

Washington Vaccine Association – Board of Directors Meeting
October 20, 2015, 2:00 p.m. – 4:00 p.m.
Location: Perkins Coie, LLP

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

Board Members:

Ed Marcuse, acting chair
Beth Harvey
Mary Kay O'Neill
Dennis Kirkpatrick
Michele Roberts
Jason Farber (T)
Patricia Kulpa (T)
Norman Seabrooks (T)

DOH:

Michele Roberts
Jan Hicks-Thomson

KidsVax:

Julia Walter
Ashley Kittrell
Fred Potter (T)
Peter Smith (T)
Norm Roberge (T)
Claire Roberge (T)

Absent:

John Pierce

Others:

Anne Redman
Jody Daniels (T)

II. Summary of Actions Taken and/or Recommended

A. Actions Taken (votes adopted)

1. To approve the minutes of the August 6, 2015 Board Meeting as submitted.
2. To authorize the WVA to pay all insurance policy premiums through ACH transfer.
3. To authorize KidsVax.org to proceed with the publication of the 2014/2015 WVA Annual Report in the form as presented to the Board.
4. To authorize KidsVax to renegotiate the covenant compliance with KeyBank and not to exceed \$7,500.
5. To affirm the continuation of Board member Diana Rakow, whose term renews in 2016 pursuant to RCW 70.290.030 (3)(b).
6. To affirm the continuation of Board member Dr. Mary Kay O'Neill, whose term renews in 2016 and pursuant to RCW 70.290.030 (3)(f).
7. To affirm the continuation of Board member Dr. Ed Marcuse, whose term renews in 2016 and pursuant to RCW 70.90.030(3)(f).
8. To affirm the continuation of Board member Norman Seabrooks, whose term renews in 2016 pursuant to RCW 70.290.030 (3)(a).
9. To approve the election of the proposed slate of WVA officers listed on the WVA Board of Directors and Committees list for one-year terms pursuant to Section 6.1 of the WVA Bylaws.
10. To approve the individuals listed on the WVA Board Committee list presented at the meeting to serve on the Audit, Operations, and Vaccine Committees, respectively, with the committee chairs listed.
11. To authorize KV to extend the engagement of the WVA with Crowell & Moring at the terms discussed at the meeting.
12. To request the TRICARE Litigation Taskforce to oversee the work of KidsVax in managing the Crowell & Moring engagement and to authorize the Taskforce to make further modifications to the engagement letter as it may deem appropriate.

B. Follow up Tasks/Action Items

1. Julia Walter will begin writing a brief monthly update to the Board informing them of salient matters such as the WVA's cash position, special collections efforts, and TRICARE.
2. To research the ramifications if TRICARE beneficiaries in Washington State were no longer able to receive state-supplied vaccine.

III. Minutes

Welcome and Introductions

At 2:00 p.m., a quorum having been established, Acting Chair Ed Marcuse called the meeting to order.

Consent Calendar Items

The consent calendar was briefly reviewed. The first order of business was the approval of the August 6, Special Board meeting minutes.

Upon motion duly made and seconded, it was unanimously

VOTED: To approve the Board Minutes as submitted.

The second item on the consent calendar was the authorization of ACH transfers for insurance policies. Ms. Walter briefly explained it would result in a continuation of the policy without the problem of payment delays and potential policy lapses.

Upon motion duly made and seconded, it was unanimously

VOTED: To authorize ACH transfers for insurance policy premiums.

Special Collections

Ms. Jan Hicks-Thomson gave an overview and update on the special collections project. The topics included funds development process, how vaccines are purchased, how each fund source is used, vaccine ordering, practice profiles, the fund split template tool that the CDC requires the Department of Health (DOH) to use to apply the funds to vaccine orders, and the steps that are being taken to mitigate the cash flow issue. There are approximately 1,100 provider offices that participate in the universal vaccine program that represents between 3,500 and 4,000 individual practitioners. It is estimated that \$145 million from multiple fund sources are used to fund vaccines annually. The state funding that is received comes from three sources: the Washington Vaccine Association (WVA), the Healthcare Authority, and the CHP program. In the past, 317 Direct Assistance funds from the federal government have been used to cover underinsured and undocumented children; however, the policy concerning how funds are utilized now prohibits states from using the money for underinsured children.

Ms. Hicks-Thomson explained that the vaccine budget is broken down into two areas. The first is the Population Estimate Survey that is used to determine the number of children who qualify for coverage by the Vaccines for Children (VFC) program. The second aspect of the budget is the Cost and Affordability tool in which the population numbers are calculated by age and gives an estimate of the overall financial responsibility for children who are not VFC-eligible in Washington. Ms. Hicks-Thomson gave a detailed explanation of how the yearly cost is estimated and what tools are used. By using a practice profile to count children and categorize them by age, insurance type, and VFC status, the DOH is able to determine a fund source split to attach to each vaccine brand at the package level for every vaccine order that goes through the system and is how the vaccine is expensed. Providers are asked to report and update how many children are in their practice by insurance type; the fund source split template is updated each year.

The DOH has used several strategies to help mitigate the cash flow issues the WVA is experiencing. First, the DOH is processing vaccine requests as late in the month as possible to allow collections to accumulate. Secondly, HPV has been added to the vaccine grid under an allocation process. Third, new Meningococcal B vaccine was submitted as a special order product. The DOH has also been conducting data analysis and reviewing practice provider profiles for all of the providers who receive over \$100,000 of vaccines annually. Ms. Thomson noted they have begun to review the providers receiving less than \$100,000 of vaccines annually but that it is a fairly complicated process. The fund source splits have been updated for over two hundred providers as well. The DOH is working to identify potential discrepancies in the billing data from a provider's office versus the data reported on doses administered in the Immunization Information System. The DOH does not have a routine process to match billing information with the generated revenue or doses administered. Ms. Hicks-Thomson is unsure if this will be a successful method but Dr. Beth Harvey has allowed the DOH to review her practices' billing data to determine if this is a viable data source.

The impact of the analysis conducted by the DOH exhibited a \$2.2 million expense savings to the WVA with the changes that have been made if a population based profile to practices was applied. With a provider specific profile, the savings would be approximately \$3.2 million in a seven month period. The potential impact overall is estimated to be between \$5-8 million if a provider specific profile was used in every practice. In light of this information, Dr. Marcuse suggested that the DOH's research and findings be published or at the least, presented to the Board.

Update on Financial Position

Fred Potter informed the Board that there is a \$5.3 million disbursement request, and as of October 19, there was \$4.1 million in the bank resulting in a split payment. The November payment will also need to be split.

Ms. Walter informed the Board of three ways that the WVA is working on the special collections. First, Regence and Premera are participating in a pilot program that will help gather data and improve the vaccine assessment mechanism. Second, the WVA was notified by a billing company of a few hundred claim denials that were resulting in nonpayment of the administration cost to the WVA. The WVA is continuing to call and work to correct errors such as this. Third, a carrier survey has been sent to the top payers will provide an in-depth look at vaccine and eligibility data to identify potential issues within the assessment system.

Peter Smith gave a brief overview of the cash analysis that includes a cost savings analysis and cash reserve analysis summary. In September, the WVA had \$2.5 million that was used in October to pay the holdover on the accounts payable. The WVA is projected to gain approximately \$1 million in cash every month at the current grid rates and pay off the line of credit by February or March, 2017. Mr. Kirkpatrick asked that Mr. Smith's projected deadline be noted in the minutes. Finally, Mr. Smith noted that the WVA is currently out of covenant compliance with the \$4 million cash reserve requirement at KeyBank but is in compliance in all other areas. Under the current agreement, the line of credit must begin to be paid down starting in January, 2016. Mr. Potter recommended that the Board seek to negotiate with KeyBank the provisions regarding the covenant to match the cash flow expectations and a line reduction from \$15 to \$10 million. The cost to do this would be approximately \$5,000. Mr. Jason Farber added an amendment to the proposed vote that the cost not exceed \$7,500 to negotiate the covenant compliance. Based on the recommendation of KidsVax (KV), and in light of present circumstances, the Board agreed to allow KV to negotiate under the terms discussed.

Upon motion duly made and seconded, it was unanimously

VOTED: To authorize KidsVax to renegotiate the WVA's covenant compliance with KeyBank and not to exceed \$7,500.

Dr. Marcuse added he would like to receive monthly updates on the current cash flow task force. Mr. Kirkpatrick agreed to work with KV on writing a monthly, one page report. This will be sent to the Board the middle to end of the month, the first starting in November and December.

The Board then moved to vote on the authorization of the 2014/2015 Annual Report.

Upon motion duly made and seconded, it was unanimously

VOTED: To ratify publication of all audited financials.

In light of time constraints, the DOH updates were postponed to a later date.

KidsVax Updates

Ms. Walter quickly outlined the ED Report and the IT security audit that is expected to be completed by the end of 2015. Any IT updates will be included in the monthly cash flow update to the Board. Mr. Kirkpatrick suggested that KV research a stand-alone cyber liability insurance policy.

