

Washington Vaccine Association – Board of Directors Meeting
April 14, 2015 – 3:00 p.m. – 5:00 p.m.
Location: Pike Street Market Foundation

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

Directors:

Jason Farber, Esq. (T)
Beth Harvey, M.D.
Dennis Kirkpatrick
Pat Kulpa, M.D.
Ed Marcuse, M.D. (T)
John Pierce, Esq.
Diana Rakow
John Sobeck, M.D.
Michele Roberts

DOH:

Jan Hicks-Thomson

Others:

Anne Redman, Esq.

KidsVax.org®:

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

Absent:

Mary Kay O'Neill, M.D.
Norm Seabrooks

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

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

1. To affirm the appointment by Secretary Wiesman of Michele Roberts to the WVA Board.
2. To approve the election of Michele Roberts to the WVA Executive Committee.
3. To approve the election of Dr. Marcuse to the WVA Executive Committee.
4. To approve the minutes of the January 20, 2015 WVA Board Meeting.
5. To approve the minutes of the March 17, 2015 WVA Audit Committee Meeting.
6. To affirm Dr. Sobeck as WVA Audit Committee Chairman.
7. To authorize Dr. Sobeck as an additional signatory on all WVA accounts.

B. **Follow up Tasks/Action Items**

1. Email the Board asking for their suggestions on goals for 2016.
2. Include discussion of the Pink Book Conference presentation in the June board meeting agenda.
3. Kidsvax will convene the TRICARE Task Force for the purpose of deciding what amount to present to TRICARE for repayment.

III. **Minutes**

Welcome and Introductions

At 3:00 p.m., a quorum having been established, Chairman John Pierce called the meeting to order.

Consent Calendar Items

Chairman Pierce moved to approve all consent calendar items which included: the affirmation of Michele Roberts, the election of Michele Roberts and Dr. Marcuse to the WVA Executive Committee, approval of board minutes from January 20, 2015 and Audit Committee minutes from March 17, 2015, the election of Dr. Sobeck

as WVA Audit Committee Chairman, and the authorization of Dr. Sobeck as an additional signatory on all WVA accounts.

Michele Roberts summarized her transition to the board position previously held by Allene Mares, and explained Ms. Mares' new role at DOH.

Executive Director Updates

Fred Potter gave an update on the departure of Margaret Lane as deputy executive director of the Washington Vaccine Association, and explained that Julia Walter would be taking over that position moving forward. He thanked the Executive Committee for their work on seeing this transition through and approving Ms. Walter. Chairman Pierce welcomed Ms. Walter.

Mr. Potter said that there were a few items related to the goals, and KidsVax.org's contract that needed to be addressed. He pointed to a memo in the board packet recommending a few goals, additional to the ongoing goals, and asked that the board consider these for future action. He said that there was one miss this year on the goals, related to the website FAQs. Those are awaiting review by the DOH, they will be done, but the original date was missed. He said that an agreement has finally been reached with TRICARE regarding the amount due in arrearage and that there would be more discussion on this matter in the executive session.

Mr. Potter explained how the goal setting process works, and Chairman Pierce suggested that the supplemental goals be reviewed by the Executive Committee. He suggested that Kidsvax poll the Board by email for their goal suggestions which can then be brought before the Executive Committee.

Ms. Lane gave a communications update. She said that most of this work is communications regarding operational matters such as changes to the vaccine grid, or changes to the Board. This work also includes the publication of the annual report. At least one communication each year is an externally facing communication to providers or payers. Currently communications work is focused on the July 1 assessment grid change.

Ms. Lane thanked the Board for her time spent with them. Chairman Pierce read a resolution honoring Ms. Lane.

Upon motion duly made and seconded, it was unanimously

VOTED: Resolution in recognition and appreciation of the distinguished service by Margaret Lane. Whereas the Washington Vaccine Association created by the legislature in 2010 to provide a funding mechanism for the State's purchase of all recommended childhood vaccines recognizes Margaret Lane who was instrumental in its formation. And Whereas Margaret Lane has served as deputy executive director with great professionalism, dedication, and distinction helping to initiate and oversee the WVA's unique vaccine funding methodology. Whereas Margaret Lane diligently applied consummate skill and innovative solutions to ensure the success of the WVA providing invaluable insight perspective and counsel to Washington's providers and payers and the WVA Board for the past 5 years now therefore the WVA's Board of Directors acknowledges its gratitude to Margaret Lane for her outstanding service to Washington and her notable contribution to the WVA's mission of providing an equitable assessment system to fund Washington's pediatric universal vaccine program thereby contributing to improved health outcomes for children throughout the State of Washington. Adopted by the Board of Directors and the State.

Mr. Potter said that a deputy executive director transition plan is included in the Board packet for review. He said that Ms. Lane will remain in her current position until May 15, after which she will remain until the end of 2015 as an on-call advisor to Ms. Walter. Ms. Walter thanked the Board for this opportunity and said that she was very excited to be taking on this new role.

Update on Financial Status

Peter Smith gave a summary of the cash reserves analysis. He said that the CDC's release of its new rates was in line with what he had predicted in that analysis. He said that he included an explanation of the line of credit and its requirements, and said that the WVA is meeting them. He also included an interest rate analysis per the Board's request from the last meeting.

Ms. Lane said that the Operations Committee reviewed the CDC price changes, and walked through Mr. Smith's analysis side by side with the increases. The committee members agreed that their organizations would be ready to implement the increased levels on July 1 and will start work now to have their systems ready. They also confirmed their readiness to price upward so that even if a provider bills at the former rate, the payer will still be paying at the higher level. Ms. Lane said that she reassured the committee members that even with the increased rate, overall the vaccine will be at about a 7% savings compared to the private purchase rate. The next step is to get the updated grid out, so that payers can begin to use it, and so that communications can go out.

Further discussion ensued about whether or not the rate would be decreased next year after the current increase, and also the process involved in changing the assessment grid. Chairman Pierce asked how the assessment grid prices are determined, and Ms. Hicks-Thomson explained the DOH/CDC negotiation process starting with the CDC's negotiating a contract with the manufacturers on an annual basis. There was further discussion regarding vaccine pricing.

Board Development

Dr. Marcuse suggested that the WVA be represented at the Pink Book Conference in order to provide information and answer questions. Ms. Roberts said that many of the attendees are clinic staff, so it would be a good way to keep face-to-face contact with provider offices. Ms. Walter is available to represent WVA on that date, the cost is \$300 for an exhibitor table. Mr. Potter asked that the Board approve a \$1,000 expenditure, to cover the conference cost and the cost of materials and preparation time.

Upon motion duly made and seconded, it was unanimously

VOTED: To approve an expenditure of up to \$1,000 for representation at the Pink Book Conference in September 2015.

Dr. Soback suggested that at the June meeting the Board take up for discussion what its message at the conference will be and if there is room for a broader presentation.

Chairman Pierce gave an update on the March 18, 2015 meeting at Premera. There were members of the WVA staff and Board, members of the staff at Premera, as well as others. It was largely a brainstorming session on how the WVA board might influence vaccine rates. The goal was to develop a strategy whereby the WVA provides 100% local vaccination rates. The session resulted in two possible action areas. The theme of one of them was "I wish that there was an easy legitimate way for people to change their minds." The other was education given to those who are expecting a child. The recommendation of that group was to have a smaller subset of the group spend some more time on that and distill it down further. The other theme was around making vaccination seem as natural and healthy as using "Tom's Toothpaste." So as of yet there is no specific recommendation as to what the Board's role might be.

DOH Updates

Ms. Roberts gave the DOH update. HPV-9 will be available on May 9, 2015 in WA. Ms. Hicks-Thomson has been working with providers to prevent vaccine wastage of HPV-4, with the arrival of HPV-9. Another new vaccine that was licensed is meningococcal-B. ACIP is recommending this vaccine only for people at high risk of disease. Because it is a very specific recommendation, it is estimated that WVA will only receive about 300 doses.

