
 - Jeff Gombosky (non-voting)
 - Appointed by the Board and non-voting:
 - Fred Potter
 - Jan Hicks-Thomson
- As of January 2015, an open position exists on the Vaccine Committee

Audit Committee:

- The Audit Committee chair is open as of January 2015

Office of Immunization and Child Profile

Description: The Office of Immunization and Child Profile is committed to two primary goals: 1) working to prevent childhood, adolescent and adult diseases by encouraging vaccinations and 2) helping parents, healthcare providers, and state and local agencies work together to promote healthy families and increase preventive healthcare for children from birth to age six.

The Office of Immunization and Child Profile consists of four sections:

- Program Administration
- Vaccines and Immunization Information System Integration
- Clinical and Quality Assurance
- Health Promotion and Communication

Mission/Purpose: We collaborate with our partners to enhance the health of individuals, families, and communities. We work to prevent disease and promote a healthy start, healthy choices, and access to services.

Target Population: Residents of the state of Washington.

Major Functions

- Provide immunization data to support health care providers giving the right vaccine at the right time and clinic based assessments to improve immunization services and increase immunization rates.
- Ensure that the public and healthcare workers have the information they need to get immunized and prevent vaccine-preventable diseases.
- Perform population-based immunization assessment activities, including measuring immunization rates, and identifying factors that contribute to under-immunization and best practice strategies to increase rates.
- Conduct vaccine-preventable disease reporting and outbreak control activities.
- Support provider vaccine ordering. Purchase and distribute vaccines to public and private providers for children birth through age 18 years.
- Send immunization and well-child visit reminders and other health and safety information to parents and guardian of children from birth to age 6.

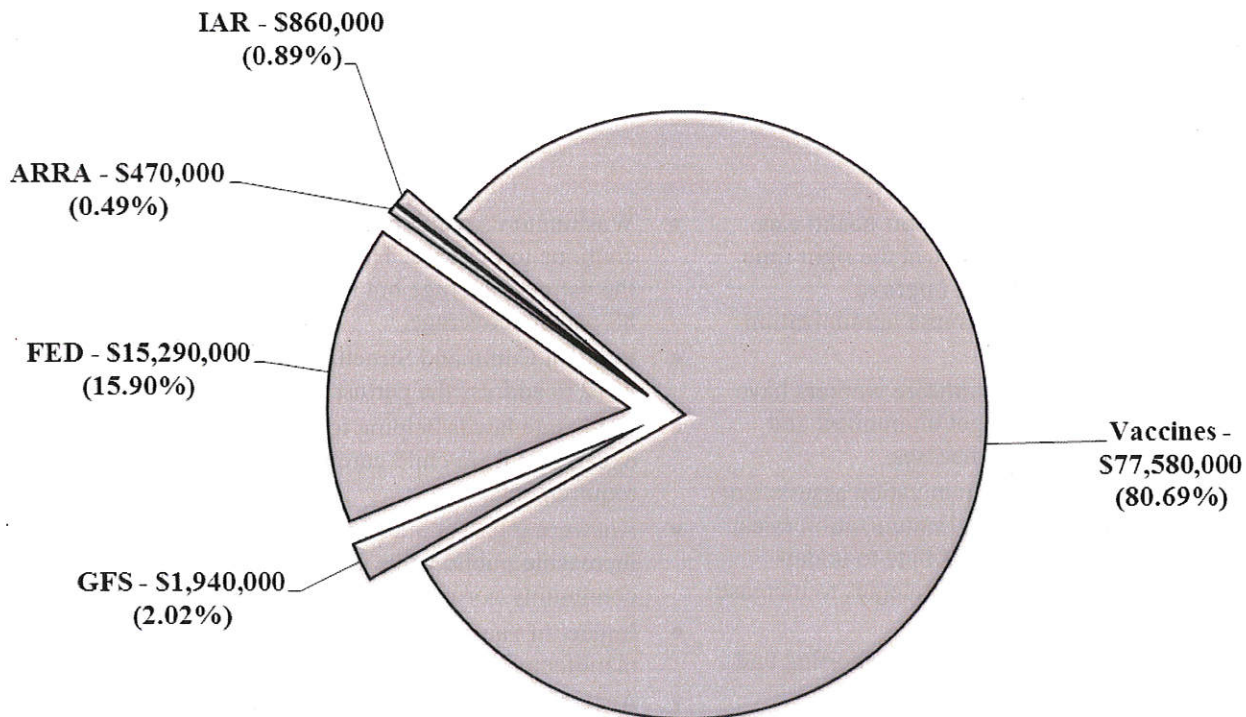
Major Issues

- Washington's childhood immunization rates continue to increase. They now track closely with the national average but are still below the goal of 80 percent coverage.
- Incident Command Structure was set up in April of 2012 to address the pertussis epidemic.
- 2011 state law is helping to address high rates of exemption from child care and school requirements.
- Answering parent questions about vaccines and increasing public value of immunizations as a community norm.
- Impact of vaccine recommendations and manufacturing changes on fiscal and policy.
- Access to care continues to be a problem for Medicaid eligible and uninsured populations.
- Healthcare provider participation in the Washington State Immunization Information System continues to increase. This is an important tool for providers to improve immunization rates.
- Limited government funds make it increasingly important to explore partnerships with private organizations to support activities of mutual interest.

Washington State Department of Health, Prevention and Community Health Division

Budget: For the 2011-13 Biennium, the Office of Immunization and Child Profile budget is \$96.1 million. This consists of General Fund State (2 percent), Federal (16 percent), Vaccine State Funds (80 percent), and less than one percent for funding from other state agencies for Medicaid Match and the Child Profile Health Promotion System. Additionally, the office receives about 75 million per year in vaccines in lieu of cash to support their state administration of the federal Vaccines for Children entitlement program and low-income children in state sponsored health programs. Not reflected in the allotments below are six grants under the Prevention and Public Health Fund totaling \$5,329,000. The office has 35 full time and project staff, including a federal Public Health Advisor assigned by the Centers for Disease Control and Prevention (CDC). Staff is located in Tumwater.

**Prevention and Community Health Division
Office of Immunization and Child Profile
Allotments by Fund Type
2011-13 Biennium
Total = \$96,140,000**



For persons with disabilities, this document is available on request in other formats. To submit a request, please call 1-800-525-0127 (TDD/TTY 1-800-833-6388).

OICP Strategic Map 2013-2017

PURPOSE:

PROMOTE HEALTHY CHOICES BY INDIVIDUALS AND FAMILIES AND WORK TO MAKE WASHINGTON FREE OF DISEASES VACCINE PREVENT



WVA 2015-01-20 06.b. 3

Possible projects WVA could fund to increase childhood immunization rates

1. Peer to peer intervention to promote immunization

Vax NW, a public/private partnership formed in 2008 to increase rates, developed an intervention to train parents to talk with their peers about the benefits of immunization. A two year pilot in two Washington communities has shown the intervention can increase parent's trust and positive perception of immunizations. Vax NW requires additional funding to expand this to more communities, including into Eastern Washington.

2. Reminder/recall

This is the strongest evidence based strategy to increase immunization rates. Increasing evidence indicates that many providers do not routinely send reminders or recall patients whose immunizations are overdue, even if support and incentives are offered. DOH is piloting a centralized recall using the DOH Immunization Information System with one time grant funding. Lessons learned from this pilot could be built upon to continue develop a centralized recall as a partnership between DOH and health plans.

3. Immunization communication training for providers and office staff

Health care providers remain the most importance influence on parents' decision to vaccinate their children on time. Many others in provider offices also influence parents's decisions (front desk staff, MAs, nurses). Vax NW developed evidence based communication materials and training for providers and their office and clinical staff to support their immunization conversations with parents. The materials require updating—which includes getting input from health care providers.