Under continuing provider education, the WVA plans to do several things including updating website FAQs, writing self-help guides, as well as working on a dual branding message with the DOH. We are also in the process of auditing provider offices to ensure they are billing correctly as well as troubleshoot any other previously unknown issues. Ms. Walter proposed drafting an action plan for continuing provider education to bring to the January 14 Board meeting for review. Dr. Marcuse suggested that there be continuous and substantive communication with providers at least twice a year to ensure smooth operations. Ms. Michele Robert requested that this issue be presented to the operations committee.

The 2014/2015 annual report was briefly reviewed and voted on.

Upon motion duly made and seconded, it was unanimously

VOTED: To authorize publication of the 2014/2015 Annual Report.

Board Development

There were three Board members whose terms renew in 2016. After these were confirmed the Board voted to reappoint the committee chairs and WVA officers.

Upon motion duly made and seconded, it was unanimously

1 **VOTED:** To affirm the continuation of Board member Diana Rakow, whose term renews in 2016 pursuant to
2 RCW 70.290.030 (3)(b).
3

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

6 **VOTED:** To affirm the continuation of Board member Dr. Mary Kay O'Neill, whose term renews in 2016
7 pursuant to RCW 70.290.030(3)(c).
8

9 **Upon motion duly made and seconded, it was unanimously**
10

11 **VOTED:** To affirm the continuation of Board member Dr. Ed Marcuse, whose term renews in 2016 and pursuant
12 to RCW 70.290.030 (3)(f).
13

14 **Upon motion duly made and seconded, it was unanimously**
15

16 **VOTED:** To affirm the continuation of Board member Norman Seabrooks, whose term renews in 2016 and
17 pursuant to RCW 70.290.030 (3)(a).
18

19 **Upon motion duly made and seconded, it was unanimously**
20

21 **VOTED:** To approve the election of the proposed slate of WVA officers listed on the WVA Board of Directors
22 and Committees list for one-year terms pursuant to Section 6.1 of the WVA Bylaws.
23

24 **Upon motion duly made and seconded, it was unanimously**
25

26 **VOTED:** To approve the individuals listed on the WVA Board Committee list presented at the meeting to serve
27 on the Audit, Operations, and Vaccine Committees, respectively, with the committee chairs listed.
28

29 Ms. Walter informed the Board that the annual Conflict of Interest Forms were in their packets and asked members to sign and
30 return the forms.
31

32 Closing Section
33

34 There being no public comment, Dr. Marcuse concluded the public portion of the Board meeting and adjourned for a brief
35 break.
36

37 At the conclusion of the executive session, there being no further business, the meeting adjourned at 4:12 p.m.



What: Washington Vaccine Association (WVA) Annual Meeting of Board of Directors October 20, 2015
 Date and Time: 2:00 pm-4:00 p.m., PDT
 Place of Meeting: Perkins Coie 1201 3rd Avenue Suite 4800 Seattle, WA 98101 Conference Room 49-23
 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. Please review the attached antitrust policy in advance.

Agenda for Board Meeting in Person

Approx. Time	Topic/[Anticipated Action]	Presented by:
2:00-2:05 p.m.	1. Welcome, Introductions & Identification of any Items for Section 10	E. Marcuse
2:05-2:10 p.m.	2. Consent Calendar Items	E. Marcuse
	* <ul style="list-style-type: none"> a. Board Minutes (August 6, 2014) b. Authorize ACH Transfers for Insurance Policies 	
2:10-3:00 p.m.	3. Special Collections	J. Hicks-Thomson
	<ul style="list-style-type: none"> a. Overview of Issue b. DOH Presentation c. Questions and Comments 	
	4. Update on Financial Position	
	* <ul style="list-style-type: none"> a. Cash Reserve Analysis (including compliance with KeyBank LOC Covenants) b. Effect of Assessment Level Increase c. Vote to ratify Publication of Audited Financials 	P. Smith F. Potter
3:00-3:15 p.m.	* 5. DOH Updates	M. Roberts/ J. Hicks-Thomson
	<ul style="list-style-type: none"> a. Immunization School Policy b. Adult Vaccines & Flu Season c. Pink Book Conference 	
3:15-3:25 p.m.	6. KidsVax Updates	F. Potter/ J. Walter
	* <ul style="list-style-type: none"> a. ED Report b. IT Security Update c. Provider Re-education d. Vote to Authorize Publication of the 2014/2015 Annual Report 	
3:25-3:35 p.m.	7. Board Development	E. Marcuse
	* <ul style="list-style-type: none"> a. Confirmation of Board Member Terms b. Reappointment of Committee Chairs & WVA Officers c. Conflict of Interest Forms d. Review 2016 Meeting Dates 	J. Walter
3:35-4:00 p.m.	8. Closing Section	
	<ul style="list-style-type: none"> a. Public comment b. Executive session (all staff, guests excluded; outside counsel included) c. TRICARE Update 	
	* <ul style="list-style-type: none"> i. Legislative/Litigation Strategy Status ii. Next Steps iii. Questions iv. Vote to Approve C&M Proposal v. Vote to Authorize TRICARE Taskforce to oversee C&M contract d. Board only 	F. Potter/ J. Walter
	9. [Intentionally Omitted]	
	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 Perkins Coie 	

*Indicates agenda item attached

Red text indicates an action item

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
August 6, 2015 – 2:00 p.m. – 3:30 p.m.
Location: Elis, Li & McKinstry

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

Directors:

John Pierce, Esq., Chairman
Beth Harvey, M.D. (T)
Diana Birkett Rakow (T)
John Sobeck, M.D.
Michele Roberts (T)
Mary Kay O'Neill M.D. (T)
Jason Farber, Esq. (T)
Dennis Kirkpatrick (T)
Norm Seabrooks (T)

DOH:

Jan Hicks-Thompson (T)

Others:

Anne Redman, Esq. (T)
Keith Kemper, Esq.

KidsVax.org®:

Fred Potter, Executive Director (T)
Julia Walter, Deputy Executive Director
Ashley Kittrell, Executive Assistant
Claire Roberge, Controller (T)
Norman Roberge, Accountant (T)

II. Summary of Actions Taken and/or Recommended

A. Actions Taken (votes adopted)

1. To authorize litigation against TRICARE.
2. To authorize Legislative Counsel Work.
3. To authorize Special Collections Project.
4. On 2014/15 KV Performance Award.
5. To approve 2015/16 Supplemental Goals Approval.

B. Follow up Tasks/Action Items

1. Cash Action Plan
2. Legislative Strategy for TRICARE

III. Minutes

Welcome and Introductions

At 2:00 p.m., a quorum having been established, Chair John Pierce called the meeting to order.

TRICARE

Mr. Kemper began by referring to the correspondence between TRICARE General Counsel Bryan Wheeler and KidsVax (KV). The outstanding balance now dates back to 2010 when TRICARE entered as a third party administrator. It does not seem likely that a negotiation is possible despite multiple attempts from KV to resolve this issue. Mr.

Kemper pointed out that the tolling agreement with TRIWEST expires August 17, 2015, and a plan of action must be decided and acted on soon to ensure that the Washington Vaccine Association (WVA) does not lose claim to Arrearage owed. Mr. Kemper outlined two possibilities: TRICARE could extend its tolling agreement or a lawsuit would need to be filed by August 17, 2015. Mr. Kemper had reached out to Bill Cahill but had not yet received a response. Secondly, a letter from the Department of Health (DOH) had been sent to Bryan Wheeler and unless a response is sent, it is likely the WVA will proceed with a lawsuit. Mr. Kemper discussed two options for suing. First, the board could sue in Washington under the statute that created the WVA and that claims under the Washington statute for the dosage-based assessments that have gone unpaid by TRICARE. The most straightforward lawsuit to pursue would be state claims under the statute against the third party administrators (TPA) who have done business in Washington. It would be litigated in King County Superior Court and a simple claim to bring unless TRICARE pleaded with the federal government. It would be simpler to name both the TPAs and initiate the suit in that manner.

The second type of lawsuit would sue all parties including the Department of Health Agency (DHA) in federal court. Mr. Kemper noted that it would be more complicated because of the Department of Justice's involvement once a federal suit against the Department of Defense is initiated. The Department of Justice is not necessarily involved when third party administrators are sued unless the TPAs claim against the DHA directly. Mr. Kemper noted that the Department of Health (DOH) would pursue the penalty portion of the suit and the WVA would be suing for the arrearage, interest accrual, costs, and attorney fees. The WA Attorney General must bring the penalties claim and that they have not yet assessed the penalty and are giving Bryan Wheeler time to possibly change his position and make the payments. A letter addressing this issue was sent on August 4, 2015 and they are waiting for a response. Mr. Kemper was confident that the WA Attorney General (AG) would move forward with the penalties portion of the suit, however, under statute the WVA does have the ability to pursue the penalties and can include that in the prayerful relief but would want to make the AG aware that the WVA is including it in addition to arrearage and other costs. Councilman John Sobeck inquired if the WVA would waive any claims by suing through the state court. Mr. Kemper did not see any beneficial or negative consequences because the claims being brought are under Washington statute. Michele Roberts assured the board that the DOH intends to issue the penalty. Mr. Kemper concluded by saying that the equities are heavily on the WVA's side and federal judges may be quicker to find preemption than through state court judges. He also felt that a state judge would focus more on equities rather than the federal court might.