The money for children on the Children's Health Program under Apple Health, whose vaccines were previously federally funded but can no longer be due to federal rule changes, has been approved on all three state proposed budgets. There was legislation introduced to change the personal belief exemption law, which did not pass out of the committee. This initiated much conversation for stakeholders around this topic. This will be an ongoing discussion and DOH will keep the Board posted as that conversation moves forward. There have been 8 cases of measles in WA in 2015, compared to 32 in 2014. The state has a mild pertussis outbreak, with 300 cases reported.

Public Comment

There was no public comment.

Other Business

There was no other business.

Executive Session

Mr. Potter said that as of a few weeks ago, TRICARE signed off on the data as presented by KidsVax regarding the amount owed in arrearage for TRIWEST's administration. For the period May 2010 through March 2013, it is approximately \$3.9 million dollars to cover unpaid assessments. He asked that the Board note that of that number \$583,000 shows up as having been paid within the TRIWEST data systems and would appear that that has all been paid to providers. If WVA pursues the \$3.9 million left, unless there is some other negotiated resolution, TRIWEST will seek to recover from WA providers \$583,000 that they paid to providers in error, which raises a strategic question for the Board. Fred confirmed that the WVA does not have any obligation to recover from providers. The other offer was that TRIWEST would give WVA the EFT and check numbers and leave WVA to recover the money. TRIWEST has concluded that the WVA saved the Federal government over \$3 million over this period of time, even if they pay the full amount to WVA. Norm Roberge took the same methodology that resulted in the \$3.9 million and rolled it forward through the United administration period up until March of 2015, based on estimates that there is a total of \$2.5 million owed from that time for a total of \$6.5 million in unpaid assessments. TRICARE has a rule that each individual administration will be paid at the lower of TRICARE's maximum allowable charge or the WVA assessment grid amount, which would cause a \$91,000 further reduction. The only time WVA was above the TRICARE maximum allowable charge number was while the WVA was building reserves. TRICARE, as administered by UnitedHealth, has started to pay now going forward. Mr. Potter stated that there is a lot of room for negotiation and recommended that the matter be referred back to the TRICARE task force and given authorization to pursue negotiation or that the Board come up with a final number to be presented to TRICARE. KidsVax thinks that there is some urgency in this matter for the following reason, TRICARE's general counsel, who has authorized the statute of limitations exemption, has now been reassigned and there is a new general counsel. Chairman Pierce asked if the KidsVax.org fee amount for work on this matter had been reached, Mr. Potter assured him that they are still far below the Board's agreed upon cap.

Mr. Pierce proposed that the matter should be referred back to the Task Force and that they come up with a number to present to the Board. If the matter needs to be addressed before the June board meeting, there may be a need to convene a special board meeting for purposes of reviewing the Task Force's presentation.

There being no further business, the meeting adjourned at approximately 5:00 p.m. A board social time then followed the meeting.



What: Washington Vaccine Association (WVA) Meeting of Board of Directors
 Date and Time: April 14, 2015/3:00 pm - 6:00 pm PDT
 Place of Meeting: Pike Place Market, Elliott Bay Room (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:
3:00-3:05 p.m.	1. Welcome, Introductions & Identification of any Items for Section 8	J. Pierce
3:05-3:10 p.m.	2. Consent Calendar Items	J. Pierce
	<ul style="list-style-type: none"> a. Appointment by Secretary Wiesman of Michele Roberts to WVA board b. Election of Michele Roberts and Dr. Ed Marcuse to the Executive Committee * c. Board minutes (January 20, 2015) * d. Audit Committee minutes (March 17, 2015) e. Affirmation of Dr. Sobeck as Audit Chair f. Authorization of Dr. Sobeck as an additional authorized signing party on WVA checks 	
3:10-3:20 p.m.	3. Executive Director Updates	
	<ul style="list-style-type: none"> a. Executive Director's Report * i. Quarterly Financials ending 03-31-15 * ii. KidsVax Performance Dashboard * iii. 2015/16 Performance Goal Recommendations * b. WVA Communications Update c. Wrap up of Deputy ED Duties * d. Deputy ED Role transition 	F. Potter
3:20-3:30 p.m.	4. Update on Financial Status	
	<ul style="list-style-type: none"> * a. Cash Reserve Analysis (including compliance with KeyBank LOC Covenants) b. Assessment level increase effective 07-01-15 	P. Smith M. Lane
3:30-4:00 p.m.	5. Board Development	
	<ul style="list-style-type: none"> a. WVA at Pink Book Conference b. Report on March 18, 2015 meeting at Premera, and any next steps 	E. Marcuse J. Pierce
4:00-4:15 p.m.	6. DOH Updates	
	<ul style="list-style-type: none"> a. New Meningococcal B vaccines b. 2015 Legislative session c. Disease outbreaks (measles and pertussis) 	M. Roberts
4:15-4:20 p.m.	7. [Intentionally omitted]	
	8. Other Matters from Board Members	
	<ul style="list-style-type: none"> a. b. 	
4:20-4:40 p.m.	9. Closing Section	
	<ul style="list-style-type: none"> a. Public comment b. Parking Lot Items [if time] c. Executive session (all staff, guests excluded; outside counsel included) <ul style="list-style-type: none"> i. TRICARE ii. Board and F. Potter only iii. Board only d. Wrap up 	
	10. Reference Documents	
	<ul style="list-style-type: none"> * a. Contact List: board, committees * b. Governing statute * c. Schedule of upcoming meetings * d. Proposed form of votes for this meeting * e. Directions to Pike Place Market, Elliott Bay Room 	

*Indicates agenda item attached

WVA Board Agenda-as updated through April 13, 2015

*Following the board meeting we will have a social hour until 6 PM

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
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

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

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 8 **Upon motion duly made and seconded, it was unanimously**

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

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

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 20 **VOTED: To adopt the following resolution:**

21
 22 WHEREAS: the Board of Directors has determined it is desirable to renew the line of
 23 credit with KeyBank National Association ("KeyBank") until January 1, 2017 (maturity) in
 24 the amount of Fifteen Million dollars to finance timing differences between the
 25 requirements for payment to the Universal Vaccine Purchase Account for vaccine ordering
 26 expenses of the Department of Health and the collection of assessments from payers by
 27 the WVA:

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

42
 43 Ms. Lane stated that the health plans and TPAs are informed about assessment changes through the
 44 Operations Committee, the providers receive a blast fax, and an email update goes out to anyone signed up
 45 for the WVA email alerts. The new grid is also immediately posted on the website. A sixty day notice is given.
 46 Mr. Potter said that the larger carriers also automatically re-price upward even if providers submit claims with
 47 the old amount.

48
 49 **Upon motion duly made and seconded, it was unanimously**

50
 51 **VOTED:** To increase individual vaccine assessment levels from the current 110% of the CDC contract
 52 rates to 130% of the CDC contract rates on or after 4/1/2015, and have such increase
 53 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

1
2 There was no other business.

3
4 Executive Session

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

13
14 The record for the balance of the meeting was prepared by outside general counsel, Anne Redman, who was
15 present with the board throughout that portion of the meeting.

16
17
18 There being no further business, the meeting adjourned at approximately 4:00 p.m.

**Audit Committee Meeting Summary
Cigna, Seattle, WA
March 17, 2015**

Attendance:Directors:

John Sobeck, M.D., Acting Chair
Jason Farber, Esq. (T)
Dennis Kirkpatrick (T)

Vaccine Association:

Fred Potter, Executive Director

Others:

Allen Gilbert, CPA (T)

The minutes of the meeting of August 28, 2014 were approved as submitted.