4. Provider continuing education on immunization

A robust, sustained immunization training system for Washington providers, offering low or now cost Continuing Medical and Nursing Education, is needed. Topics covered would be the basics (like immunization schedule changes), evidence based activiites to increase rates, and other hot topics, like disease outbreaks. One way to do this would be to add modules to an exisiting Washington public health training system that is currently focused on chronic diseases.

5. Disease and immunization target group specific campaigns

Outreach and education to providers and the public is needed targeting diseases that are still occuring in Washington such as whooping cough or measles. Education of pre-teens and teens on the importance of vaccination is also needed. This could include activities to address a specific vaccine and perceived barriers (like pain with HPV vaccination), more general activities, like a "vaccinate before you graduate" campaign (know your status, get up to date before age 19 while eligible for state vaccine program), or piloting incentives to vaccinate.

Since July 1, 2014, the TRICARE Litigation Taskforce (hereinafter “Taskforce”) worked diligently to pursue collection efforts in an attempt to resolve the on-going problem of TRICARE’s denial of payments to the Washington Vaccine Association (“WVA”), and gain compensation for the growing arrearage.

On July 22, September 5, October 15, October 21, November 3, and November 10, Fred Potter, Managing Member of Kidsvax.org® (“KV”), met with various members of the Taskforce, including John Pierce (Premera), and Keith A. Kemper (Ellis, Li & McKinstry, PLLC), Julia Walter, Staff Attorney & Communications Coordinator, (KV), Margaret Lane, Executive Deputy Direct of the Washington Vaccine Association, (KV), and Norm Roberge, Accountant, (KV), to discuss litigation strategy, provide status updates, and facilitate communications with TRICARE representatives. Mr. Potter has also reviewed claims data and managed the efforts of KV Staff who have actively worked with TRICARE and Triwest to aid them in correcting their internal processes.

Taskforce member Norm Roberge has centered his efforts on analyzing the denied claims and identifying provider submission errors. In sum, Mr. Roberge classified a half-dozen reasons why the WVA claims were denied, including failure of providers to include nation drug codes, a requirement unique to the Defense Health Agency. Mr. Roberge has been coordinating efforts with a TRICARE analyst to resolve the underlying problems.

Margaret Lane has also been working with various Washington Vaccine providers to streamline their processes and properly submit claims to TRICARE. She has served as a conduit for providers to the Defense Health Agency, explain to each the problems of the other in implementing changes that would correct some of the most common errors Mr. Roberge identified.

Beginning in September, 2014, KV welcomed Julia Walter to the Taskforce. Ms. Walter has reviewed past documents, participated in litigation strategy discussions, and has been coordinating Taskforce members’ efforts.



Invoice # TRICare-2014-11

December 1, 2014

KidsVax.org®'s Federal Tax ID is 51-0503289

Invoice Period: July 1, 2014- November 31, 2014

Employee	Hours	Hourly Rate*	Amount
Fred Potter**	46.5	\$195.00	\$ 9,067.00
Julia Walter**	35	\$195.00	\$ 6,435.00
Margaret Lane	25.5	\$155.00	\$ 3,952.50
Norm Roberge	24.75	\$ 75.00	\$ 4,826.25
Terry Mills	21	\$ 75.00	\$ 1,100.00
Dawn Stanford	3	\$ 45.00	\$ 135.00
Total Due Amount:			\$25,515.75
Previously Authorized			\$ 20,000.00
Quarterly Amounts:			
Carry Forward Amount:			\$ 5,515.75

* Pursuant to the WVA Contract, Extension and First Amendment Exhibit B 7 E, Hourly Rates-Supplemental Compensation for Pre-Authorized Supplemental Work.

** The lead meeting coordinator is allocated 4 hours for preparing agendas, coordinating schedules, contacting members, taking attendance and meeting minutes, and any other support work. Fred Potter was meeting coordinator in July through September 2014. Julia Walter was meeting coordinator in October and November 2014.

Contractor's Signed Certification:

The amount invoiced is an accurate reflection of hours worked.

Fred L. Potter

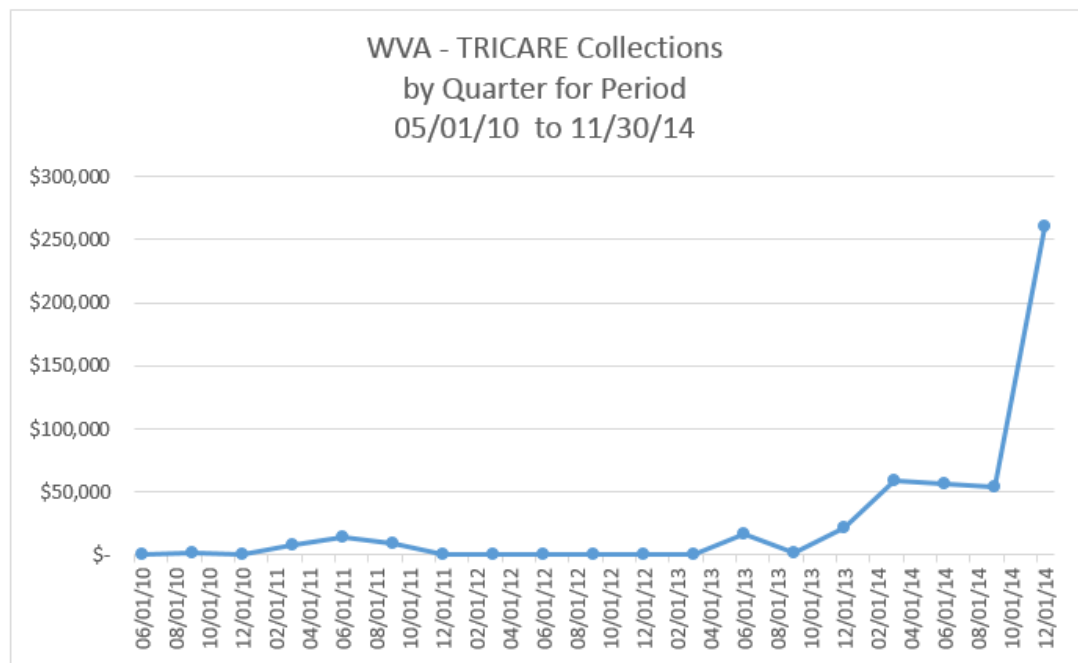
Kindly mail all payments as follows:

KidsVax.org®
c/o Claire M. Roberge, Controller
PO Box 1885
Concord, NH 03302-1885



Qtr Ending

06/30/10	\$	447
09/30/10	\$	1,896
12/31/10	\$	480
03/31/11	\$	7,631
06/30/11	\$	13,899
09/30/11	\$	8,776
12/31/11	\$	1,175
03/31/12	\$	-
06/30/12	\$	337
09/30/12	\$	-
12/31/12	\$	-
03/31/13	\$	998
06/30/13	\$	16,812
09/30/13	\$	2,401
12/31/13	\$	21,867
03/31/14	\$	58,787
06/30/14	\$	56,255
09/30/14	\$	53,449
12/31/14	\$	260,159
Total	\$	505,369



During the month of December, 2014 KidsVax (KV) continued to work under the auspices of the Washington Vaccine Board's (WVA) special TRICARE Taskforce to solve the issues Mr. Roberge identified as critical to solving the non-payment of WVA provider claims.

Mr. Roberge had several calls during December with Greg Woskow, a civilian data analysis at Defense Health Agency (DHA) and KV's primary contact within that organization. Mr. Roberge was introduced to William "Bill" Moog who has been assigned to work with Mr. Roberge concerning Tri-West claims, while Mr. Woskow, is away on assignment. Tri-West was the administrator of the Tricare program during the May 2010 – March 2013 time period.