Legislative Approach

Julia Walter informed the board of a multi-state TRICARE meeting that had met in Atlanta, Georgia, in July. Participating states included Alaska, New Hampshire, Maine, and Idaho; all of whom were in favor of hiring outside counsel to attempt to gain statutory mandate. Crowell & Moring, a Washington firm with extensive lobbying experience put together a proposal and would begin consulting in August through December and attempt to put the amendment on the National Defense Authorization Act. They also have the ability to begin lobbying efforts and media campaigns that will put pressure on TRICARE. Mr. Potter recommended that the WVA pursue this and mentioned that now is an ideal time and situation because the 2015 Department of Defense Reauthorization Bill is now being held in a committee session before Congress adjourned for recess. An amendment to the bill could be prepared by the consulting firm within several days of hire.

Upon motion duly made by Mr. Pierce and seconded by Dr. Sobeck, the Board members unanimously

VOTED: To Authorize Litigation on behalf of the WVA against both carriers in state court.

It was recommended that the Litigation Task Force and Mr. Kemper set up a standard reporting process at the next meeting to keep board members updated on the TRICARE litigation proceedings.

After discussed, it was agreed to amend the vote to include that the consulting firm draft the statutory language and provide an outline of their approach to then be brought to the Board for approval.

Upon motion duly made, after amended, by Chair Pierce, it was unanimously

1 **VOTED:** To Authorize Legislative Counsel work after consulting Crowell & Moring to draft statutory
2 language, strategy, and approach.
3

4 Collections Shortfall
5

6 Ms. Jan Hicks-Thompson informed the board that prior to October 1, 2013, a statewide population proportion was
7 used to identify which fund source was used for Washington's children's vaccine fund. The CDC then required a
8 practice-based population to use the vaccine fund supply for each vaccine order. As a result, in January of 2015, the
9 data sources from providers were used to project the costs and is when the shortage was first noticed. The CDC is
10 working to identify discrepancies with what's been reported against the data they currently have. Calls are being
11 made to providers when errors are found as well. There are 1,100 providers enrolled in the child vaccine program and
12 all will be researched to ensure that the most accurate data is being used to drive the fund source. The CDC is
13 currently doing just-in-time inventory for the HPV vaccine and doing special orders on others as well as just-in-time
14 funds transfer requests to pay the invoices for vaccine to give cash-flow relief.
15

16 Mr. Potter brought to the Board a third party proposal recommendation to conduct a survey of major payers in an
17 effort to triangulate population counts and decide if the right steps are being taken to solve this issue. The WVA has
18 also informed Key Bank of the current situation and will be filing a certificate to confirm an out-of-covenant
19 compliance. Key Bank is currently not seeking any enforcement and have expressed confidence that the WVA will find
20 a solution. The total expenditure for the outside contractor and supplemental work by the DOH will not exceed
21 \$65,000.
22

23 Upon motion duly made by Mr. Pierce and seconded by Dr. Sobeck, the Board unanimously
24

25 **VOTED:** To Authorize the Special Collections Project.
26

27 KV Performance Evaluation and 2015/2016 Supplemental Goals
28

29 Mr. Potter referred to the proposed supplemental goals published in April, 2015. There are two goals for scoring: the
30 website FAQs and the TRICARE collection amount for the 2014/15 General Performance Goals Review. Mr. Potter
31 referenced the time-delay concerning the FAQs and noted that the Board had given the WVA more time. The TRICARE
32 goal intended to collect a million dollars but fell short of their goal, raising \$680,000.
33

34 Mr. Potter then moved on to address the 2015/16 Supplemental Goals and outlined the following three goals: create
a new step-by-step workbook on completing the DBA form for providers, to conduct and record an online training
webinar of approximately 30 minutes, and to reach a settlement on the amount of past TriWest arrearage and collect
the agreed balance.

The meeting then proceeded to Executive Session.

September 1, 2015

Washington Vaccine Association
Board of Directors
PO Box 94002
Seattle, WA 98124-9402

WVA Program Savings Calculation for FYE June 30

Dear Directors,

Below is our calculation of the savings that the program has created in the fiscal years ended June 30, 2014 and June 30, 2015.

	<u>FY 6/2015</u>	<u>FY 6/2014</u>
A. CDC Survey Market Comparison costs: (Actual doses per brand x CDC market survey)	\$89,291,124	\$71,016,124
B. WVA Program costs:		
Cost of vaccine replenishments	\$63,092,224	\$55,277,077
+ Operating Cost	604,451	565,026
+/- Net change in assessment rates	2,534,541	(5,028,103)
+/- Net Interest Expense/(Income).	364,862	233,939
= Total Program Cost	<u>\$66,596,078</u>	<u>\$51,047,939</u>
C. WVA Program Savings (A – B = C)	\$22,695,046	\$19,968,185
D. Program Savings Percentage (C / A = D)	25.42%	28.12%

Notes:

1. In any program like this it is not possible to calculate savings with 100% accuracy. There are a number of reasons for this including the fact that some providers may continue to bill for some private supply.
2. The market comparison used for each dose is an average of prices given in response to the survey conducted annually by the CDC (<http://www.cdc.gov/vaccines/programs/vfc/awardees/vaccine-management/price-list/>). Information is not provided on volume or location purchased. This CDC survey just addresses vaccine costs. It does not include other costs such as management fees, financing costs or other overhead, which some providers properly include in billings. Neither does it include normal payer administration costs for individual claims administration.
3. We believe this is a fair representation of the cost savings for the vaccines themselves. Payments to providers for administration of vaccines, of course, are completely outside of this system.
4. KidsVax.org will continue to track this metric periodically to aid the WVA in monitoring its program effectiveness.

Sincerely,



Peter M. Smith
Financial & Internal Control Analyst

cc: Fred L. Potter, Executive Director



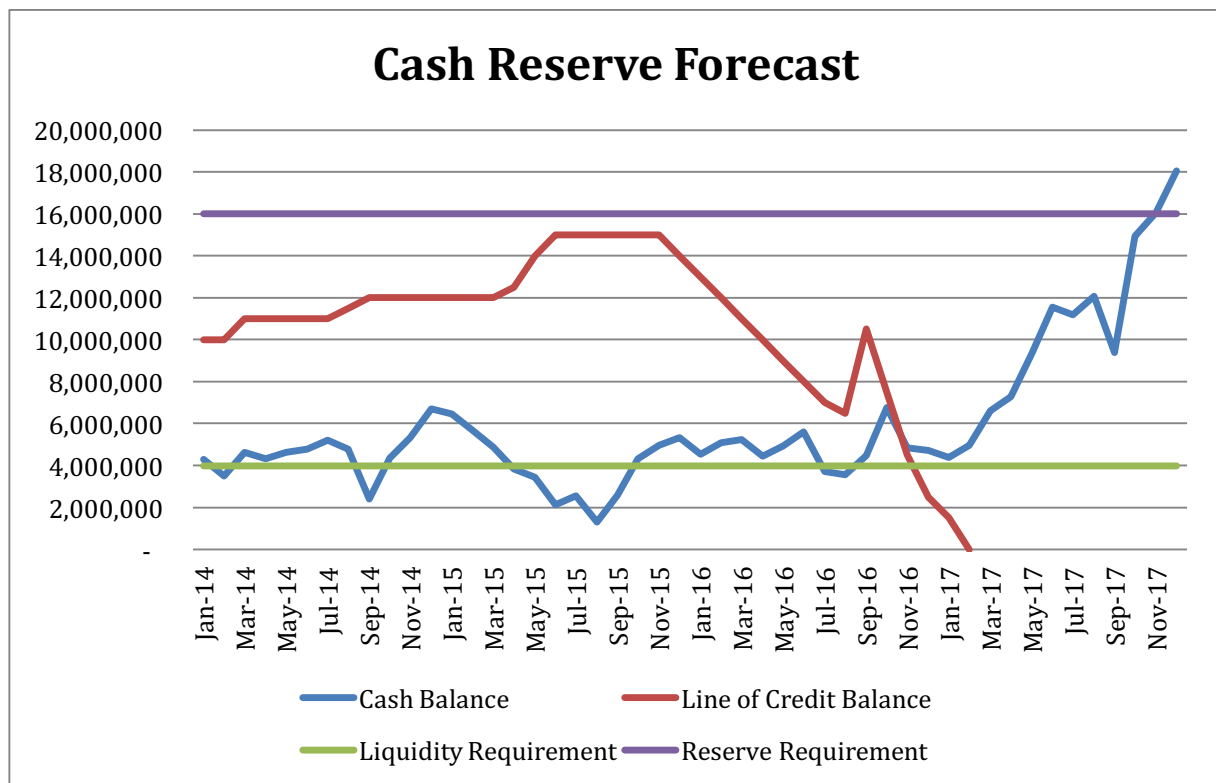
SEPTEMBER 30, 2015 CASH RESERVE ANALYSIS SUMMARY

Cash on hand as of September 30:	\$ 2,587,324
Value of invested funds at Sept 30:	\$ 10,000
Total Cash Reserve:	\$ 2,597,324
LOC Liquidity Requirement:	\$ 4,000,000
LOC Balance at 9/30:	\$ 15,000,000
Net liquidity at 9/30:	\$(12,412,676)
Reserve target:	\$ 16,000,000
Projected months to desired reserve:	29

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). Since then, cash collections have increased, however cash remains low. WVA has become aware of other factors which have dampened the positive impact of this substantial rate increase, so that it has not yielded the intended rapid rebuild of cash reserves. For the quarter ended June 30, 2015, for the first time WVA fell out of compliance with its loan covenants (although it continued to timely make all interest payments). With continued work on its supplemental cash management project and absent other adverse factors, covenant compliance should be restored by December 31, 2015.