Mr. Potter inquired of Dr. Sobeck concerning his willingness to be added as an additional “viewer” on WVA accounts and also to be added as a potential alternative signer. With the loss of the prior Audit Committee Chair due to turnover at Group Health, WVA now has less than an optimal number of signers. Dr. Sobeck indicated he was willing to serve in both capacities. Accordingly, KidsVax will move forward with authorization for Dr. Sobeck to have view access to all WVA accounts and also bring to the next Board meeting a proposed resolution adding Dr. Sobeck as an alternative check signer. The Committee members were in support of this step and it was the sense of the Committee that this action would be supported by Committee members at the upcoming Board Meeting.

Mr. Gilbert presented the updated Audit Engagement Letter and discussed preliminarily the audit plan. He agreed to adjust the schedule to get an early start on confirmations, but noted vacation and other schedules which will cause some unavailability over the summer. However, he was confident that the work can be completed in time so that audited financials can be included in the WVA’s Annual Report and made available by the times of the anticipated September Board Meetings.

Upon motion duly made and seconded, it was unanimously

VOTED: To authorize John Sobeck, M.D. as acting Audit Committee Chair to execute the Audit Engagement Letter presented to the meeting.

Mr. Potter drew the Committee members’ attention to the further confirmation of WVA’s tax exempt status. Mr. Gilbert reported that the matter now should be fully resolved, yet again. Chairman Sobeck inquired about the wisdom, nonetheless, of filing the so-called “short form” 990 to avoid any potential repercussions notwithstanding the IRS’s reconfirmation that no 990 filing is required of this organization. Mr. Gilbert reported that the short form was available only for organizations with modest revenues and that the WVA’s revenues disqualified WVA from using the short form. Accordingly, the tax exemption reconfirmation and the exemption from Form 990 filing are now settled matters for WVA operations and would be revisited only in the event of a further IRS error in recognizing its own prior approvals of WVA’s tax exempt status.

The Committee then followed up on specific further items from old business. Specifically, the periodic Audit Committee review of refund checks and QuickBooks refund check requests was completed at this meeting. That is a precautionary second-level oversight for the replenishment reviews which occur with each replenishment request from KidsVax.

Concerning positive pay, in light of relatively modest charges, KidsVax was requested to proceed with implementation of positive pay provided that it can be done without substantial costs on the bookkeeping side.

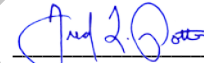
Mr. Gilbert was then excused from the meeting. The Committee then took up the question in connection with its regular annual review of the Audit Committee Charter and Legal and Regulatory Compliance Checklist concerning whether or not it should now proceed with an RFP for services for this subsequent year following completion of the upcoming audit. The compliance checklist suggests that the Committee should review the subject at least once every five years, so the matter now is timely. It was the unanimous view of the Committee that WVA has been treated fairly and has benefited from good audit services on both the audit and tax compliance areas assigned to WVA's current outside auditors. Mr. Potter noted that the pricing appears to be reasonable in that WVA has not been presented with any substantial fee increase notwithstanding increasingly stringent auditing standards. It was the unanimous sense of the Committee that the WVA should not proceed with an RFP for audit services at this time.

The Committee then discussed the schedule of meetings for the balance of this year and through June 30, 2016. KidsVax will follow-up with polling and scheduling in accordance with guidance offered at the Committee.

With respect to regular annual review of the Audit Committee Charter, the Committee noted that it had relatively recently completed this work and that no further changes were needed at this time. The Committee then stepped through the remaining items on the legal and regulatory compliance checklist and confirmed that all had been completed for this operational year.

There being no other matters to come before the Committee at this time, the meeting was adjourned at approximately 4:40 p.m.

Respectfully submitted,



Fred L. Potter, Secretary Pro Tem

April 14, 2015 Executive Director Overview

Assessment Collections since inception:	\$217+ Million
Remittances to State of WA since inception:	\$220+ Million
Receivables	\$9+ Million
Cash Balance as of March 31, 2015:	\$4.8+ Million
Morgan Stanley as of March 31, 2015:	\$10,000
Utilized Line of Credit	\$12 Million
Available Line of Credit	\$3 Million

To say that we approach this meeting with mixed emotions seems somewhat trite and understated given the substantial contribution our colleague, Margaret Lane, has made to the success of the Washington Vaccine Association (WVA). This is Margaret's last Board meeting as Deputy ED. She was involved, even before KidsVax, as an advisor to the Board as it initiated setup of WVA with an unreasonably short implementation schedule necessitated by the timing of the legislation adoption in March of 2010 with only a few months until the end of state funding. Margaret served as an advisor to the pre-board group putting together a setup team which ultimately led to the selection of KidsVax to lead the overall effort. Seeing Margaret's valuable contribution in this effort, KidsVax named Margaret as WVA's first in-market Deputy Executive Director position. She has served well and set a high standard for those who follow her as WVA matures.

The dreaded day now has come when Margaret's consulting business growth necessitates her moving on. While this clearly is best for Margaret and her family, I am sure that it was a difficult decision for her as she has become an avid supporter of the WVA and one who cherishes the Board relationships which have developed over the last five years. We all surely will miss her. Thank you, Margaret.

We are grateful to Margaret for her welcoming and encouragement of Julia G.S. Walter, an emerging young professional on the KidsVax team, who will be moving to Seattle, Washington next month. Julia clearly has the energy to pick up Margaret's tasks. I am confident her fresh perspectives will afford us the opportunity to improve as a maturing organization. Welcome aboard in your new role, Julia.

I want especially to thank the Executive Committee, and the supplemental volunteer effort of Dr. Marcuse, as they stepped into the gap between board meetings, as contemplated by WVA's bylaws, to address all matters related to the transition in WVA's Deputy ED position. This is a position filled by KidsVax® but subject to the Board's approval. Executive Committee members were generous in making themselves available for informal consultation and then scheduled two complete committee meetings and conducted a host of individual interviews and reference checks after establishing a protocol for consideration of this appointment. The goal was both to produce a careful vetting with process comfortable for all, but most especially WVA's strategic partner the Department of Health, while taking timely action which allowed for maximum overlap and training during Margaret's remaining availability. We all owe the Executive Committee a debt of gratitude for the investment of time each one made to thoroughly oversee this appointment. Thank you, each one.

Evidence of WVA's reaching important saddle points in its development are clear on all fronts. On the financial front, as you see from the attached financial analysis of Peter Smith, the implementation of an updated line of credit is very timely. We just completed our first draw in order to fund the \$6 Million+ non-federal childhood vaccine purchases for May 2015. Kindly note, due to the designed delay of this increase to move WVA to its targeted July 1 assessment rate implementation schedule, this will have the effect of absorbing two prior years' inflation increase. It also is designed to carry us forward through two additional years of assessment increases while first repaying the line of credit in accordance with agreements and also building toward the targeted \$16 Million liquidity reserve. This will be the last assessment rate increase implemented with Margaret's leadership. Our thanks go to Margaret for her care in putting together thorough procedures for this and the ongoing work of the Operations Committee and Peter Smith assuring effective implementation.

On the TRICARE efforts, KidsVax analyst Norm Roberge and TriWest and TRICARE analysts have reached concurrence on an estimate for the past arrearage. TriWest acknowledges liability in excess of \$4 Million after applying a vaccine-by-vaccine "lesser of" test in which they always price below allowances. We are unsure at this point how personnel changes at TRICARE may affect the timeliness of payment of the arrearage now that the amounts have been identified. Both the detail data analyst for TRICARE, Bill Moog, and TRICARE's general counsel, Paul Hutter, have been reassigned. Those professionals had been helpful and principled in seeking to move the matter forward to resolution. It is unclear how these unfortunate recent personnel changes may affect conclusion of the matter. I suggest the Board consider at this meeting delegation to its TRICARE Task Force of authority to reach a final settlement on the arrearage liability which will involve consideration of the application methodology of the "lesser of" tests (whether in aggregate or on a vaccine-by-vaccine basis and an assessment schedule-by-assessment schedule basis), and consideration of the additional charge, if any, for late payment interest and penalties either on account of WVA's standard late payment charges or WVA's actual interest costs for borrowings during periods of time in which TriWest/TRICARE past claims have remained unpaid.