The focus of Mr. Roberge's calls has been to determine the optimal method of merging the data files for the claims that are under review, and how to re-price those claims. Mr. Roberge will be following-up on the project in the upcoming weeks.

One important item Mr. Roberge has identified, during a follow-up review of the claims for period May 2010 through March 2013 was that what had appeared to be payments by Tricare of \$1,400,000 for vaccines during this time period to parties other than WVA now appears to be only about \$600,000. The decrease in the dollar amount is due to non-vaccine, (doctor administration and other procedures), having been included in the original claim information provided by Mr. Woskow. Pursuit of payments to other entities for vaccines has not progressed since last update in early December.

Margaret Lane (KV) is continuing to work with her government contacts, E. Gibson and D. McCloy of the Defense Health Agency, to encourage a revision of the current TRICARE internal claims manual to allow for an exception to the requirement that all providers provide NDC codes on claims. The NDC code denial on claims appears to be responsible for over 60% or greater of the current denials for claims being administered through UnitedHealthCare– Military.

On December 9, 2014, KV members Fred Potter, Margaret Lane, and Julia Walter, who served as the meeting coordinator, met with John Pierce at his Premera office to review the updated data concerning claims recovery and to provide a status update on the taskforce's progress. The group discussed the tolling agreement, the follow-up steps Mr. Roberge has planned. The group agreed to reconvene when more members would be available to confer about the developments.

Invoice # TRICare-2015-01

January 10, 2015

KidsVax.org®'s Federal Tax ID is 51-0503289

Invoice Period: December 1, 2014- December 31, 2015

Employee	Hours	Hourly Rate*	Amount
Fred Potter**	2.5	\$195.00	\$ 487.50
Julia Walter	8.5	\$195.00	\$ 1,657.50
Margaret Lane	3	\$155.00	\$ 465.00
Norm Roberge	13.75	\$ 75.00	\$ 756.25
Terry Mills	.5	\$ 75.00	\$ 37.50
Dawn Stanford	0	\$ 45.00	\$ 0.00
Employee Hours Amount:			\$ 3,403.75
Travel Expenses:			\$ 2,219.82
Prior Carry Forward Amount:			\$ 5,515.75
Total Due Amount:			<u>\$11,139.22</u>
Quarterly Cap:			<u>\$10,000.00</u>
Carry Forward Balance:			<u>\$ 1,139.22</u>

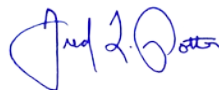
* Pursuant to the WVA Contract, Extension and First Amendment Exhibit B 7 E, Hourly Rates- Supplemental Compensation for Pre-Authorized Supplemental Work.

** The project supervisor's time is billed at actual meeting time with third parties plus 5% hours for other project supervision activities.

Contractor's Signed Certification:

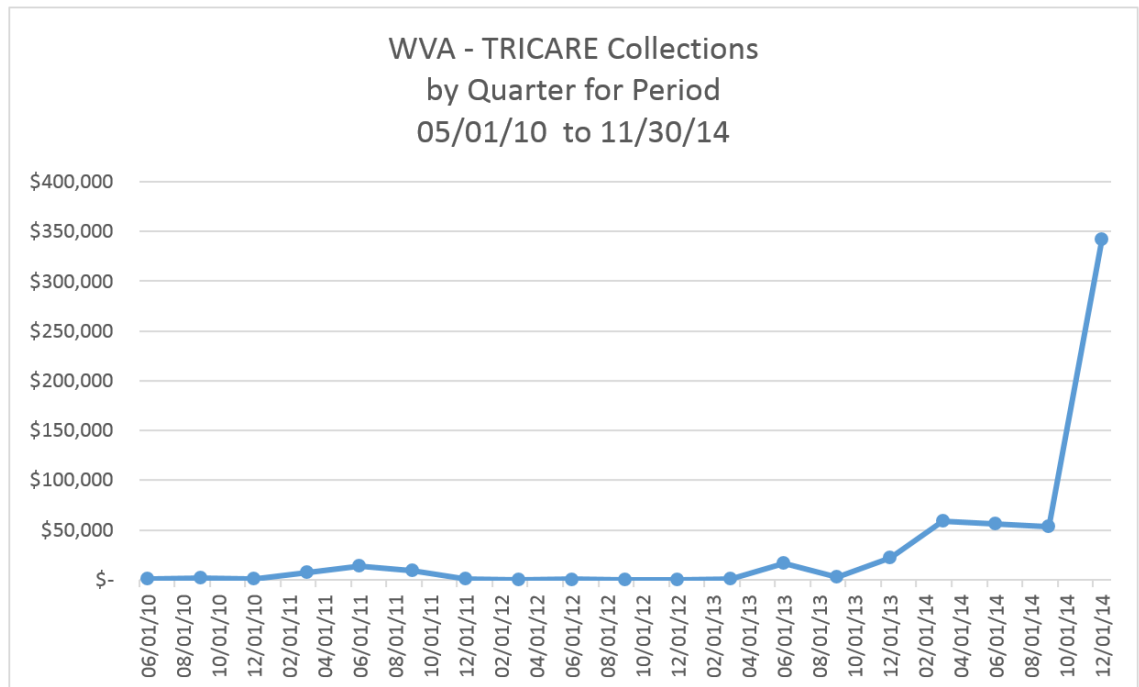
The amount invoiced is an accurate reflection of hours worked.

Fred L. Potter




Qtr Ending

06/30/10	\$	447
09/30/10	\$	1,896
12/31/10	\$	480
03/31/11	\$	7,631
06/30/11	\$	13,899
09/30/11	\$	8,776
12/31/11	\$	1,175
03/31/12	\$	-
06/30/12	\$	337
09/30/12	\$	-
12/31/12	\$	-
03/31/13	\$	998
06/30/13	\$	16,812
09/30/13	\$	2,401
12/31/13	\$	21,867
03/31/14	\$	58,787
06/30/14	\$	56,255
09/30/14	\$	53,449
12/31/14	\$	342,320
Total		587,530



Expense	Julia	Fred	Julia+ Fred
Per Diem	\$106.50	\$71.00	
Hotel	\$372.07	\$90.03	
Air	\$761.35	\$573.10	
Milage	\$49.95	\$64.00	
Gas	\$0.00	\$8.66	
tolls	\$2.00	\$3.00	
Parking	\$0.00	\$0.00	
Car Rental	\$0.00	\$98.20	
Internet: Air	\$9.95	\$9.95	
Total:	<u>\$1,301.82</u>	<u>\$917.94</u>	
Combined Total:			<u>\$2,219.76</u>



**2014 Washington Vaccine Association Directory
As of 01/14/15**

Conference Call information
Conference #: (760) 569-7171
Conference ID: 237931820

Board of Directors**Payer Representatives**

John Pierce, Esq.
Senior VP and General Counsel
Premera Blue Cross
7001 220th St. SW
Mail Stop 316
Mountlake Terrace, WA 98043

Phone: 425.918.6217
Cell: 206.617.3303
John.Pierce@PREMERA.com
Assistant: Jennifer Long
Jennifer.Long@PREMERA.com
425.918.7363

Patricia Kulpa, MD
Medical Director, Washington
The Regence Group-Healthcare Services
Seattle/Tacoma
1800 Ninth Ave., M/S S425
Seattle, WA 98101

Phone: 206.332.3802
Cell: 253.370.2103
Pat.Kulpa@regence.com
Assistant: Dale Nash
Dale.Nash@regence.com
206.332.3608

Dennis Kirkpatrick, CEO
Welfare & Pension Administration Service, Inc.
2815 2nd Ave., Suite 300
Seattle, WA 98121

Phone: 206.441.7574 x3920
Cell: 206.310.1559
dennis@wpas-inc.com
Assistant: Sandhya Roberts
sroberts@wpas-inc.com
206.441.7574 x3904