In September the annual flu vaccine reimbursement was made to the DOH for \$3,805,347. It is expected that the current rates will yield \$1 million in net increased cash flow per month. By December 2015 reserves should be high enough to begin paying down the line of credit while also keeping our loan covenant of \$4 million liquidity available at the end of each calendar quarter.

Additionally, KidsVax has developed a plan to address recent concerns regarding collections, receivable balance and state funding source allocations.





CASH FLOWS PROJECTION

Below is the cash reserve projection for the next 30 months based on the current assessment rates at 130% of the CDC rates as of July 1, 2015.

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)	Note: Assessment Changes are shown inGreen Vaccine cost increase estimates shown inRed.
Apr-13	2,156,326	(3,115,878)	-	(37,310)			(996,861)	12,909,276	-	12,909,276	< Rates intended to stabilize cash implemented
May-13	2,829,101	(3,804,548)	-	(48,074)			(1,023,519)	11,885,757	-	11,885,757	< Actual average CDC cost increase (in April) was 2.39%
Jun-13	3,047,800	(3,902,000)	-	(41,080)			(895,280)	10,990,477	-	10,990,477	
Jul-13	3,027,852	(3,801,140)	(3,992,235)	(60,420)			(4,825,944)	6,164,533	-	6,164,533	< WVA's Flu share increased due to end of \$317 funds
Aug-13	3,231,765	(4,216,037)	-	(55,473)			(1,039,745)	5,124,788	-	5,124,788	
Sep-13	3,826,780	(5,331,858)	(7,909,996)	(36,147)	(17,717)	10,000,000	531,061	5,655,849	10,000,000	(4,344,151)	< Advance 2 months per CDC funding policy change
Oct-13	3,629,425	(4,341,800)	-	(106,734)	(12,020)		(831,129)	4,824,720	10,000,000	(5,175,280)	
Nov-13	3,635,478	(3,759,778)	-	(35,858)	(28,559)		(188,718)	4,636,002	10,000,000	(5,363,998)	
Dec-13	3,112,548	(3,936,128)	-	(70,295)	(24,479)		(918,354)	3,717,648	10,000,000	(6,282,352)	< Increase grid rates by 49% to 110% CDC rates as of 4/1/2014
Jan-14	4,331,740	(3,686,910)	-	(40,987)	(25,295)		578,549	4,296,196	10,000,000	(5,703,804)	
Feb-14	3,499,703	(4,250,279)	-	(34,162)	(25,225)		(809,964)	3,486,232	10,000,000	(6,513,768)	
Mar-14	4,555,105	(4,360,550)	-	(33,252)	(22,847)	1,000,000	1,138,456	4,624,688	11,000,000	(6,375,312)	
Apr-14	4,293,975	(4,542,162)	-	(35,897)	(24,684)		(308,768)	4,315,920	11,000,000	(6,684,080)	< Includes estimated 4% CDC cost increase
May-14	4,879,921	(4,503,422)	-	(35,729)	(27,847)		312,922	4,628,842	11,000,000	(6,371,158)	
Jun-14	4,371,923	(4,117,206)	-	(67,678)	(27,825)		159,214	4,788,057	11,000,000	(6,211,943)	
Jul-14	5,228,653	(4,747,851)	-	(29,356)	(26,927)		424,519	5,212,576	11,000,000	(5,787,424)	
Aug-14	5,127,133	(5,956,855)	-	(84,802)	(23,513)	500,000	(438,037)	4,774,539	11,500,000	(6,725,461)	
Sep-14	5,833,482	(4,742,513)	(3,899,421)	(48,122)	(28,845)	500,000	(2,385,419)	2,389,120	12,000,000	(9,610,880)	< Balance out of covenant compliance (4MM)
Oct-14	6,191,518	(4,153,755)	-	(50,444)	(28,722)		1,958,597	4,347,717	12,000,000	(7,652,283)	
Nov-14	5,243,376	(4,188,476)	-	(37,687)	(30,354)		986,859	5,334,576	12,000,000	(6,665,424)	
Dec-14	5,488,950	(4,048,048)	-	(43,651)	(29,375)		1,367,877	6,702,453	12,000,000	(5,297,547)	
Jan-15	4,173,000	(4,292,784)	-	(96,667)	(30,354)		(246,805)	6,455,648	12,000,000	(5,544,352)	
Feb-15	4,578,140	(5,325,001)	-	(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	4,637,417	(6,103,114)	-	(48,202)	(30,354)	500,000	(1,044,254)	3,826,333	12,500,000	(8,673,667)	< Includes estimated 4% CDC cost increase
May-15	3,971,937	(5,779,186)	-	(49,996)	(30,395)	1,500,000	(387,640)	3,438,693	14,000,000	(10,561,307)	
Jun-15	4,098,342	(6,339,559)	-	(40,345)	(34,801)	1,000,000	(1,316,363)	2,122,331	15,000,000	(12,877,669)	
Jul-15	5,635,225	(5,111,387)	-	(51,258)	(36,066)		436,514	2,558,845	15,000,000	(12,441,155)	< Adjust Rates as of 7/1 (approx 19% increase to 130% of CDC)
Aug-15	6,058,919	(7,143,365)	-	(130,746)	(38,095)		(1,253,286)	1,305,559	15,000,000	(13,694,441)	
Sep-15	8,202,712	(3,000,000)	(3,806,347)	(75,766)	(38,833)		1,281,766	2,587,324	15,000,000	(12,412,676)	< Deferred \$2,708,769.82 to Oct due to low cash
Oct-15	10,163,287	(8,345,966)	-	(46,647)	(40,625)		1,730,048	4,317,373	15,000,000	(10,682,627)	\$8.3M includes \$2.7M carryover from Sept
Nov-15	6,691,493	(5,973,222)	-	(46,647)	(40,625)		630,999	4,948,372	15,000,000	(10,051,628)	
Dec-15	7,090,364	(5,617,878)	-	(46,647)	(40,625)	(1,000,000)	385,214	5,333,586	14,000,000	(8,666,414)	
Jan-16	6,668,561	(6,370,115)	-	(46,647)	(37,917)	(1,000,000)	(786,117)	4,547,469	13,000,000	(8,452,531)	
Feb-16	7,561,486	(5,932,711)	-	(46,647)	(35,208)	(1,000,000)	546,920	5,094,388	12,000,000	(6,905,612)	
Mar-16	7,042,276	(5,831,004)	-	(46,647)	(32,500)	(1,000,000)	132,125	5,226,513	11,000,000	(5,773,487)	
Apr-16	6,921,547	(6,616,904)	-	(46,647)	(29,792)	(1,000,000)	(771,795)	4,454,719	10,000,000	(5,545,281)	< Includes estimated 4% CDC cost increase
May-16	7,854,430	(6,291,479)	-	(46,647)	(27,083)	(1,000,000)	489,221	4,943,940	9,000,000	(4,056,060)	
Jun-16	7,468,143	(5,748,608)	-	(46,647)	(24,375)	(1,000,000)	648,512	5,592,452	8,000,000	(2,407,548)	
Jul-16	6,823,742	(7,623,633)	-	(46,647)	(21,667)	(1,000,000)	(1,868,205)	3,724,247	7,000,000	(3,275,753)	
Aug-16	9,049,443	(8,647,935)	-	(46,647)	(18,958)	(500,000)	(164,097)	3,560,150	6,500,000	(2,939,850)	
Sep-16	10,265,315	(9,087,720)	(4,200,000)	(46,647)	(17,604)	4,000,000	913,343	4,473,493	10,500,000	(6,026,507)	
Oct-16	11,355,107	(5,996,374)	-	(46,647)	(28,438)	(3,000,000)	2,283,648	6,757,141	7,500,000	(742,859)	
Nov-16	7,492,470	(6,351,236)	-	(46,647)	(20,313)	(3,000,000)	(1,925,726)	4,831,415	4,500,000	331,415	
Dec-16	7,935,870	(5,978,133)	-	(46,647)	(12,188)	(2,000,000)	(101,098)	4,730,317	2,500,000	2,230,317	
Jan-17	7,469,677	(6,775,759)	-	(46,647)	(6,771)	(1,000,000)	(359,500)	4,370,817	1,500,000	2,870,817	
Feb-17	8,466,311	(6,316,243)	-	(46,647)	(4,063)	(1,500,000)	599,359	4,970,176	-	4,970,176	< LOC Paid off by 2/28/2016
Mar-17	7,892,145	(6,212,731)	-	(46,647)	-		1,632,767	6,602,943	-	6,602,943	
Apr-17	7,762,808	(7,026,936)	-	(46,647)	-		689,225	7,292,168	-	7,292,168	< Includes estimated 4% CDC cost increase
May-17	8,780,157	(6,676,516)	-	(46,647)	-		2,056,994	9,349,162	-	9,349,162	
Jun-17	8,342,306	(6,106,118)	-	(46,647)	-		2,189,542	11,538,703	-	11,538,703	
Jul-17	7,629,594	(7,928,579)	-	(46,647)	-		(345,632)	11,193,072	-	11,193,072	< Adjust Rates as of 7/1 (stabilizing 10% decrease)
Aug-17	9,906,759	(8,993,852)	-	(46,647)	-		866,260	12,059,332	-	12,059,332	
Sep-17	11,237,818	(9,451,229)	(4,400,000)	(46,647)	-		(2,660,058)	9,399,274	-	9,399,274	
Oct-17	11,809,311	(6,236,229)	-	(46,647)	-		5,526,435	14,925,708	-	14,925,708	
Nov-17	7,792,168	(6,605,286)	-	(46,647)	-		1,140,236	16,065,944	-	16,065,944	< Reach Target Reserve 16MM (prior projection)
Dec-17	8,253,305	(6,217,258)	-	(46,647)	-		1,989,399	18,055,343	-	18,055,343	