Finally, a big "thank you" is due to Premera for again donating a significant portion of senior management time to a topic of ongoing interest to the WVA. WVA's Board has long considered what role, if any, it should play beyond its core responsibilities to provide funding for the State of Washington's universal childhood purchase program. Premera itself has considered its own role in advocating for improved vaccine utilization rates given the clear health benefits and financial savings in healthcare costs resulting from this highly-effective public health initiative. This Board meeting, and its relaxed context not only affords us the opportunity to welcome several new Board members who have joined us over the last year as a result of numerous personnel changes throughout the healthcare industry, but also to consider what next steps to encourage increased immunization rates may be appropriate at this time. We look forward to the guidance of the Board on this topic.

Thank you, once again, for the opportunity to serve with you in the ongoing work of the Washington Vaccine Association and its support for improved childhood health outcomes in the State of Washington.



Fred L. Potter, writing April 7, 2015 for the April 14, 2015 board meeting.



Standard Attachments

- i. Quarterly financial reports through March 31, 2015
- 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 March 28, 2015**

A**ASSETS**

Current assets		
1	Cash and cash equivalents	\$ 4,860,587.02
2	Investments	10,000.42
3	Assessment receivable	9,531,671.59
4	Prepaid Vaccine	5,747,407.68
5	Prepaid Administrative Services	-
6	Total current assets	20,149,666.71
7	Total assets	\$ 20,149,666.71

LIABILITIES AND NET ASSETS

Current liabilities		
8	Accounts payable	\$ 35,056.73
9	Key Bank - Line of Credit	12,000,000.00
10	Payable to Washington Department of Health	-
11	Other accruals	-
12	Total current liabilities	12,035,056.73
Net assets		
13	Excess Assessments - Vaccines	35,662,402.04
14	Excess Assesments - Administrative Activities	(27,547,792.06)
15	Total net assets	8,114,609.98
16	Total liabilities and net assets	\$ 20,149,666.71

Washington Vaccine Association
Statement of Activities and Changes in Net Assets

	Month Ending March 31, 2015			For 9 Months Ending March 31, 2015		
	A Administrative Activities	B Vaccine Activities	C Total	D Administrative Activities	E Vaccine Activities	F Total
Revenues:						
1 Assessments	\$ 400,041.54	\$ 5,701,227.00	\$ 6,101,268.54	\$ 2,608,639.12	\$ 47,545,021.00	\$ 50,153,660.12
2 Less: Vaccine expense	-	(5,325,080.75)	(5,325,080.75)	-	(45,462,516.44)	(45,462,516.44)
3 Net Assessment margins	400,041.54	376,146.25	776,187.79	2,608,639.12	2,082,504.56	4,691,143.68
4 Investment income	-	-	-	-	-	-
5 Other income	-	-	-	-	-	-
6 Net revenues	400,041.54	376,146.25	776,187.79	2,608,639.12	2,082,504.56	4,691,143.68
Expenses:						
7 Administrative services - fixed contract	33,316.00	-	33,316.00	299,844.00	-	299,844.00
8 Adm services - variable compensation	-	-	-	-	-	-
9 Administrative services - Tricare	11,775.47	-	11,775.47	31,775.47	-	31,775.47
10 Legal fees	-	-	-	12,287.28	-	12,287.28
11 Audit	-	-	-	10,850.00	-	10,850.00
12 Annual report / special communications	-	-	-	9,792.03	-	9,792.03
Special projects:						
13 DOH vaccine order system	-	-	-	-	-	-
14 Denied claims recovery	2,219.18	-	2,219.18	19,387.33	-	19,387.33
15 All other special projects	-	-	-	-	-	-
16 Insurance	-	-	-	24,298.98	-	24,298.98
17 Bank fees	4,469.40	-	4,469.40	56,895.34	-	56,895.34
18 Investment advisor / manager	-	-	-	-	-	-
19 Other administration expenses	-	-	-	-	-	-
20 Total administrative expenses	51,780.05	-	51,780.05	465,130.43	-	465,130.43
21 Line of credit - financing costs	30,354.16	-	30,354.16	263,599.82	-	263,599.82
22 Total expenses	82,134.21	-	82,134.21	728,730.25	-	728,730.25
23 Increase (decrease) in net assets	\$ 317,907.33	\$ 376,146.25	\$ 694,053.58	\$ 1,879,908.87	\$ 2,082,504.56	\$ 3,962,413.43
24 Unrestricted net assets, beginning of year				(29,427,700.93)	33,579,897.48	4,152,196.55
25 Unrestricted net assets, end of year				\$ (27,547,792.06)	\$ 35,662,402.04	\$ 8,114,609.98

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

WVVA 2015-04-14 03.a.i. 3

	A	B	C	D
	Inception Through 1/31/2015	Month 2/28/2015	Month 3/31/2015	Inception Through 3/31/2015
1 Cash balance - beginning of period	\$ -	\$ 6,455,647.82	\$ 5,664,381.77	\$ -
Inflows:				
2 Principal prepayments	7,800,001.00	-	-	7,800,001.00
3 Vaccine collections	207,435,612.90	4,578,140.24	5,032,669.34	217,046,422.48
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	227,438,810.24	4,578,140.24	5,032,669.34	237,049,619.82
Outflows:				
8 Principal repayments	(7,799,908.85)	-	-	(7,799,908.85)
Program				
9 Vaccine remittance State of WA	(209,350,135.58)	(5,325,080.75)	(5,747,407.68)	(220,422,624.01)
10 Vaccine Selection Development	(79,950.00)	-	-	(79,950.00)
11 Public information	(117,230.34)	(985.00)	-	(118,215.34)
12 Total program disbursements	(209,547,315.92)	(5,326,065.75)	(5,747,407.68)	(220,620,789.35)
Administration				
13 Administrative services	(1,761,551.02)	(131.50)	(45,091.47)	(1,806,773.99)
14 Project management fees	(419,367.64)	-	-	(419,367.64)
15 Denied claims recovery	(39,555.63)	(2,073.96)	(2,078.44)	(43,708.03)
16 Design and advertising	(31,031.38)	-	-	(31,031.38)
17 Claims system development	(26,000.00)	-	-	(26,000.00)
18 Legal fees	(225,355.34)	(827.90)	-	(226,183.24)
19 Audit fees	(65,155.00)	-	-	(65,155.00)
20 Website and information technology	(112,743.32)	-	-	(112,743.32)
21 Travel	(1,829.68)	-	-	(1,829.68)
22 Total administration	(2,682,589.01)	(3,033.36)	(47,169.91)	(2,732,792.28)
Office				
23 Bank Fees	(371,532.27)	(9,953.02)	(4,469.40)	(385,954.69)
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	(430,659.45)	(9,953.02)	(4,469.40)	(445,081.87)
Other				
30 Insurance	(112,984.13)	-	-	(112,984.13)
31 Interest Line of Credit	(409,344.06)	(30,354.16)	(27,416.68)	(467,114.90)
32 Board meetings	(361.00)	-	-	(361.00)
33 Total Other	(522,689.19)	(30,354.16)	(27,416.68)	(580,460.03)
34 Total outflows	(220,983,162.42)	(5,369,406.29)	(5,826,463.67)	(232,179,032.38)
35 Cash balance - end of period	\$ 6,455,647.82	\$ 5,664,381.77	\$ 4,870,587.44	\$ 4,870,587.44