Diana Birkett Rakow
EVP Marketing & Public Affairs
Group Health
320 Westlake Ave. N, Suite 100
Seattle, WA 98109

Phone: 206.448.6146
Cell: 206.419.3698rakow.d@ghc.org
rakow.d@ghc.org
Assistant: Victoria Reed
reed.v@ghc.org
206.448-2492 / VM: 206.320-2492

John Sobeck, MD
PNW Market Medical Executive
Cigna
701 Fifth Avenue Suite 4900
Seattle WA 98104

Phone: 206.625.8861
john.sobeck@cigna.com
Assistant: Hope Shaw
hope.shaw@cigna.com
206.654.8945

Norman Seabrooks
 President, Northwest Markets
 Aetna Life Insurance Co.
 One Union Square
 600 University Street, Suite 920
 Seattle, WA 98101

Phone: 206.701.8001
 Other: 425.269.4230
 Norm.Seabrooks@aetna.com
Assistant: Camalia Dawson
 DawsonC1@aetna.com
 206.701.8011

Mary Kay O'Neill, MD, MBA
 Chief Medical Director
 Coordinated Care
 1145 Broadway, Suite 300
 Tacoma, WA 98402

Phone: 253.442.1594 (Direct Line)
 Other: 877.644.4613, Ext. 69894 (Toll-Free)
 maoneill@coordinatedcarehealth.com
Assistant: Bonnie Hoverland
 BHOVERSLAND@coordinatedcarehealth.com
 253.442.1462 (Direct Line)

Self-Funded Employer Representative

Jason A. Farber
 Davis Wright Tremaine LLP
 1201 Third Ave., Suite 2200
 Seattle, WA 98101

Phone: 206.757.8041
 Cell: 206.604.0399
 jasonfarber@dwt.com
Assistant: Natasha Hovanski
 natashahovanski@dwt.com
 206.757.8505

Physician Representatives

Beth Harvey, MD
 South Sound Pediatric Associates
 3516 12th Ave. NE
 Olympia, WA 98506

Phone: 360.456.1600
 Cell: 360.561.9125
 betheharvey@comcast.net

Ed Marcuse, MD, MPH
 Emeritus Professor of Pediatrics
 University of Washington
 9515 Northeast Shipping Lane
 Kingston, WA 98346

Phone: 360.638.2588 (Home)
 Cell: 206.660.1132
 emarcuse@uw.edu

Government Representatives

Allene Mares
 Assistant Secretary, Community
 & Family Health Division
 Washington State Dept. of Health
 310 Israel Road SE
 Tumwater, WA 98501

Phone: 360.236.3723
 Cell: 360.463.7199
 allene.mares@doh.wa.gov
Assistant: Kathleen Schwartz
 kathleen.schwartz@doh.wa.gov
 360.236.3735

DOH

Michele Roberts, MPH, MCHES
 Director, Office of Immunization and Child Profile
 Washington State Dept. of Health
 310 Israel Road SE
 Tumwater, WA 98501

Phone: 360.236.3568
 Cell: 360.791.6724
 Fax: 360.236.3590
 michele.roberts@doh.wa.gov
Assistant: Nicole Avelar
 nicole.avelar@doh.wa.gov

Jan Hicks-Thomson
 Vaccine & IP Registry Integration Unit Manager
 Washington State Dept. of Health
 310 Israel Road SE
 Tumwater, WA 98501

Phone: 360.236.3578
 Fax: 360.236.3590
 jan.hicks-thomson@doh.wa.gov

Outside Professionals

Anne Redman
 Outside Legal
 Perkins Coie LLP
 1201 Third Ave., Suite 4900
 Seattle, WA 98101-3099

Phone: 206.359.6750
 Fax: 206.359.7750
 aredman@perkinscoie.com

Allen D. Gilbert, CPA
 Audit Manager
 CliftonLarsonAllen
 3000 Northup Way, Suite 200
 Bellevue, WA 98004-1446

Phone: 425.250.6022
 Fax: 425.250.6050
 allen.gilbert@cliftonlarsonallen.com

Lisa Cargill
 Senior Account Director
 Desautel-Hege Communications
 315 W. Riverside Avenue, Suite 200
 Spokane, WA 99201

Phone: 509.444.2350
 Cell: 509.290.2967
 lisac@desautelhege.com

Meghan Crandall
 Kickspark Creative
 10728 20th Ave NE
 Seattle, WA 98125

Phone: 206.417.8989
 m@kicksparkcreative.com

Polly Sidwell
 Investment Manager
 Morgan Stanley Smith Barney
 601 Union St., Suite 5200
 Seattle, WA 98101

Phone: 206.628.4885
 polly.j.sidwell@mssb.com

Matthew O'Haren
Investment Manager
Morgan Stanley Smith Barney
555 California St., 35th FL
San Francisco, CA 94104

Phone: 415.955.1577
matthew.j.oharen@mssb.com

KidsVax.org

Fred L. Potter
Executive Director
PO Box 1885
Concord, NH 03302-1885

Phone: 855.556.4101
Cell: 603.491.2389
fpotter@kidsvax.org

Margaret Lane
Deputy Executive Director
2025 First Ave.
Market Place Tower – PH-A
Seattle, WA 98121

Phone: 206.224-6127
Cell: 206.910.6599
mlane@wavaccine.org

Terry Mills
Executive Assistant
PO Box 1885
Concord, NH 03302-1885

Phone: 855.556.4103
tmills@kidsvax.org

Claire Roberge
Controller
PO Box 1885
Concord, NH 03302-1885

Phone: 855.556.4102
croberge@kidsvax.org

Julia G. Walter
Staff Attorney/Communications Coordinator
PO Box 1885
Concord, NH 03302-1885

Phone: 855.556-4104
jwalter@kidsvax.org

Peter Smith, CPA
Financial Analyst
7856 Rysdale St.
Niagara Falls, Ontario, Canada L2H 1G4

Phone: 757.470.7429
psmith@kidsvax.org

Norm Roberge , CPA
Assessment Monitoring and Internal Control
PO Box 1885
Concord, NH 03302-1885

Phone: 603.496.7907
nroberge@kidsvax.org

Solutionworx
IT Services
Mike Mazan
Kevin Sparger
Ryan Cich
Other specialists as needed

Phone: 703.961.1840 x115
mmazan@solutionworx.com

Others

Chris Algeo
Senior Relationship Manager
KeyBank
Mailcode: WA-3-01-0389
1101 Pacific Avenue
Tacoma, WA 98402

Phone: 253.305.7589
Fax: 253.305.7385
chris.algeo@keybank.com

Board Governance Roles & Committees

Executive Committee

Chair & President: John Pierce
 Vice-Chair/Treasurer: Dennis Kirkpatrick
 Secretary: Norman Seabrooks
 Beth Harvey, MD
 Allene Mares

Audit Committee

Chair: (Open Position)
 Dennis Kirkpatrick
 Jason Farber
 John Sobeck, MD

Vaccine Committee

Chair: Ed Marcuse, MD
 (Open Position)
 Norman Seabrooks
 Michele Roberts
 Mary Kay O'Neill, MD
 Jan Hicks-Thomson, Ex-Officio (without vote)
 Jeff Gombosky, *representative to Committee*
 under HB 2551 sec. 5(1) (non-voting)
 Fred Potter Ex-Officio (without vote)

Vaccine Committee Consultants

Jeffrey Duchin
 jeff.duchin@kingcounty.gov
 Lisa Johnson, MD
 lisa.johnson@providence.org
 John Dunn, MD
 dunn.jb@ghc.org
 Chad Murphy, PharmD
 chad.murphy@premera.com
 Dr. Rachel Wood
 Rachel.Wood@lewiscountywa.gov
 woodr@co.thurston.wa.us

WASHINGTON VACCINE ASSOCIATION
Governing Statutes under the Revised Code of Washington