LINE OF CREDIT & COVENANT COMPLIANCE

As of September 30, 2015 the WVA cash balance was below the \$4,000,000 covenant requirement (see page 1 above). All other requirements were met. Line of credit balance is currently \$15,000,000. The line is due to be paid down to 10MM by Jan 31, but the cash forecast shows it taking until April to reach that level. WVA could accelerate payment, but that would likely interfere with the 4MM cash reserve requirement. WVA will seek guidance from the bank regarding their preference.

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

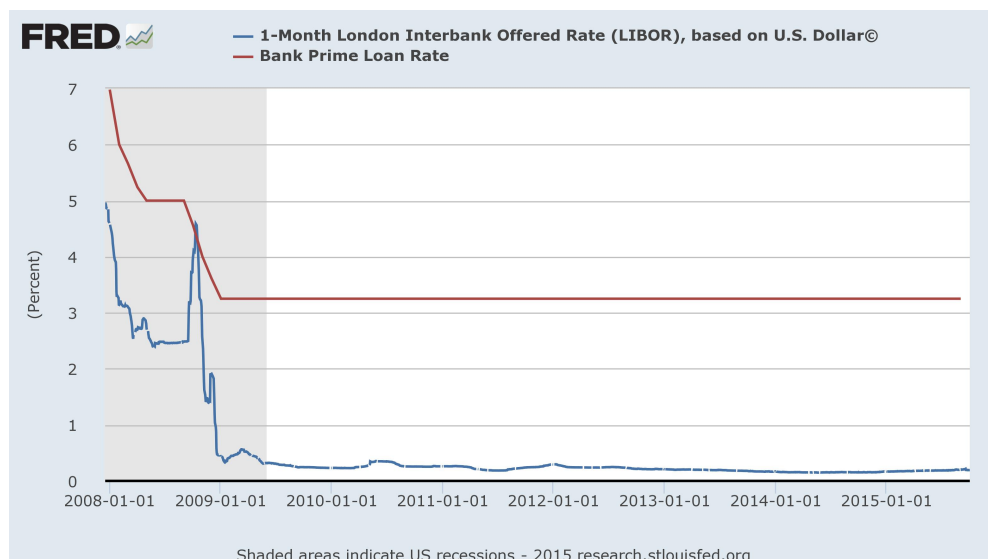
- Borrower to submit CPA Audited financial statement within 120 days of year end (due October 31, 2015).
- Borrower to submit company prepared interim financial statements within 30 days of each quarter end (due October 31, 2015).
- Borrower to submit annual budget for the upcoming fiscal year within 60 days of borrower's fiscal year end (due August 31, 2016).
- Borrower to submit Compliance Certificate, certified by the Executive Director or Finance Officer of the borrower within 30 days of each quarter end (due October 31, 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 October 11, 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 = 2.944%].



**Washington Vaccine Association
Statement of Financial Position
As of September 30, 2015**

A**ASSETS**

Current assets		
1	Cash and cash equivalents	\$ 2,587,324.75
2	Investments	10,000.42
3	Assessment receivable	16,456,512.00
4	Prepaid Vaccine	9,515,116.97
5	Prepaid Administrative Services	-
6	Total current assets	28,568,954.14
7	Total assets	\$ 28,568,954.14

LIABILITIES AND NET ASSETS

Current liabilities		
8	Accounts payable	\$ 2,750,769.82
9	Key Bank - Line of Credit	15,000,000.00
10	Payable to Washington Department of Health	-
11	Other accruals	-
12	Total current liabilities	17,750,769.82
Net assets		
13	Excess Assessments - Vaccines	33,098,899.75
14	Excess Assesments - Administrative Activities	(22,280,715.43)
15	Total net assets	10,818,184.32
16	Total liabilities and net assets	\$ 28,568,954.14

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

		Month Ending September 30, 2015			For 3 Month Ending September 30, 2015		
		Administrative Activities	Vaccine Activities	Total	Administrative Activities	Vaccine Activities	Total
Revenues:							
1	Assessments	\$ 1,975,121.11	\$ 6,993,777.00	\$ 8,968,898.11	\$ 5,518,056.43	\$ 18,551,608.00	\$ 24,069,664.43
2	Less: Vaccine expense	-	(7,142,189.92)	(7,142,189.92)	-	(18,589,582.26)	(18,589,582.26)
3	Net Assessment margins	1,975,121.11	(148,412.92)	1,826,708.19	5,518,056.43	(37,974.26)	5,480,082.17
4	Investment income	-	-	-	-	-	-
5	Other income	-	-	-	-	-	-
6	Net revenues	1,975,121.11	(148,412.92)	1,826,708.19	5,518,056.43	(37,974.26)	5,480,082.17
Expenses:							
7	Administrative services - fixed contract	34,481.92	-	34,481.92	141,425.77	-	141,425.77
8	Adm services - variable compensation	-	-	-	-	-	-
9	Administrative services - Tricare	9,187.10	-	9,187.10	32,056.58	-	32,056.58
10	Legal fees	3,332.00	-	3,332.00	3,474.80	-	3,474.80
11	Audit	2,000.00	-	2,000.00	9,500.00	-	9,500.00
12	Annual report / special communications	3,430.00	-	3,430.00	7,858.75	-	7,858.75
Special projects:							
13	DOH vaccine order system	-	-	-	-	-	-
14	Denied claims recovery	2,500.00	-	2,500.00	7,576.96	-	7,576.96
15	All other special projects	9,282.00	-	9,282.00	26,896.38	-	26,896.38
16	Insurance	-	-	-	23,829.98	-	23,829.98
17	Bank fees	4,169.72	-	4,169.72	12,274.68	-	12,274.68
18	Investment advisor / manager	-	-	-	-	-	-
19	Other administration expenses	-	-	-	-	-	-
20	Total administrative expenses	68,382.74	-	68,382.74	264,893.90	-	264,893.90
21	Line of credit - financing costs	37,500.00	-	37,500.00	114,427.95	-	114,427.95
22	Total expenses	105,882.74	-	105,882.74	379,321.85	-	379,321.85
23	Increase (decrease) in net assets	\$ 1,869,238.37	\$ (148,412.92)	\$ 1,720,825.45	\$ 5,138,734.58	\$ (37,974.26)	\$ 5,100,760.32
24	Unrestricted net assets, beginning of year				(27,419,450.01)	33,136,874.01	5,717,424.00
25	Unrestricted net assets, end of year				\$ (22,280,715.43)	\$ 33,098,899.75	\$ 10,818,184.32