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

KidsVax.org Performance Dashboard -- 2014-15 Washington Vaccine Association Administrative Services Agreement

1. Maintain Core Service Metrics

- a. Responsiveness
 - i. Telephone (85% within 1 business day | 100% within 2)
 - ii. Emails (85% acknowledged w/ delivery time in 3 days | 100% in 5 days)
 - b. Financial Reporting (from period end)
 - i. Monthly financials w/in 15 business days (except 1st month of year)
 - ii. Annual within 40 business days
 - iii. Quarterly 12-month liquidity forecasts w/in 25 business days
 - c. State funding
 - i. 100% funding on or before due date
 - ii. Annual regulatory reports on or before due date
- Provider & Payer Compliance**
- a. 95% Provider Compliance
 - b. 100% Payer compliance (except for TRICARE)
- System / Operational Improvements**
- a. i. Implement new VaxFactsSM, Annual Report format
 - ii. Update & rewrite WVA website FAQs.
 - b. Coordinate special event to allow for strategic focus discussion
 - c. [Stretch Objective] TRICARE cumulative collections to surpass \$1 Million.

2. Provider & Payer Compliance

- a. 95% Provider Compliance
- b. 100% Payer compliance (except for TRICARE)





































3. System / Operational Improvements

- a. i. Implement new VaxFacts_{SM} Annual Report format
- ii. Update & rewrite WVA website FAQs.
- b. Coordinate special event to allow for strategic focus discussion
- c. [Stretch Objective] TRICARE cumulative collections to surpass \$1 Million.

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. As of 4/6/2015 f the board would consider allowing a revised due date for 3.a.ii. to 5/1/2015 that would be great.

Original Due Date	Board Approved change	Now expected	4/6/2015	YE Expected	Comments
ongoing ongoing			 	 	
ongoing ongoing ongoing			  	  	
ongoing ongoing			 	 	
ongoing ongoing			 	 	Still working
11/14/2014			  	  	Work was largely anticipated the scheduled for
5/22/2015			  	  	Operational
6/19/2015			  	  	TRICARE data

Still working through systems problems with one major carrier.

Work was largely completed and under review by others, but the original date was missed. We did not anticipate the need for an extension before the Board's January meeting and other matters have taken Schedules for completion in April.

Operationally, this is proving to be very difficult & time consuming. One reliable TRICARE data analyst & TRICARE's general counsel have been reassigned.

April 8, 2015

MEMORANDUM

WVA/KIDSVAX EXECUTIVE SERVICES AGREEMENT

2015/16 Performance Goal Recommendations

The performance review system established by WVA some years ago with outside consultant recommendation had urged that the number of goals be simplified. Most of the goals are standard year after year. However, there additionally are two to three supplemental goals under section 3 unique to the year's operations.

KidsVax recommends that the following be the goals established in this category for 2015/16:

3. System / Operational Improvements

- | | |
|---|--------------------------|
| a. Update online materials for provider DBA training | Original Due Date |
| i. Create new step-through workbook on completing the DBA form. | 3/1/2016 |
| ii. Conduct and record one on-line training webinar of approximately 30 minutes in length. | |
| b. [Stretch Objective] TRICARE - Reach settlement on amount of past TriWest arrearage and collect the agreed balance. | 5/1/2016 |

KidsVax recommends that two goals be set for this year rather than three because of the substantial work involved in each of these two. As the Board knows, WVA will be in transition from Margaret Lane to Julia Walter in the Deputy ED position. While maintaining that position is simply part of our base obligations under the contract, there is significant volume of additional work and focus required in the initial year for the entire KidsVax team. To complete the first of these goals, Julia will need not only to fully understand the past system, but also bring WVA up-to-date with respect to 2015/16 forms changes. This provides a good time to refresh provider training materials which really stand at the heart of WVA's greatest performance vulnerability. Hence, this is a critically important goal for WVA.

With respect to TRICARE, our experience to date demonstrates that bringing anything to a conclusion requires extraordinary effort and diligence on the part of KidsVax. We now believe there is a shared understanding of the data with respect to TRICARE's past arrearage. Navigating forward through the settlement steps and then following up on actual collections will reflect a very substantial accomplishment for WVA once completed. At that point, WVA will be the first (and, as of now) only state universal vaccine funding program to successfully bring TRICARE onboard. Completing these collections, of course, also is helpful to the payers financially as its portion of assessment equity is improved and WVA, in turn, benefits from lowered line of credit borrowing costs.

It would be helpful to us if the WVA Board would outline what process it wants to follow for us to finalize these objectives. It would be helpful to have in place prior to the end of this fiscal year (i.e., by the June Board meeting) so as to have the intended effect of guiding KidsVax's work throughout the upcoming 2015/16 contract year.

Fred L. Potter, Executive Director



WVA Communications Plan Progress

Last Updated: April 2015



Green = Done	Yellow = In process	Blue = Held for 2016
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Tactics for Q1	Progress	Measurement	Notes
Op Ed on Disney pertussis	Done	N/A	Other media covered points before WVA - some content can be re-used later
Provider communication on new flu brand and need to use updated 1500 billing form	Done		Sent to 1000 contacts in WVA's contact directory and via DOH blast fax.
Tactics for Q2			Notes
Provider website FAQs update	Draft in process		DHC will review Margaret's draft
Provider / Payer update of website training materials			DHC to review Julia's draft
Provider grid update - 1st notice	Draft in process		Send notice on 5/1 for 7/1 assessment grid change - email and blast fax
Tactics for Q3			Notes
Annual report			Start in July, final in September
Provider grid update reminder			Send on 7/1, effective date for new Assessment Grid - email and blast fax
Provider update - ICD 10 code change process (TBD)			Going to one code - <i>may</i> impact process Notify in July for October change
Payer update - ICD 10 code change process (TBD)			Going to one code - <i>may</i> impact process Notify in July for October change
Provider Pink Book Event			Discuss at June WVA board meeting, decision on sponsorship level due by late July Event in September
Provider update - HPV9 new vaccine			Coordinate with DOH on timing of vaccine availability and their campaign
Tactics for Q4			Notes
Things to Consider/Watch			Notes
Immunization awareness activity			
Contributed articles			Providers/Payers/TPAs - as there is news
Legislative onesheet			Annual Report filled this role last year
Legislative outreach meetings			Julia and Fred continue to assess need
Annual DOH Secretary Briefing			Determine timing and schedule with WVA and DOH

WVA Deputy ED Transition Plan

I. Overview

The purpose of this transition plan transition is to layout the tasks and activities that need to take place to allow for personnel changes in the WVA Deputy Executive Director (Deputy ED) role.

The transition plan identifies the key action items, training needs, and the resources allocated to ensure that any new Deputy ED is adequately prepared and briefed on all relevant projects and special task force work. The plan also identifies the tools, techniques, and methodologies that are needed to perform an efficient and effective transition. Special attention is given to contingency planning and risk mitigation.

Specifically, the plan addresses the April-June 2015 transition of Margaret Lane as Deputy ED to Julia Walter.

The transition plan is to be read conjunction with all other relevant WVA and KV documents and is not intended to repeat information already found in those documents.

II. Pre-transition Collaboration

This section provides an overview of the pre-transition preparation and collaboration of Margaret and Julia, which was completed at the end of 2014.

Margaret began training Julia in the basics of universal vaccine purchase in September 2014 during their in-person meetings in Alaska and through subsequent telephonic meetings, as KidsVax designated Julia as Deputy ED of the Alaska Vaccine Assessment Program (AVAP). Margaret provided consulting services to the State of Alaska during the set-up of the AVAP, which was during the months of September-December 2014. Specifically, Margaret provided information to Alaska's Department of Health and Social Services concerning the viability and advisability of creating a dosage-based assessment methodology in Alaska, simultaneously instructing Julia in the same. Margaret and Julia worked together to develop content for the AVAP website, drafting FAQs, aiding in the editing of the Plan of Operation, and divided the burdens of communicating the program requirements to payers and providers.