TABLE OF CONTENTS

RCW 70.290.010 – .900. Washington vaccine association.....	1
RCW 43.70.720. Universal vaccine purchase account.....	8
RCW 48.43.690. Assessment under RCW 70.290.040 considered medical expenses.....	8
RCW 82.04.640. Exemption – Washington vaccine association.....	8

Title 70. Public health and safety

Chapter 290. Washington vaccine association

RCW 70.290.010. Definitions

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

- (1) "Association" means the Washington vaccine association.
- (2) "Covered lives" means all persons under the age of nineteen in Washington state who are:
 - (a) Covered under an individual or group health benefit plan issued or delivered in Washington state or an individual or group health benefit plan that otherwise provides benefits to Washington residents; or
 - (b) Enrolled in a group health benefit plan administered by a third-party administrator. Persons under the age of nineteen for whom federal funding is used to purchase vaccines or who are enrolled in state purchased health care programs covering low-income children including, but not limited to, apple health for kids under RCW 74.09.470 and the basic health plan under chapter 70.47 RCW are not considered "covered lives" under this chapter.
- (3) "Estimated vaccine cost" means the estimated cost to the state over the course of a state fiscal year for the purchase and distribution of vaccines purchased at the federal discount rate by the department of health.
- (4) "Health benefit plan" has the same meaning as defined in RCW 48.43.005 and also includes health benefit plans administered by a third-party administrator.
- (5) "Health carrier" has the same meaning as defined in RCW 48.43.005.
- (6) "Secretary" means the secretary of the department of health.
- (7) "State supplied vaccine" means vaccine purchased by the state department of health for covered lives for whom the state is purchasing vaccine using state funds raised via assessments on health carriers and third-party administrators as provided in this

chapter.

- (8) "Third-party administrator" means any person or entity who, on behalf of a health insurer or health care purchaser, receives or collects charges, contributions, or premiums for, or adjusts or settles claims on or for, residents of Washington state or Washington health care providers and facilities.
- (9) "Total nonfederal program cost" means the estimated vaccine cost less the amount of federal revenue available to the state for the purchase and distribution of vaccines.
- (10) "Vaccine" means a preparation of killed or attenuated living microorganisms, or fraction thereof, that upon administration stimulates immunity that protects against disease and is approved by the federal food and drug administration as safe and effective and recommended by the advisory committee on immunization practices of the centers for disease control and prevention for administration to children under the age of nineteen years.

RCW 70.290.020. Washington vaccine association - Creation

There is created a nonprofit corporation to be known as the Washington vaccine association. The association is formed for the purpose of collecting and remitting adequate funds from health carriers and third-party administrators for the cost of vaccines provided to certain children in Washington state.

RCW 70.290.030. Composition of association - Board of directors - Duties

- (1) The association is comprised of all health carriers issuing or renewing health benefit plans in Washington state and all third-party administrators conducting business on behalf of residents of Washington state or Washington health care providers and facilities. Third-party administrators are subject to registration under section 47 of this act.
- (2) The association is a nonprofit corporation under chapter 24.03 RCW and has the powers granted under that chapter.
- (3) The board of directors includes the following voting members:
 - (a) Four members, selected from health carriers or third-party administrators, excluding health maintenance organizations, that have the most fully insured and self-funded covered lives in Washington state. The count of total covered lives includes enrollment in all companies included in their holding company system. Each health carrier or third-party administrator is entitled to no more than a single position on the board to represent all entities under common ownership or control.
 - (b) One member selected from the health maintenance organization having the most fully insured and self-insured covered lives in Washington state. The count of total lives includes enrollment in all companies included in its holding company system. Each health maintenance organization is entitled to no more than a single position on the

board to represent all entities under common ownership or control.

- (c) One member, representing health carriers not otherwise represented on the board under (a) or (b) of this subsection, who is elected from among the health carrier members not designated under (a) or (b) of this subsection.
- (d) One member, representing Taft Hartley plans, appointed by the secretary from a list of nominees submitted by the Northwest administrators association.
- (e) One member representing Washington state employers offering self-funded health coverage, appointed by the secretary from a list of nominees submitted by the Puget Sound health alliance.
- (f) Two physician members appointed by the secretary, including at least one board certified pediatrician.
- (g) The secretary, or a designee of the secretary with expertise in childhood immunization purchasing and distribution.
- (4) The directors' terms and appointments must be specified in the plan of operation adopted by the association.
- (5) The board of directors of the association must:
 - (a) Prepare and adopt articles of association and bylaws;
 - (b) Prepare and adopt a plan of operation. The plan of operation must include a dispute mechanism through which a carrier or third-party administrator can challenge an assessment determination by the board under RCW 70.290.040. The board must include a means to bring unresolved disputes to an impartial decision maker as a component of the dispute mechanism;
 - (c) Submit the plan of operation to the secretary for approval;
 - (d) Conduct all activities in accordance with the approved plan of operation;
 - (e) Enter into contracts as necessary or proper to collect and disburse the assessment;
 - (f) Enter into contracts as necessary or proper to administer the plan of operation;
 - (g) Sue or be sued, including taking any legal action necessary or proper for the recovery of any assessment for, on behalf of, or against members of the association or other participating person;
 - (h) Appoint, from among its directors, committees as necessary to provide technical assistance in the operation of the association, including the hiring of independent consultants as necessary;
 - (i) Obtain such liability and other insurance coverage for the benefit of the association, its directors, officers, employees, and agents as may in the judgment of the board of

- directors be helpful or necessary for the operation of the association;
- (j) On an annual basis, beginning no later than November 1, 2010, and by November 1st of each year thereafter, establish the estimated amount of the assessment;
 - (k) Notify, in writing, each health carrier and third-party administrator of the health carrier's or third-party administrator's estimated total assessment by November 15th of each year;
 - (l) Submit a periodic report to the secretary listing those health carriers or third-party administrators that failed to remit their assessments and audit health carrier and third-party administrator books and records for accuracy of assessment payment submission;
 - (m) Allow each health carrier or third-party administrator no more than ninety days after the notification required by (k) of this subsection to remit any amounts in arrears or submit a payment plan, subject to approval by the association and initial payment under an approved payment plan;
 - (n) Deposit annual assessments collected by the association, less the association's administrative costs, with the state treasurer to the credit of the universal vaccine purchase account established in RCW 43.70.720;
 - (o) Borrow and repay such working capital, reserve, or other funds as, in the judgment of the board of directors, may be helpful or necessary for the operation of the association; and
 - (p) Perform any other functions as may be necessary or proper to carry out the plan of operation and to affect any or all of the purposes for which the association is organized.
- (6) The secretary must convene the initial meeting of the association board of directors.

RCW 70.290.040. Estimate of program cost for upcoming year - Assessment collection - Surplus assessments - Start-up funding

- (1) The secretary shall estimate the total nonfederal program cost for the upcoming calendar year by October 1, 2010, and October 1st of each year thereafter. Additionally, the secretary shall subtract any amounts needed to serve children enrolled in state purchased health care programs covering low-income children for whom federal vaccine funding is not available, and report the final amount to the association. In addition, the secretary shall perform such calculation for the period of May 1st through December 31st, 2010, as soon as feasible but in no event later than April 1, 2010. The estimates shall be timely communicated to the association.
- (2) The board of directors of the association shall determine the method and timing of assessment collection in consultation with the department of health. The board shall use a formula designed by the board to ensure the total anticipated nonfederal

program cost, minus costs for other children served through state-purchased health care programs covering low-income children, calculated under subsection (1) of this section, is collected and transmitted to the universal vaccine purchase account created in RCW 43.70.720 in order to ensure adequacy of state funds to order state-supplied vaccine from federal centers for disease control and prevention.