Unaudited - For Management Purposes Only
Prepared by KidsVax.org

Washington Vaccine Association
Statement of Cash Flows
For the Periods Ending

WVA 2015-10-20 4.c.3

	A Inception Through 7/31/2015	B Month 8/31/2015	C Month 9/30/2015	D Inception Through 9/30/2015
1 Cash balance - beginning of period	\$ -	\$ 2,558,844.18	\$ 1,305,558.22	\$ -
Inflows:				
2 Principal prepayments	7,800,001.00	-	-	7,800,001.00
3 Vaccine collections	235,389,928.04	6,058,919.16	8,212,713.11	249,661,560.31
4 Interest income	53,408.37	-	-	53,408.37
5 Investment income/ (loss)	149,787.97	-	-	149,787.97
6 Key Bank - LOC advances	15,000,000.00	-	-	15,000,000.00
7 Total inflows	258,393,125.38	6,058,919.16	8,212,713.11	272,664,757.65
Outflows:				
8 Principal repayments	(7,799,908.85)	-	-	(7,799,908.85)
Program				
9 Vaccine remittance State of WA	(243,752,316.62)	(7,142,190.00)	(6,806,347.15)	(257,700,853.77)
10 Vaccine Selection Development	(79,950.00)	-	-	(79,950.00)
11 Public information	(125,197.06)	(1,175.00)	(3,430.00)	(129,802.06)
12 Total program disbursements	(243,957,463.68)	(7,143,365.00)	(6,809,777.15)	(257,910,605.83)
Administration				
13 Administrative services	(1,961,733.62)	(103,597.08)	(52,951.02)	(2,118,281.72)
14 Project management fees	(419,878.90)	-	-	(419,878.90)
15 Denied claims recovery	(52,056.48)	-	(5,076.96)	(57,133.44)
16 Design and advertising	(31,031.38)	-	-	(31,031.38)
17 Claims system development	(26,000.00)	-	-	(26,000.00)
18 Legal fees	(229,645.34)	-	(3,332.00)	(232,977.34)
19 Audit fees	(66,655.00)	-	(6,000.00)	(72,655.00)
20 Website and information technology	(113,993.32)	-	-	(113,993.32)
21 Travel	(1,829.68)	-	-	(1,829.68)
22 Total administration	(2,902,823.72)	(103,597.08)	(67,359.98)	(3,073,780.78)
Office				
23 Bank Fees	(402,881.42)	(4,124.42)	(4,169.72)	(411,175.56)
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	(462,008.60)	(4,124.42)	(4,169.72)	(470,302.74)
Other				
30 Insurance	(112,984.13)	(23,024.00)	(805.98)	(136,814.11)
31 Interest Line of Credit	(598,731.22)	(38,094.62)	(38,833.33)	(675,659.17)
32 Board meetings	(361.00)	-	-	(361.00)
33 Total Other	(712,076.35)	(61,118.62)	(39,639.31)	(812,834.28)
34 Total outflows	(255,834,281.20)	(7,312,205.12)	(6,920,946.16)	(270,067,432.48)
35 Cash balance - end of period	\$ 2,558,844.18	\$ 1,305,558.22	\$ 2,597,325.17	\$ 2,597,325.17

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

October 20, 2015 Executive Director Overview

Assessment Collections since inception:	\$249+ Million
Remittances to State of WA since inception:	\$257+ Million
Receivables:	\$16+ Million
Prepaid Vaccine Purchases:	\$ 9+ Million
Cash Balance as of September 30, 2015:	\$2.5+ Million
Morgan Stanley as of September 30, 2015:	\$10,000
Utilized Line of Credit:	\$15 Million
Available Line of Credit	None

Undeniably, 2015 proved to be a challenging year for the WVA as serious under assessment-collections imperiled the Association's mandate to provide adequate funds for the State's purchase of vaccines for privately insured children; TRICARE settled on the position that it cannot pay into state vaccine programs without a change in federal regulations or the WVA acceptance of a provider agreement thereby waiving all prior collection claims; and the WVA's allies and supporters were unable to gain enough traction in Congress to get legislation passed requiring TRICARE to pay the arrearage. Despite these challenges, however, it appears that the WVA's financial position is stabilizing and the Special Collections work done by the Department of Health and KidsVax will provide the WVA with greater oversight and monitoring capabilities on the dosage-based system then previously known.

As the financial snapshot above shows, the WVA at last appears to be emerging from the severe cash squeeze it experienced over the summer and through last month's flu vaccine purchase. We anticipate that the large assessment increase rate effective July 1, now reflected in enhanced receipts, will continue to gradually rebuild cash. However, so long as TRICARE remains unpaid it may be necessary to seek further adjustment to the line of credit terms better to match the new extended report period anticipated. You may have noticed on "Accounts Payable" a number of funds in the 9/30 quarter-ends financials. This summer was the first time WVA was not immediately able to fund all requests. Though the 9/30 balance was fully funded until the first week of October, as noted in Peter Smith's attached cash flow analysis, we anticipate that the full effects of the July 1 assessment increase will sustain WVA's positive cash flow. We would like to extend a special thank you to Jan Hicks-Thompson and others at the Department of Health for helping us navigate through WVA's recent cash flow strains. We also want to thank KeyBank for its patience in the recent difficulties precipitated by TRICARE and other external challenges.

Over the course of the last few months, the Special Collections Task Force has made significant progress on the action plan proposed at the August 6th meeting. First, KV drafted and sent out the WA payer survey, which several payers have committed to completing and returning by the end of this calendar year. The work is expected to produce improvements in the vaccine assessment mechanism by increasing the data sources available and informing the WVA on the private / public vaccine market. The carrier survey, which was sent to the fifteen largest payers in Washington requests vaccine claim data and insured/self-insured eligibility data for a 3 year + 6 month historical period. Second, KV has crafted a pilot program and sent requests to Premera and Regence requesting their claim denial files to use as a monitoring tool and check on the dosage-based system. Third, KV has increased its oversight of claim denials and settlement reports to assure that the latter continues to trend downward. In an effort to assure a higher percentage of compliance,

the WVA has begun to make routine calls to providers' offices listed on the settlement reports to correct recurring billing errors. Similarly, the WVA has started to make site visits to providers that request additional training, a measure we believe will help lower the number of claim denials.

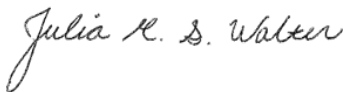
In the upcoming months, KV will continue to develop new methods that will aid the WVA in implementing checks and balances in the dosage-based system. Recently, through contact with a healthcare collections company, KV discovered a leakage problem when a pediatric consortium of medical clinics using a central billing company erroneously put the wrong zip code on claims filed on behalf of the WVA. The billing error caused over 150 claims to not only be rejected, but had the practical effect of masking the problem as the WVA failed to receive denials or EOBs due to the incorrect address. While the WVA is now working to resolve the problem and reprocess the denied claims, the incident highlighted the need for provider audits and efforts to increase the WVA's overall visibility to all entities in the system so that providers can notify us when issues arise.

As a 2016 KV performance metrics and overall goal, KV plans to continue provider outreach efforts, which will be accompanied by updated online resources. By March of 2016, the WVA website will have new provider billing how-to guides, additional provider-based FAQs, and an updated tutorial. We also anticipate holding a provider webinar by the end of this year, which will also be uploaded to www.WAvaccine.org.

While unsurprising, but also disappointing, the D.C. lobbying firm Crowell & Moring WVA engaged in August recently reported that the Conference Committee Chairman declined to add an amendment to the 2015 Nation Defense Authorization Act (NDAA), which would have mandated TRICARE pay the arrearage owed to the WVA in this calendar year. However, the firm has laid the ground work for the mandate be written into the 2016 NDAA, ab initio, the drafting of which is scheduled to begin towards the end of this year. Furthermore, it appears that several Congressional offices have committed to supporting not only payment of the arrears, but also a permanent pay forward solution, which Crowell recommends pursuing at the beginning of 2016. The firm is optimistic that they can gain a broad-based support for both initiatives, and have outlined their proposed course of action through the spring of 2016.

In other WVA news, we are happy to report that the much anticipated change from ICD-9 to ICD-10 that occurred on October 1, 2015 and is now a requirement on claims submissions does not appear to have negatively impacted WVA collections. Nevertheless, an Operations Committee meeting is scheduled for the end of October to address to a material extent this and other issues. Also, the WVA's presence at the Pink Book Conference that was held mid-September proved beneficial as WVA was able to communicate with a wide-range of medical providers and their administrative support and raise awareness of the Association's mission and purpose.

Once again, we are grateful for the WVA's Board for their diligence and attention to the many issues that have arisen this year. While the news has not been positive, I am confident that with your continued support, the WVA will regain its fiscal well-being and continue to operate to the benefit of pediatric health in Washington State.



Julia G. S. Walter



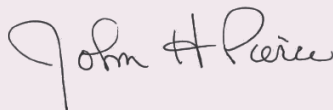
Dear Friends and Colleagues,

Join me in celebrating the Washington Vaccine Association's (WVA) 5th birthday. Kids and parents benefit every day from our turnkey system that provides vaccines for all children in Washington. WVA is proud to be a key partner in this effective and efficient public-private partnership.

Washington State has often led the way in seeking uncommon solutions to common issues. That is how our remarkable system and the WVA came to be. Five years later our program has matured significantly, but we still have work to do. Although Washington immunization rates are about average nationally, our rates overall show protection is not where it should be. I know we can do better, especially because cost is not the barrier standing in our way.