Julia continued to receive guidance from Margaret as to how to be an effective Deputy ED. For career development purposes, Margaret invited Julia to attend WVA Board meetings during the end of 2014 and beginning of 2015. No transition was contemplated at this that time, so Julia was primarily an observer at these meetings.

Additionally, Julia assumed primary responsibility for WVA TRICARE Special Task force-related activities beginning in November, 2014. While Margaret continued to engage her Defense Health Agenda contacts to achieve relief from the requirements of NDCs on all claims, Julia attended all Special Task Force Meetings, took minutes, wrote status reports, and maintained communications efforts with the Task Force and Norm Roberge.

III. Transition Schedule, Tasks, and Activities

This section outlines the completed and planned transition activities, tasks, and overall schedule.

The responsibility for managing each KV contractual obligation to WVA has been assigned to either Margaret or Julia, with Margaret taking primary responsibility through May 15, with Julia taking a subordinate role. After May 15, Julia will be the Deputy ED with Margaret scaling back her WVA activities through the end of June, 2015. After June, Margaret will be available to Julia on an ad hoc basis, and has committed to remaining on-call for Julia through the end of 2015.

A. Completed Activities

Julia and Margaret began preparing for a possible Deputy ED transition in February 2015. To this end, Margaret took the following actions:

- Including Julia in all WVA committee meetings and relevant communications;
- Involving Julia in the HPV-9 grid update & the development of the pricing proxy, and the July 1 Grid update;
- Informal training on the DBA methodology (initially to assist Julia in her responsibilities to AK as they consider a change from the per capita system); and
- Worked with Julia on-site in Seattle during 2 separate trips to provide a basic understanding of Deputy ED work and how the DBA system functions in Washington, including training on the following items:
 - HCFA 1500 forms & 837 claims,
 - AMCC collections activities,
 - identification of the relevant contacts and stakeholders in Washington, common issues and troubleshooting work,
 - preparation for yearly scheduling,
 - internal, provider billing systems and operations,
 - the process of grid updates and the required communication efforts shared by DOH and WVA, and
 - suggested projects to improve the current DBA system;
- Provided all governance materials, WVA history, and other relevant reading materials for Julia's edification;
- Allowing Julia to aid in the preparation of the April 14th WVA Board meeting.

B. On-going Transition Activities

Julia and Margaret will continue to work together to prepare her for the Deputy ED role by structured facilitation of key ED activities not yet addressed. Margaret and Julia have compiled a list of core competencies and maintain an in-depth list of matters Margaret will address with Julia.

Julia is scheduled to spend the week of April 12 in Seattle to work with Margaret on-site and aid in the immediate pre-board meeting work. Following the WVA meeting, Margaret will debrief Julia, answer any questions, and continue in the formal training. Julia will move to Seattle in early May and have an additional 2 weeks of training with Margaret in the WVA offices. In total, she will have had over 1 month of in-person transition time with Margaret before assuming the Deputy ED role.

During the upcoming, on-site training period, Margaret will focus on providing Julia with training on electronic submissions as opposed to paper forms. Margaret will also provide an update on the agreement with Regence and some of the on-going issues with their electronic form requirement.

C. Post-Transition Activities

Julia will take a number of steps to ensure she is fully engaged with stakeholders in Washington and comprehends their needs.

Julia has committed to studying provider billing and taking a class or certification in this field. Additionally, Margaret will serve as a resource for Julia throughout the 2015 year. During the next six months, Julia is planning on meeting with board members and the Department of Health to gain a more thorough understanding of their concerns and vision for the WVA.

Fred Potter will increase the frequency and duration of his trips to Seattle during the balance of 2015 to ensure that Julia has sufficient, in-person mentoring and that she continues to perform at the expected level.

IV. KidsVax Management

This section outlines the management controls that will be employed to ensure each transition task is successfully executed and completed based on the approved acceptance criteria.

Fred Potter will continue to oversee Julia's career development and ensure that the core requirements of KV's contract as the administrator of the Washington Vaccine Association are fulfilled. Following Julia's assumption of the Deputy ED role, Fred will continue in his Executive Director role, and will attend all WVA Board meetings and oversee all WVA Deputy ED work product.

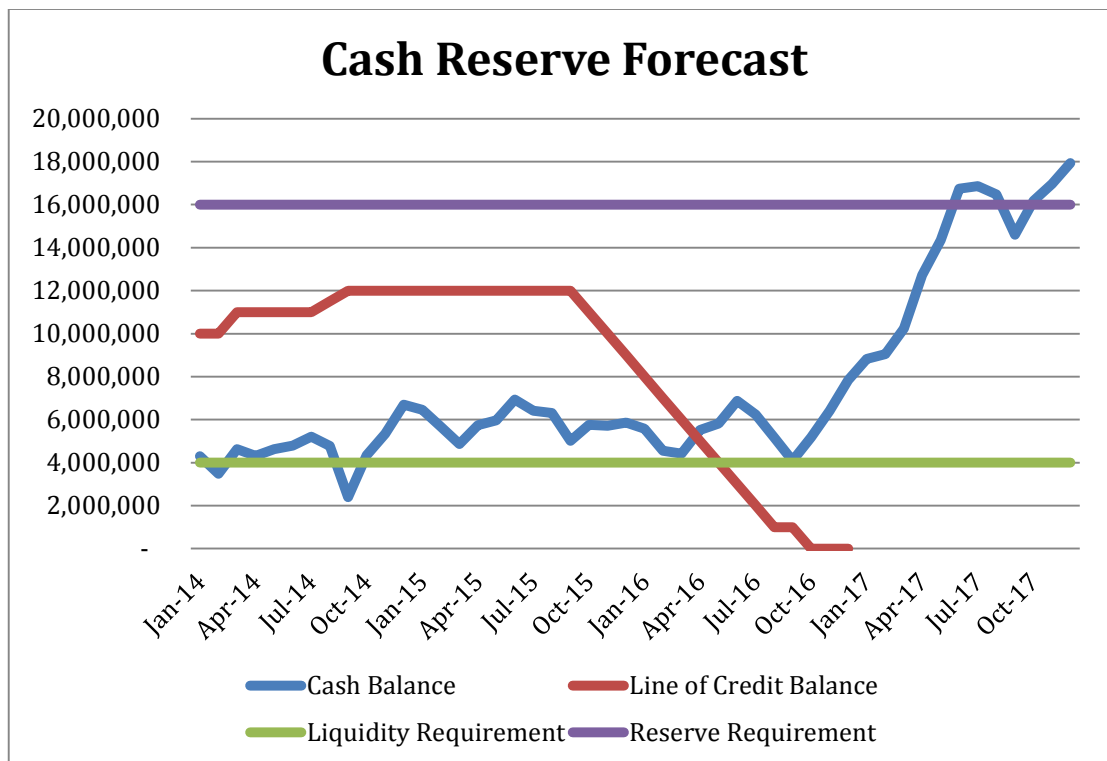
MARCH 31, 2015 CASH RESERVE ANALYSIS SUMMARY

Cash on hand as of March 31:	\$ 4,860,587
Value of invested funds at Mar 31:	\$ 10,000
Total Cash Reserve:	\$ 4,870,587
LOC Liquidity Requirement:	\$ 4,000,000
LOC Balance at 3/31:	\$ 12,000,000
Net liquidity at 3/31:	\$ (5,297,547)
Reserve target:	\$ 16,000,000
Projected months to desired reserve:	27

In January, the WVA Board voted to increase the grid rates by approximately 19% to 130% of CDC contract prices as of April 1, 2015 (changes effective 7/1/2015). Accounts Receivable on the Balance Sheet had gone from 5.4MM in July to 11MM as of September 30, then stabilized and decreased by over \$2MM to \$8.2MM as of 12/31/2014 and at 3/31/2015 are now at \$9.5MM.