- (3) Each licensed health carrier and each third-party administrator on behalf of its clients' health benefit plans must be assessed and is required to timely remit payment for its share of the total amount needed to fund nonfederal program costs calculated by the department of health. Such an assessment includes additional funds as determined necessary by the board to cover the reasonable costs for the association's administration. The board shall determine the assessment methodology, with the intent of ensuring that the nonfederal costs are based on actual usage of vaccine for a health carrier or third-party administrator's covered lives. State and local governments and school districts must pay their portion of vaccine expense for covered lives under this chapter.
- (4) The board of the association shall develop a mechanism through which the number and cost of doses of vaccine purchased under this chapter that have been administered to children covered by each health carrier, and each third-party administrator's clients health benefit plans, are attributed to each such health carrier and third-party administrator. Except as otherwise permitted by the board, this mechanism must include at least the following: Date of service; patient name; vaccine received; and health benefit plan eligibility. The data must be collected and maintained in a manner consistent with applicable state and federal health information privacy laws. Beginning November 1, 2011, and each November 1st thereafter, the board shall factor the results of this mechanism for the previous year into the determination of the appropriate assessment amount for each health carrier and third-party administrator for the upcoming year.
- (5) For any year in which the total calculated cost to be received from association members through assessments is less than the total nonfederal program cost, the association must pay the difference to the state for deposit into the universal vaccine purchase account established in RCW 43.70.720. The board may assess, and the health carrier and third-party administrators are obligated to pay, their proportionate share of such costs and appropriate reserves as determined by the board.
- (6) The aggregate amount to be raised by the association in any year may be reduced by any surpluses remaining from prior years.
- (7) In order to generate sufficient start-up funding, the association may accept prepayment from member health carriers and third-party administrators, subject to offset of future amounts otherwise owing or other repayment method as determined by the board. The initial deposit of start-up funding must be deposited into the universal vaccine purchase account on or before April 30, 2010.

RCW 70.290.047. Registration of third-party administrators

- (1) A third-party administrator must register with the association. Registrants must report a change of legal name, business name, business address, or business telephone number to the association within ten days after the change.
- (2) The association must establish data elements and procedures for the registration of third-party administrators necessary to implement this section in its plan of operation.

RCW 70.290.050. Selection of vaccines to be purchased - Committee

- (1) The board of the association shall establish a committee for the purposes of developing recommendations to the board regarding selection of vaccines to be purchased in each upcoming year by the department. The committee must be composed of at least five voting board members, including at least three health carrier or third-party administrator members, one physician, and the secretary or the secretary's designee. The committee must also include a representative of vaccine manufacturers, who is a nonvoting member of the committee. The representative of vaccine manufacturers must be chosen by the secretary from a list of three nominees submitted collectively by vaccine manufacturers on an annual basis.
- (2) In selecting vaccines to purchase, the following factors should be strongly considered by the committee: Patient safety and clinical efficacy, public health and purchaser value, compliance with RCW 70.95M.115, patient and provider choice, and stability of vaccine supply.

**RCW 70.290.060. Additional duties and powers of the association and secretary -
Penalty - Rules**

In addition to the duties and powers enumerated elsewhere in this chapter:

- (1) The association may, pursuant to either vote of its board of directors or request of the secretary, audit compliance with reporting obligations established under the association's plan of operation. Upon failure of any entity that has been audited to reimburse the costs of such audit as certified by vote of the association's board of directors within forty-five days of notice of such vote, the secretary shall assess a civil penalty of one hundred fifty percent of the amount of such costs.
- (2) The association may establish an interest charge for late payment of any assessment under this chapter. The secretary shall assess a civil penalty against any health carrier or third-party administrator that fails to pay an assessment within three months of notification under RCW 70.290.030. The civil penalty under this subsection is one hundred fifty percent of such assessment.
- (3) The secretary and the association are authorized to file liens and seek judgment to recover amounts in arrears and civil penalties, and recover reasonable collection costs, including reasonable attorneys' fees and costs. Civil penalties so levied must be

deposited in the universal vaccine purchase account created in RCW 43.70.720.

- (4) The secretary may adopt rules under chapter 34.05 RCW as necessary to carry out the purposes of this section.

RCW 70.290.070. Board shall submit financial report to the secretary

The board of directors of the association shall submit to the secretary, no later than one hundred twenty days after the close of the association's fiscal year, a financial report in a form approved by the secretary.

RCW 70.290.080. Limitation of liability

No liability on the part of, and no cause of action of any nature, shall arise against any member of the board of the association, against an employee or agent of the association, or against any health care provider for any lawful action taken by them in the performance of their duties or required activities under this chapter.

RCW 70.290.090. Vote to recommend termination of the association - Disposition of funds

- (1) The association board may, on or after June 30, 2015, vote to recommend termination of the association if it finds that the original intent of its formation and operation, which is to ensure more cost-effective purchase and distribution of vaccine than if provided through uncoordinated purchase by health care providers, has not been achieved. The association board shall provide notice of the recommendation to the relevant policy and fiscal committees of the legislature within thirty days of the vote being taken by the association board. If the legislature has not acted by the last day of the next regular legislative session to reject the board's recommendation, the board may vote to permanently dissolve the association.
- (2) In the event of a voluntary or involuntary dissolution of the association, funds remaining in the universal purchase vaccine account created in RCW 43.70.720 that were collected under this chapter must be returned to the member health carrier and third-party administrators in proportion to their previous year's contribution, from any balance remaining following the repayment of any prepayments for start-up funding not previously recouped by such member.

RCW 70.290.100. Physicians and clinics ordering state supplied vaccine — Tracking of vaccine delivered — Documentation

Physicians and clinics ordering state supplied vaccine must ensure they have billing mechanisms and practices in place that enable the association to accurately track vaccine delivered to association members' covered lives and must submit documentation in such a form as may be prescribed by the board in consultation with state physician organizations. Physicians and other persons providing childhood immunization are strongly encouraged to use state supplied vaccine wherever possible. Nothing in this chapter prohibits health carriers

and third-party administrators from denying claims for vaccine serum costs when the serum or serums providing similar protection are provided or available via state supplied vaccine.

RCW 70.290.110. Judicial invalidation of program's funding — Termination of program

If the requirement that any segment of health carriers, third-party administrators, or state or local governmental entities provide funding for the program established in this chapter is invalidated by a court of competent jurisdiction, the board of the association may terminate the program one hundred twenty days following a final judicial determination on the matter.

RCW 70.290.900. Effective date — 2010 c 174

This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [March 23, 2010].

Title 43. State government - executive**Chapter 70. Department of health****RCW 43.70.720. Universal vaccine purchase account**

The universal vaccine purchase account is created in the custody of the state treasurer. Receipts from public and private sources for the purpose of increasing access to vaccines for children may be deposited into the account. Expenditures from the account must be used exclusively for the purchase of vaccines, at no cost to health care providers in Washington, to administer to children under nineteen years old who are not eligible to receive vaccines at no cost through federal programs. Only the secretary or the secretary's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

Title 48. Insurance**Chapter 43. Insurance Reform****RCW 48.43.690. Assessments under RCW 70.290.040 considered medical expenses**

Assessments paid by carriers under RCW 70.290.040 may be considered medical expenses for purposes of rate setting and regulatory filings.

Title 82. Excise taxes**Chapter 04. Business and occupation tax****RCW 82.04.640. Exemptions - Washington vaccine association - Certain assessments received**

This chapter does not apply to assessments described in RCW 70.290.030 and 70.290.040 received by a nonprofit corporation established under RCW 70.290.020.