Health reform is about providing people with access to the healthcare they need. Our kids need immunizations if we're going to achieve our Healthier Washington goals. Recent measles outbreaks remind us to stay the course. Increasing immunization rates will take many people working together to communicate with those who are hesitant about vaccines. We are at that table, ready for those conversations.

Thank you for supporting WVA and Washington's kids. If you want to know more or get involved, please contact us.



John Pierce, Board Chair
Senior VP and General Counsel,
Premera Blue Cross

5 Reasons to Celebrate WVA's 5th Birthday

- 1. Time and money saved.** Providers don't carry the financial burden of maintaining vaccines and storing them separately based on funding. Instead, providers receive all childhood vaccines at no cost and use their existing billing system to ensure WVA can collect the assessments for administered vaccines.
- 2. Better care.** Federal funding and funding from the WVA allows Washington to provide vaccines for all children. With vaccine supply and funding managed outside the practice, providers can focus on caring for and immunizing kids.
- 3. Vaccine choice and access.** Providers choose their preferred brands for all recommended childhood vaccines. Our unique financing process allowed Washington to add the new 9-valent HPV and a meningococcal B vaccine to the Childhood Vaccine Program quickly this year.
- 4. Stabilized funding.** Our system frees vaccine supply from the fluctuations of the state budget. Vaccines are financed through federal and WVA funds. As vaccine costs continue to rise nationally, stabilized vaccine funding is critical.
- 5. Strong leadership.** The WVA enjoys the commitment of representatives from a broad spectrum of the community on its board and the specialized support from the team at KidsVax under the leadership of Fred Potter. This year we welcomed our new Deputy Director Julia Walter. We are indebted to her predecessor Margaret Lane and sincerely thank her for her careful guiding hand. With us from the beginning, Margaret's unique knowledge and tireless dedication has been integral to WVA's success.

2014-15 Immunizations At-a-Glance



2.9 MILLION
doses of vaccine supplied



5% INCREASE
in meningococcal
vaccinations in teens



4.5% INCREASE
in Hepatitis B
vaccinations at birth



1.8% INCREASE
in 4+DTaP vaccinations to
protect kids from whooping cough



12.1% INCREASE
in HPV series completion for boys



651,000
CHILDREN
were vaccinated

Sources:

National Immunization Survey, Centers for Disease Control & Prevention, www.cdc.gov/vaccines/imz-managers/coverage/nis/child/index.html

Washington State Department of Health, www.doh.wa.gov/YouandYourFamily/Immunization

Statistics represent data for July 1, 2014-June 30, 2015

Stable Childhood Vaccine Funding

Since 2010, the Washington Vaccine Association (WVA) has supported the universal purchase of vaccines for all children in Washington State. With funding from dosage-based assessments (DBA), the WVA remits payments to the state for the purchase of childhood vaccines, supporting the infrastructure that ensures all kids have access to vaccines.

Money Saved



\$22.7 MILLION
saved by WVA in vaccine cost

\$1 spent on vaccines



\$10 saved in health costs



Sources:

Economic Evaluation of the Routine Childhood Immunization Program in the United States (2009), Centers For Disease Control and Prevention, www.pediatrics.aappublications.org/content/early/2014/02/25/peds.2013-0698.full.pdf+html

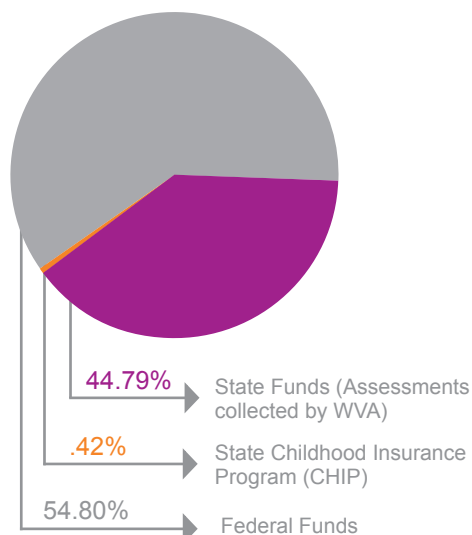
Peter Smith, Financial Analyst Report, www.wavaccine.org/savings/2015

FINANCIALS

July 1, 2014 - June 30, 2015

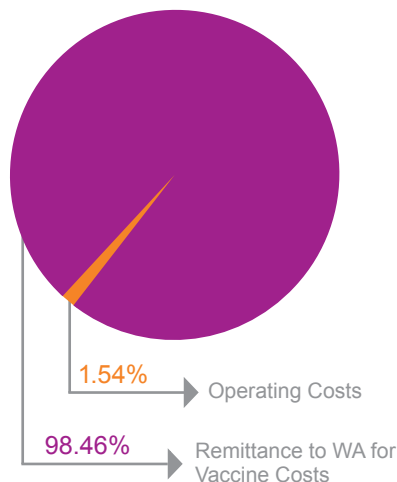
WA Childhood Vaccine Funding Sources

\$140.9 MILLION



WVA Program Expenditures

\$64.1 MILLION



Complete audited financial statements are online at www.wavaccine.org/audit/2015.

Board of Directors

John Pierce, Esq.
Senior VP and General Counsel,
Premera Blue Cross

Pat Kulpa, MD
Medical Director, Washington,
Regence BlueShield

Norman Seabrooks
President Northwest Market,
Aetna Life Insurance Company

Beth Harvey, MD
South Sound Pediatric Associates

Dennis Kirkpatrick, CEO
Welfare & Pension Administration
Service, Inc.

Edgar Marcuse, MD, MPH
Emeritus Professor of Pediatrics,
University of Washington

Michele Roberts, MPH, MCHES
Director, Office of Immunization and
Child Profile, Washington Department
of Health

Diana Birkett Rakow, EVP
Marketing & Public Affairs,
Group Health

Jason A. Farber, Esq.
Partner, Davis Wright Tremaine LLP

John Soback, MD
PNW Market Medical Executive,
Cigna

Mary Kay O'Neill, MD
Executive Medical Director,
Washington, Coordinated Care

WAVACCINE.ORG

KidsVax.org

Phone: 1-855-KidsVax (543-7829)

Fax: 1-855-KidsFax (543-7329)

Website: www.KidsVax.org

KidsVax Staff:

Fred L. Potter
Executive Director

Julia G. Walter
Deputy Executive Director

Peter Smith
Financial Analyst

Claire M. Roberge
Controller

Norm Roberge
Analyst

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

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

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

Legend:

("C") = Chairperson

("X") = Member

(*) = Serves until a successor is appointed by the Secretary

Vaccine Committee:

- In addition to the above board members, the following individuals have been named to serve on the Vaccine Committee:
 - Appointed by the Secretary RCW 70.290.050 (1):

Michele Roberts (voting)
Jeff Gombosky (non-voting)
 - Appointed by the Board and non-voting:
(Note: Not required by statute)

Fred Potter
Jan Hicks-Thomson
- As of January 2015, an open position exists on the Vaccine Committee

Board Governance Roles & CommitteesExecutive Committee

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

Audit Committee

Chair: John Sobeck, MD
Dennis Kirkpatrick
Jason Farber

Vaccine Committee

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

Vaccine Committee Consultants

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

WVA Operations Committee

Chair: Julia Walter
Patricia Berge, CoordinatedCare Health
Stephanie Crook, United
Kim Barringer, Cigna
Tammy Blair, Group Health
Sue Bride, Premera
Maureen Brooks, Group Health
Barbara Chandler, United
Cathy Falanga, Aetna
Trevor Hammond, United
Jan.Hicks-Thomson, Department of Health
Walter Kuiee, Regence
Chuck Levine, CoordinatedCare Health
Laura McKenna, Regence
Tom Messick, Premera
Chad Murphy, Premera
Marcy Nicol, Providence
Jeri Trice, Zenith Administrators
Angela Wilson, Providence
(Angela.Wilson@providence.org)
Marcy Nicol,
(Marcy.Nicol@providence.org)
Marcia Joy,
(Marcia.Joy@providence.org)

Conflict of Interest Policy

Policy: Washington Vaccine Association (the “Association”) has been established by act of the Washington Legislature 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 the state of Washington. The Association will comply fully with all laws that relate to the conduct of its activities, including all tax law.

Purpose: The purpose of this policy is to protect the Association’s interests when it is contemplating entering into a transaction or arrangement, or making a decision, that might benefit the private interest of an officer or board member of the Association or member of a committee with board delegated powers or might result in a possible excess benefit transaction as defined by the Internal Revenue Code. The Association intends to conduct its affairs consistent with the requirements of tax-exempt status under the Internal Revenue Code.

Definitions:

Interested Person: Any board member, principal officer, or member of a committee with board delegated powers, who has a direct or indirect financial interest, as defined below, or a duality of interest, as defined below, is an interested person.