The WVA assessment rate increase in July 2015 approved last quarter along with the renewed \$15MM line of credit availability through December 2016 should 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.

On April 3rd a draw request for \$5.6MM came from DOH. DOH has indicated that they will be making requests closer to the 1st of the month. This creates additional pressure on cash flow but should even out as assessments increase. A new draw of \$500k will be made to bridge the week of collections foregone in order to meet the payment request.



CASH FLOWS PROJECTION

Below is the cash reserve projection for the next 33 months based on the approved increase in assessment rates to 130% of the CDC rates as of July 1, 2015. With the CDC price change of 4/1/2015 and the new grid price at 130% of CDC, the increase averages 18.8% increase per dose with 13.3% saving over the market survey prices. Weighted for WVA quantity per vaccine (at FYE 2014 levels) the increase is 23.6% and 6.9% savings over the market survey prices.

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
May-13	2,829,101	(3,804,548)	-	(48,074)			(1,023,519)	11,885,757	-	11,885,757
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
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)
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)
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)
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)
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	4,173,000	(4,292,784)	-	(96,667)	(30,354)		(246,805)	6,455,648	12,000,000	(5,544,352)
Feb-15	4,578,140	(5,325,081)	-	(13,971)	(30,354)		(791,266)	5,664,382	12,000,000	(6,335,618)
Mar-15	5,032,669	(5,747,408)	-	(51,639)	(27,417)		(793,794)	4,870,588	12,000,000	(7,129,412)
Apr-15	6,034,778	(5,084,477)	-	(46,647)	(32,500)		871,154	5,741,742	12,000,000	(6,258,258)
May-15	5,338,701	(5,036,259)	-	(46,647)	(32,500)		223,295	5,965,037	12,000,000	(6,034,963)
Jun-15	5,288,072	(4,240,722)	-	(46,647)	(32,500)		968,203	6,933,240	12,000,000	(5,066,760)
Jul-15	4,452,758	(4,890,287)	-	(46,647)	(32,500)		(516,676)	6,416,564	12,000,000	(5,583,436)
Aug-15	6,110,413	(6,135,561)	-	(46,647)	(32,500)		(104,295)	6,312,269	12,000,000	(5,687,731)
Sep-15	7,666,383	(4,884,788)	(4,000,000)	(46,647)	(32,500)		(1,297,552)	5,014,717	12,000,000	(6,985,283)
Oct-15	6,103,543	(4,278,367)	-	(46,647)	(32,500)	(1,000,000)	746,029	5,760,746	11,000,000	(5,239,254)
Nov-15	5,345,820	(4,314,130)	-	(46,647)	(29,792)	(1,000,000)	(44,748)	5,715,997	10,000,000	(4,284,003)
Dec-15	5,390,505	(4,169,489)	-	(46,647)	(27,083)	(1,000,000)	147,286	5,863,283	9,000,000	(3,136,717)
Jan-16	5,209,777	(4,421,567)	-	(46,647)	(24,375)	(1,000,000)	(282,813)	5,580,471	8,000,000	(2,419,529)
Feb-16	5,524,748	(5,484,833)	-	(46,647)	(21,667)	(1,000,000)	(1,028,399)	4,552,072	7,000,000	(2,447,928)
Mar-16	6,853,299	(5,919,830)	-	(46,647)	(18,958)	(1,000,000)	(132,136)	4,419,936	6,000,000	(1,580,064)
Apr-16	7,396,827	(5,237,011)	-	(46,647)	(16,250)	(1,000,000)	1,096,919	5,516,855	5,000,000	516,855
May-16	6,543,645	(5,187,347)	-	(46,647)	(13,542)	(1,000,000)	296,110	5,812,965	4,000,000	1,812,965
Jun-16	6,481,590	(4,367,943)	-	(46,647)	(10,833)	(1,000,000)	1,056,166	6,869,131	3,000,000	3,869,131
Jul-16	5,457,745	(5,036,995)	-	(46,647)	(8,125)	(1,000,000)	(634,022)	6,235,109	2,000,000	4,235,109
Aug-16	6,293,725	(6,319,628)	-	(46,647)	(5,417)	(1,000,000)	(1,077,966)	5,157,143	1,000,000	4,157,143
Sep-16	8,212,230	(5,031,332)	(4,200,000)	(46,647)	(2,708)		(1,068,458)	4,088,686	1,000,000	3,088,686
Oct-16	6,538,115	(4,406,719)	-	(46,647)	(2,708)	(1,000,000)	1,082,042	5,170,727	-	5,170,727
Nov-16	5,726,443	(4,443,554)	-	(46,647)	-		1,236,242	6,406,969	-	6,406,969
Dec-16	5,774,309	(4,294,574)	-	(46,647)	-		1,433,089	7,840,058	-	7,840,058
Jan-17	5,580,713	(4,554,214)	-	(46,647)	-		979,852	8,819,909	-	8,819,909
Feb-17	5,918,110	(5,649,378)	-	(46,647)	-		222,085	9,041,994	-	9,041,994
Mar-17	7,341,254	(6,097,425)	-	(46,647)	-		1,197,182	10,239,176	-	10,239,176
Apr-17	7,923,482	(5,394,121)	-	(46,647)	-		2,482,713	12,721,889	-	12,721,889
May-17	7,009,553	(5,342,967)	-	(46,647)	-		1,619,939	14,341,828	-	14,341,828
Jun-17	6,943,079	(4,498,982)	-	(46,647)	-		2,397,450	16,739,278	-	16,739,278
Jul-17	5,355,048	(5,188,105)	-	(46,647)	-		120,296	16,859,574	-	16,859,574
Aug-17	6,175,298	(6,509,217)	-	(46,647)	-		(380,566)	16,479,008	-	16,479,008
Sep-17	7,747,790	(5,182,272)	(4,400,000)	(46,647)	-		(1,881,129)	14,597,880	-	14,597,880
Oct-17	6,168,355	(4,538,920)	-	(46,647)	-		1,582,788	16,180,667	-	16,180,667
Nov-17	5,402,586	(4,576,861)	-	(46,647)	-		779,078	16,959,746	-	16,959,746
Dec-17	5,447,746	(4,423,411)	-	(46,647)	-		977,688	17,937,433	-	17,937,433

LINE OF CREDIT & COVENANT COMPLIANCE

As of March 31, 2015 the WVA cash balance was above the \$4,000,000 covenant requirement (see page 1 above). All other requirements are currently met as well. Line of credit balance is currently \$12,000,000.

The below are the current requirements as detailed in the renewal letter dated December 15, 2014.