WVA Corporate Governance Calendar (Board Meeting and Committee Meeting Schedules for 2015)

*All times are Pacific Standard Time

Date	Board (Generally Tuesdays 2 – 4 PM except as noted below)	Board Executive Committee (Scheduled if needed)	Vaccine (Dates, times TBD.)	Operations (2 nd Thursdays 2 – 3:00 PM phone call)	Audit (Dates, times TBD)
January	X (January 20)				
February				X (Feb 5, 2-3 PM)	
March					
April	X (April 14, 3-6 PM)				X (April 14)
May			X (TBD)	X (TBD)	
June	X (June 16)				X (June 16)
July				X (TBD)	
August					X (TBD)
September					
October	X (October 20– Annual Meeting)				X (TBD) (if needed)
November			X (TBD)	X (TBD)	

- In-person WVA Board meetings are from 2:00 – 4:00 PM at the offices of Ellis, Li & McKinstry.
- A written annual report may serve in lieu of an annual meeting of members. (Bylaws section 4.2)
- Officers are elected for 1-year terms at the annual meeting of the Board (Bylaws section 6.1)
- Committees may adjust their scheduled meeting dates or times for the convenience of their members.

January 20, 2015 WVA Meeting of the Board of Directors
Proposed Form of Votes

The following are suggested forms of votes only. They are intended to be an aid to facilitate work by individual directors. All board policy and the final form of votes is exclusively the province of the Board acting collectively as a Board of Directors.

Item under Agenda Section 2:

VOTED: To approve the minutes of the October 21, 2014 WVA Board Meeting.

[To approve the minutes of the October 21, 2014 WVA Board meeting with the changes suggested at the meeting.]

VOTED: To approve the minutes of the November 12, 2014 WVA Vaccine Committee Meeting.

[To approve the minutes of the November 12, 2014 WVA Vaccine Committee meeting with the changes suggested at the meeting.]

Items under Agenda Section 4:

VOTED: To authorize the KeyBank line of credit as set out in the Commitment Letter from KeyBank dated December 15, 2014 addressed to Fred Potter and to authorize any two of: Chairman, John Pierce, Treasurer, Dennis Kirkpatrick, or Secretary, Norm Seabrooks, to execute such documents as may be helpful or necessary to update the previously-approved Line of Credit Facility with KeyBank National Association to restore the full original \$15,000,000 level to the Line through and including December, 2016. [see attached resolution with respect to line of credit.]

[To authorize the KeyBank line of credit as set out in the Commitment Letter from KeyBank dated December 15, 2014 addressed to Fred Potter and to authorize any two of: Chairman, John Pierce, Treasurer, Dennis Kirkpatrick, or Secretary, Norm Seabrooks, to execute such documents as may be helpful or necessary to modify the previously-approved Line of Credit Facility with KeyBank National Association to restore the full original \$15,000,000 level to the Line through and including December, 2016, with the changes suggested at the meeting.]

VOTED: To adopt the following resolution:

Resolution for Board of Directors meeting held on January 20, 2015

WHEREAS: the Board of Directors has determined it is desirable to renew the line of credit with KeyBank National Association ("KeyBank") until January 1, 2017 (maturity) in the amount of Fifteen Million dollars to finance timing differences between the requirements for payment to the Universal Vaccine Purchase Account for vaccine ordering expenses of the Department of Health and the collection of assessments from payers by the WVA:

RESOLVED: pursuant to the authority vested in this Board of Directors under Chapter 70.290 RCW the Board of Directors hereby approves WVA renewing its credit/loan and security agreement with KeyBank, substantially on the terms set forth in the letter dated December 15, 2014 (“Commitment Letter”) from KeyBank presented at the meeting and providing for a Fifteen Million Dollar (\$15,000,000) revolving line of credit for a two (2) year term at a floating interest rate of KeyBank Prime Rate or based on LIBOR plus 2.75 percent as set forth in the Commitment Letter, and providing for a security interest in WVA assessment receivables;

RESOLVED FURTHER: that any two of the three WVA officers President John Pierce, Vice President/ Treasurer Dennis Kirkpatrick, or Secretary Norman Seabrooks, are authorized and directed to execute and deliver on behalf of the corporation, with the advice of counsel, the Commitment Letter, a loan/ credit and security agreement, promissory note, and any other necessary documents, and to take or cause all other actions necessary and appropriate to be taken by the officers of the corporation to effect the action approved by this resolution.

VOTED: To increase current vaccine assessment levels 19% and have such increase effective as of 7/1/2015.

[To increase current vaccine assessment levels __% and have such increase effective as of 7/1/2015, with the changes suggested at the meeting.]

Items under Agenda Section 5:

VOTED: To affirm Dr. Mary Kay O’Neill as the board member representing Coordinated Care, whose term renews in 2015, pursuant to RCW 70.290.030(3)(c).

[To affirm Dr. Mary Kay O’Neill as the board member representing Coordinated Care, whose term renews in 2015, pursuant to RCW 70.290.030(3)(c), with the changes suggested at the meeting.]

Items under Agenda Section 9:

VOTED: To authorize that the quarterly payment cap for supplemental services under the KidsVax® contract, absent prior written approval, be increased from \$10,000 to \$20,000.

[That any amount in excess of the quarterly payment cap for supplemental services in the KidsVax® contract may be rolled forward to be included in subsequent quarters’ billings.]

**Directions to Ellis, Li & McKinstry
Market Place Tower
2025 First Avenue, PH-A
Seattle, WA 98121**

Traveling South on I-5:

- Take the **Stewart St/Denny Way exit**
- Continue straight on Stewart St for approximately 13 blocks
- Turn **RIGHT** onto 1st Ave
- Continue north on 1st Ave for approximately 2 blocks
- Turn **LEFT** onto Lenora St
- Turn **LEFT** into the first gate on Lenora to enter the garage

Traveling North on I-5:

- Take the **Seneca St exit (exit only on left-hand side of freeway)**
- Turn **RIGHT** onto 1st Ave
- Continue north on 1st Ave for approximately 7 blocks
- Turn **LEFT** onto Lenora St
- Turn **LEFT** into the first gate on Lenora to enter the garage

Traveling West on I-90:

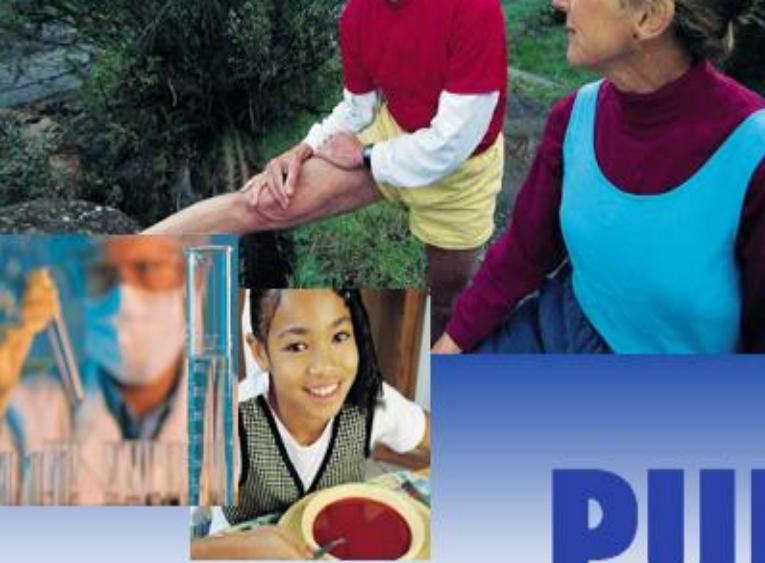
- Connect onto I-5 N
- Take the **Madison St/Convention Pl exit**
- Stay straight onto 7th Avenue
- Turn **LEFT** onto Madison Street (at light)
- Continue straight, down the hill, for approximately 6 blocks
- Turn **RIGHT** onto 1st Ave
- Continue north on 1st Ave for approximately 9 blocks
- Turn **LEFT** onto Lenora St
- Turn **LEFT** into the first gate on Lenora to enter the garage

Traveling West on Hwy 520:

- Follow exit signs for downtown Seattle/I-5 S
- Exit road becomes Stewart St
- Continue straight on Stewart St for approximately 13 blocks
- Turn **RIGHT** onto 1st Ave
- Go north on 1st Ave for approximately 2 blocks
- Turn **LEFT** onto Lenora St
- Turn **LEFT** into the first gate on Lenora to enter the garage

To the Penthouse from Parking Garage:

- Use elevator to reach Market Place Tower lobby
- Switch to 1 of the 4 back elevators
- Penthouse is labeled PH on elevator buttons
- Exit left into the lobby



PUBLIC HEALTH

**ALWAYS WORKING FOR A SAFER AND
HEALTHIER WASHINGTON**

Childhood Vaccine Supply Update

WVA Board

January 20, 2015

Adopting Vaccines for the Childhood Vaccine Program

- FDA licensure
 - 3 months
- Advisory Committee on Immunization Practices vote
 - Vaccine recommendation
 - Addition to schedule detailed

Adopting Vaccines for the Childhood Vaccine Program

- CDC – VFC Resolution – day of ACIP Vote
 - Defines addition of the vaccine to the Vaccines for Children Program
- ➤ 2 months
- CDC publishes final recommendation in MMWR
- ➤ ? ? ? (funding / contract cycles)
- Vaccine added to CDC Contract
- Available for ordering for VFC eligible children

Adopting Vaccines for the Childhood Vaccine Program

- WVA – prior to vaccine being added
 - Add vaccine to assessment grid
 - Communicate with payers
 - Communicate with providers
- DOH – prior to and during
 - Communicate about timing & change
 - LHJs, providers
 - Manage ordering system updates
 - Update accountability materials

HPV 9 Valent Vaccine

- Merck Vaccines
- Gardasil 9 (tradenname)
- HPV 4 existing strains: 16, 18, 6 and 11
 - 70% of cervical cancers
- New strains (5): 31, 33, 45, 52, and 58.
 - 20% of cervical cancers
 - 97% effective

HPV 9 Valent Vaccine

- FDA licensure: December 2014
 - Females 9 to 26 years
 - Males 9 to 15 years
- CPT code 90651 – CVX code: 165
- Available for private purchase early February
- Advisory Committee on Immunization
 - Presentation Expected February 2015
 - Addition to childhood or adult schedule detailed
 - Vaccine recommendation determined
- MMWR Published -- Unknown
- Addition to CDC Contract – Expected April 2015
- Available to order in WA May 2015

HPV 9 Valent Vaccine: Discussion Points

- Licensure differences:
 - HPV 4 – (Gardasil) Males 9 through 26
 - HPV 9 – (Gardasil 9) Males 9 through 15
 - HPV 4 / HPV 9: Females 9 through 26
- Production / product availability:
 - Gardasil 4; Gardasil 9; Cervarix (bi-valent)
- Managing transition inventory
- Provider Education
- 2 dose v 3 dose schedule
- Reconciling schedule

HPV 9-Valent

ACIP Slides – October 2013:

<http://www.cdc.gov/vaccines/acip/meetings/downloads/slides-oct-2013/03-HPV-Luxembourg.pdf>

Prescribing Information:

<http://www.fda.gov/downloads/BiologicsBloodVaccines/Vaccines/ApprovedProducts/UCM426457.pdf>



PUBLIC HEALTH

**ALWAYS WORKING FOR A SAFER AND
HEALTHIER WASHINGTON**

Remember, cover your cough, wash your hands, and get vaccinated!

January 20, 2015 WVA Meeting of the Board of Directors
Proposed Form of Votes

The following are suggested forms of votes only. They are intended to be an aid to facilitate work by individual directors. All board policy and the final form of votes is exclusively the province of the Board acting collectively as a Board of Directors.

Item under Agenda Section 2:

VOTED: To approve the minutes of the October 21, 2014 WVA Board Meeting.

[To approve the minutes of the October 21, 2014 WVA Board meeting with the changes suggested at the meeting.]

VOTED: To approve the minutes of the November 12, 2014 WVA Vaccine Committee Meeting.

[To approve the minutes of the November 12, 2014 WVA Vaccine Committee meeting with the changes suggested at the meeting.]

Items under Agenda Section 4:

VOTED: To authorize the KeyBank line of credit as set out in the Commitment Letter from KeyBank dated December 15, 2014 addressed to Fred Potter and to authorize any two of: Chairman, John Pierce, Treasurer, Dennis Kirkpatrick, or Secretary, Norm Seabrooks, to execute such documents as may be helpful or necessary to update the previously-approved Line of Credit Facility with KeyBank National Association to restore the full original \$15,000,000 level to the Line through and including December, 2016. [see attached resolution with respect to line of credit.]

[To authorize the KeyBank line of credit as set out in the Commitment Letter from KeyBank dated December 15, 2014 addressed to Fred Potter and to authorize any two of: Chairman, John Pierce, Treasurer, Dennis Kirkpatrick, or Secretary, Norm Seabrooks, to execute such documents as may be helpful or necessary to modify the previously-approved Line of Credit Facility with KeyBank National Association to restore the full original \$15,000,000 level to the Line through and including December, 2016, with the changes suggested at the meeting.]

VOTED: To adopt the following resolution:

Resolution for Board of Directors meeting held on January 20, 2015

WHEREAS: the Board of Directors has determined it is desirable to renew the line of credit with KeyBank National Association ("KeyBank") until January 1, 2017 (maturity) in the amount of Fifteen Million dollars to finance timing differences between the requirements for payment to the Universal Vaccine Purchase Account for vaccine ordering expenses of the Department of Health and the collection of assessments from payers by the WVA:

RESOLVED: pursuant to the authority vested in this Board of Directors under Chapter 70.290 RCW the Board of Directors hereby approves WVA renewing its credit/loan and security agreement with KeyBank, substantially on the terms set forth in the letter dated December 15, 2014 (“Commitment Letter”) from KeyBank presented at the meeting and providing for a Fifteen Million Dollar (\$15,000,000) revolving line of credit for a two (2) year term at a floating interest rate of KeyBank Prime Rate or based on LIBOR plus 2.75 percent as set forth in the Commitment Letter, and providing for a security interest in WVA assessment receivables;

RESOLVED FURTHER: that any two of the three WVA officers President John Pierce, Vice President/ Treasurer Dennis Kirkpatrick, or Secretary Norman Seabrooks, are authorized and directed to execute and deliver on behalf of the corporation, with the advice of counsel, the Commitment Letter, a loan/ credit and security agreement, promissory note, and any other necessary documents, and to take or cause all other actions necessary and appropriate to be taken by the officers of the corporation to effect the action approved by this resolution.

VOTED: To increase current individual vaccine assessment levels from the current 110% of the CDC contract rate to 130% of the CDC contract rates on or after 4/1/2015, and have such increase effective for dates of service on or after 7/1/2015.

[To increase current individual vaccine assessment levels from the current 110% of the CDC contract rate to 130% of the CDC contract rates on or after 4/1/2015, and have such increase effective for dates of service on or after 7/1/2015, with the changes suggested at the meeting.]

Items under Agenda Section 5:

VOTED: To affirm Dr. Mary Kay O'Neill as the board member representing Coordinated Care, whose term renews in 2015, pursuant to RCW 70.290.030(3)(c).

[To affirm Dr. Mary Kay O'Neill as the board member representing Coordinated Care, whose term renews in 2015, pursuant to RCW 70.290.030(3)(c), with the changes suggested at the meeting.]

Items under Agenda Section 9:

VOTED: To authorize that the monthly payment cap for supplemental services under the KidsVax® contract, absent prior written approval, be increased from \$10,000 to \$20,000.

[That any amount in excess of the monthly payment cap for supplemental services in the KidsVax® contract may be rolled forward to be included in subsequent quarters' billings.]