Credit Limits

- \$15,000,000 until January 31, 2016
- \$10,000,000 until August 1, 2016
- \$5,000,000 until January 1, 2017 (maturity)

Reporting Requirements

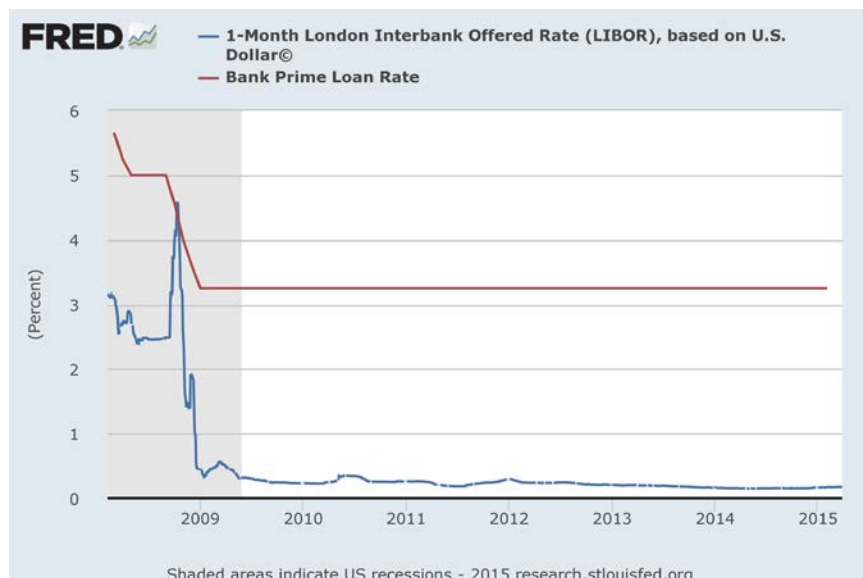
- Borrower to submit CPA Audited financial statement within 120 days of year end (due October 31, 2015).
- Borrower to submit company prepared interim financial statements within 30 days of each quarter end (due April 30, 2015).
- Borrower to submit annual budget for the upcoming fiscal year within 60 days of borrowers fiscal year end (due August 31, 2015).
- Borrower to submit Compliance Certificate, certified by the Executive Director or Finance Officer of the borrower within 30 days of each quarter end (due April 30, 2015).

Financial Requirements

- **Minimum Liquidity:** Borrowers Cash and Investments to be maintained at no less than \$4,000,000 measured quarterly with company prepared interim statements
- **Average Balances:** Borrower must maintain an average of \$4,000,000 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:**

Interest Rate Analysis

As of March 31, 2015 interest rates remain stable (since 2009, see chart below). LIBOR currently provides the most advantageous rate based on the terms of the credit line. [Prime+0 = 3.25% vs. LIBOR+2.75 = 2.928%].



**2014 Washington Vaccine Association Directory
As of 04/09/15**

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Executive Committee

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Vice-Chair/Treasurer: Dennis Kirkpatrick
Secretary: Norman Seabrooks
Beth Harvey, MD
Michele Roberts

Audit Committee

Chair: John Sobeck, MD
Dennis Kirkpatrick
Jason Farber

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)

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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 (Jan 29 3:30-4:30 PM)	
March					X (March 17)
April	X (April 14, 3-6 PM Pike St Mkt Foundation)		X (April 30)	X (April 9)	
May					
June	X (June 16)				
July				X (TBD)	
August					
September					X (September 1)
October	X (October 20– Annual Meeting)				X (Oct 20-if needed)
November			X (TBD)	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.

April 14, 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 the Board of Directors.

Items under Agenda Section 2:

VOTED: To affirm the appointment by Secretary Wiesman of Michele Roberts to the WVA board.

VOTED: To approve the election of Michele Roberts to the WVA Executive Committee; Michele who serves on the Board at the discretion of the Secretary and who has been appointed by the Secretary pursuant to RCW 70.290.030(3)(g).

[To approve the election of Michele Roberts to the WVA Executive Committee with the changes suggested at the meeting.]

VOTED: To approve the election of Dr. Marcuse to the WVA Executive Committee.

[To approve the election of Dr. Marcuse to the WVA Executive Committee with the changes suggested at the meeting.]

VOTED: To approve the minutes of the January 20, 2015 WVA Board Meeting.

[To approve the minutes of the January 20, 2015 WVA Board meeting with the changes suggested at the meeting.]

VOTED: To approve the minutes of the March 17, 2015 WVA Audit Committee Meeting.

[To approve the minutes of the March 17, 2015 WVA Vaccine Committee meeting with the changes suggested at the meeting.]

VOTED: To affirm Dr. Sobeck as WVA Audit Committee Chairman.

[To affirm Dr. Sobeck as WVA Audit Committee Chairman with the changes suggested at the meeting.]

VOTED: To authorize Dr. Sobeck as an additional signatory on all WVA accounts.

[To authorize Dr. Sobeck as an additional signatory on all WVA accounts with the changes suggested at the meeting.]

Finding the Market Event Spaces

Finding the Atrium Suite from under the Public Market Center “Clock” Sign:

Enter the Market at First & Pike and follow the sidewalk straight back to Rachel the Piggybank. If you stand next to Rachel the Piggy Bank, under the Clock Sign, and face Pike Place Fish (the corner of Pike Street & Pike Place), there is an upward staircase on your left. When you reach the top of the stairs, the **Atrium Suite (Atrium Loft, Elliott Bay Room, Salish Room)** is to the right and the **Goodwin Library** is to the left. The **Atrium floor** is visible from the mezzanine and accessible by the elevator.

Finding the Atrium Suite from First Avenue & Pike Street:

From First Avenue & Pike Street, between DeLaurenti's and the newsstand, walk inside the Arcade (Economy Market Entrance) away from 1st Ave. There is a hallway on the left just past DeLaurenti's, opposite Seattle Bagel Bakery. The Atrium floor is just through the hallway to the left. To get to the **Atrium Loft**, take the elevator to the 3rd Floor. When you step off the elevator, the **Atrium Suite (Atrium Loft, Elliott Bay Room, Salish Room)** will be on the left and the **Goodwin Library** to the right. *Only accessible between 8:00am and 6:00pm.

Finding the Atrium Floor and Kitchen

The Atrium Kitchen is located on the ground floor of the Economy Building, on the corner of 1st Avenue and Pike Street. Enter the Economy Building at 1433 1st Avenue to the left of La Vaca.

Loading/Unload Options

Via 1st Avenue and Pike Street: Park at 1433 1st Avenue. Enter the Economy Building to the left of La Vaca. Take Elevator to 3rd floor for Atrium Suite rooms. Take Elevator down to Atrium level for kitchen load-in.



Via the Seattle Gum Wall in Post Alley: Enter at 1st Avenue and Pike Street, just left of the Information Booth. Drive down the Alley and around the corner. The Building entrance and elevator will be on your left. Take Elevator to 3rd floor for Atrium Suite rooms. Take Elevator to Atrium level for kitchen load-in.



Parking Details

Public Parking at Pike Place Market

Company: Public Market Parking Garage
Location: 1531 Western Avenue, Seattle, WA 98101
Phone: 206.774.5237
Website: <http://www.pikeplacemarket.org/public-market-garage>
Hours of Operation: Daily 5:00AM-2:00AM
Pricing: \$3 per hour; \$5 after 5:00pm **rates subject to change.*

Valet Parking at Pike Place Market

Company: Red Carpet Valet
Location: Under the Public Market Clock at the corner of 1st Avenue and Pike Place.
Phone: 206.528.2162
Website: <http://www.redcarpetvalet.net/>
Hours of Operation: Thursday-Saturday from 6:00PM-12:00AM

Driving Directions to the Market Parking Garage

Via I-5 North: Take the Madison Street exit, #164, and turn left. Follow Madison Street to Western Avenue. Turn right onto Western Ave. Follow Western Ave. for five blocks. The entrance to the Market Parking Garage is on the left side of the street.

Via I-5 South: Take the Denny Way/Stewart Street exit, #166. Follow Stewart Street to First Avenue. Turn right onto First Avenue. Two blocks north, turn left onto Lenora Street. Turn left onto Western Avenue. Follow Western Avenue for three blocks (passing Victor Steinbrueck Park on your right). The entrance to the Public Market Parking Garage is on the right side of the street.



Finding the Market Event Spaces via Parking Garage

Once parked – take the elevator located in the center of the garage to the sky bridge across Western Ave to the center of the Main Arcade. Once across take a right and follow the Main Arcade to the Pike Place Market “Clock” Sign and Rachel the Pig.