Financial Interest: A person has a financial interest in a transaction or arrangement or decision if the person has, directly or indirectly, through business, investment or family: (a) an ownership or investment interest in any entity with which the Association has a transaction or arrangement; or (b) a compensation arrangement with the Association or with any entity or individual with which the Association has a transaction or arrangement; or (c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Association is negotiating a transaction or arrangement or which will be affected by a decision of the Association. A “family member” includes a spouse, siblings (half or whole), children, grandchildren, and in-laws. “Business” includes those businesses which the person owns or controls at least 35%, or disregarded entities.

Duality of Interest: An interested person has a duality of interest with regard to a decision or action where in addition to the obligations of the interested person to the Association, the interested person has an obligation with regard to another organization or enterprise involved or implicated in the action of the Association. For instance, an interested person may serve as a board member of the Association and also as a board member of an organization engaging in a transaction with the Association. A duality of interest will be dealt with in the manner of a conflict of interest.

Conflict of Interest: A conflict of interest exists where an interested person has a financial interest or a duality of interest, in a proposed transaction or arrangement with the Association or decision by the Association. Examples of conflicts of interest include the following:

- a. Where an interested person makes a decision or does an act or is required to make a decision or perform an act that also involves an entity with which the person has

a financial relationship and that benefits financially from the sale, marketing, re-selling, or distribution of vaccines; examples of such relationships include direct employment or an investment interest, a consultancy or other contractor relationship, serving on a speakers bureau, receiving honoraria, research and/or travel support;

- b. Where an interested persons personally contracts with the Association or where he/she is a board member of another organization which is contracting with this Association;
 - c. Where an interested person has any direct or indirect interest in, or a relationship with, any individual or organization that proposes to enter, or has entered, into any transaction or arrangement with the Association involving the sale, re-sale, purchase, marketing, or distribution of any goods or services (including vaccines) or involving the investment or deposit of any funds of the Association;
 - d. Where an interested person in his or her capacity with the Association learns of an opportunity for profit or benefit which may be valuable to him/her personally or to another organization of which he/she is a member, or to other persons known to the interested person;
 - e. Where an interested person will receive compensation, directly or indirectly, from the Association for services; and,
 - f. Where a family or business relationship exists between the interested person and another interested person, consultants, or with staff of the Association.
- (This is not an exhaustive list.)

Procedures:

1. **Duty to Disclose:** An interested person will disclose any conflict of interest, be it real, potential, or apparent, *which is not immediately obvious* with regard to any matter being discussed in the person's presence during a meeting.

- a. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the interest and be given the opportunity to disclose all material facts to the board members or members of committees with board delegated powers considering the proposed transaction or arrangement or decision.
- b. Disclosure involving board members should be made to the board chair, who shall bring these matters, if material, to the board.
- c. Disclosure in the Association should be made to the chief executive (or if she or he is the one with the conflict, then to the board chair), who shall determine whether a conflict exists and is material, and if the matters are material, bring them to the attention of the board chair.
- d. The Washington law establishing the Association provides that board membership of the Association includes members selected from health carriers, third-party administrators, health plans, physicians, and a delegate of the Secretary of the Department of Health. A potential conflict of interest arises between the obligations of a board member of the Association and the board members' obligations to the organization or profession or position represented by the board

member. The representative capacities and experience of board members are valuable to the Association board of directors. Under these circumstances, board members are not required to specifically disclose their represented relationships in each instance so long as such relationships are obvious in the situation. The board member should annually disclose any such financial interest on the disclosure form required by this policy.

2. **Determining Whether a Conflict of Interest Exists**

After disclosure of the interest and all material facts, and after any discussion with the interested person, he/she shall leave the board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The board shall determine whether a conflict exists and is material, and in the presence of an existing material conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable to the Association. The decision of the board on these matters will rest in their sole discretion, and their concern must be the welfare of the Association and the advancement of its purpose and *will be documented in the minutes*.

3. **Procedures for Addressing the Conflict of Interest**

- a. An interested person may make a presentation at the board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement or decision involving the possible conflict of interest.
- b. The chair of the board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement or make the proposed decision.
- c. After exercising due diligence, the board or committee shall determine whether the Association can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the board or committee shall determine by a majority vote of the disinterested board members whether the transaction or arrangement is in the Association's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. **Violations of the Conflicts of Interest Policy**

- a. If the board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, or duality of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the board member's response and after making further investigation as warranted by the circumstances, the board or committee determines the member has failed to disclose an actual or possible conflict of interest, or duality of interest, it shall take or not take such disciplinary and/or corrective action as it, in its sole discretion, determines to be appropriate.

5. **Records of Proceedings**

The minutes of the board and all committees with board delegated powers shall contain:

- i. The names of the persons who disclosed or otherwise were found to have a financial interest or duality of interest, the nature of the financial interest or duality of interest, any action taken to determine whether a conflict of interest or duality of interest was present, and the board's or committee's decision as to whether a conflict of interest in fact existed.
- ii. The names of the persons who were present for discussions and votes relating to the transaction or arrangement or decision, a brief summary of the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

6. **Annual Statements**

Each board member and member of a committee with board delegated powers shall annually sign a statement which affirms such person:

- i. Has received a copy of the conflicts of interest policy;
- ii. Has read and understands the policy;
- iii. Has agreed to comply with the policy; and,
- iv. Understands the Association is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

7. **Periodic Reviews**

To ensure the Association operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- i. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.

- ii. Whether partnerships, joint ventures, and arrangements with management of the Association conform to the Association's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

8. **Use of Outside Experts**

When conducting the periodic reviews, the Association may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the board of its responsibility for ensuring periodic reviews are conducted.

Conflict of Interest Disclosure Statement

The Washington Vaccine Association (the “Association”) has adopted a conflict of interest policy to protect the Associations interest when it is contemplating entering into a transaction or arrangement or making a decision that might benefit the private interests of an officer or director or committee member of the Association. The existence of a conflict does not imply wrong doing on anyone’s part. But when conflicts do arise, they must be recognized and disclosed. Some relationships may create an appearance of conflict; those too, are important to manage so that the Association may maintain public confidence in the integrity of the Association’s activities and to maintain federal tax exempt status.

Thank you for your cooperation.

Please complete the following information, date and sign this statement below.

A. Name and position (e.g. director, officer, member of a committee with board delegated powers): _____

B. Occupation: _____

C. Current employer, if any: _____

D. Affirmation:

(1) I have received a copy of the Policy; ☐

(2) I have read and understand the Policy; ☐

(3) I agree to comply with the Policy; and ☐

(4) I understand that the Washington Vaccine Association (the “Association”) is a tax-exempt organization (or intends to apply for tax-exempt status) and that in order to maintain the federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes. ☐

E. Financial Interests:

The Policy requires that if you have a financial interest in a proposed transaction or arrangement with the Association, you must disclose the existence and nature of your financial interest to the board or board committee with board delegated powers considering the proposed transaction or arrangement. Please identify any such financial interest which you have disclosed in the past 12 months. If there is a financial interest you believe you should have disclosed, please describe any such interest here as well.

A person has a financial interest in a transaction or arrangement if the person has, directly or indirectly, through business, investment, or family¹: (a) an ownership or investment interest in any entity with which the Association has a transaction or arrangement, or (b) a compensation arrangement with the Association or with any entity or individual with which the Association has a transaction or arrangement, or (c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Association is negotiating a transaction or arrangement.

The Policy also requires you to report family or business relationships you may have with other members on the board, or with officers, with consultants, or with staff of the Association. The reportable relationships include: (a) whether you are employed by, or you employ, a board member, an officer, a consultant, or staff; (b) a business in which you and any one of the above-listed persons holds a key position or an aggregate of 10% ownership in the assets or income; (c) transactions between you and any of the above-listed persons individually, or through their 35% owned business, which exceeds \$5,000 in aggregate during the reporting year; and (d) family relationships with any of the above-listed persons. Describe any such relationship in detail below.

I affirm the accuracy and completeness of the information provided above.

Signature

Date

{2543.00001/M0171086.DOC; 5}

¹ Family members include spouse, siblings (half or whole), ancestors, children, grandchildren, and in-laws. Businesses include those in which you own or control at least 35%, or disregarded entities.

**WVA Corporate Governance Calendar
Proposed Agenda
(Board Meeting and Committee Meeting Schedules for 2016)**

*All times are Pacific Standard Time

Date	Board (Generally Thursdays 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 14)			X (January 26-29)	
February					
March					X (March 23)
April	X (April 14)		X (April 28-29)	X (April 4-8)	
May					
June	X TBD				X (June 20-24)
July				X (July 11-15)	
August					
September					X (September 12-16)
October	X TBD (Annual Meeting)				
November			X (November 16-18)	X (November 7-11)	

- 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.

**2014 Washington Vaccine Association Directory
As of 06/08/15**

Conference Call information
Conference #: (760) 569-7171
Conference ID: 103063718

Board of Directors

Payer Representatives

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

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

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

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

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

Phone: 206.441.7574 x3920
Cell: 206.310.1559
dennis@wpas-inc.com
Assistant: Holly Garcia
hgarcia@wpas-inc.com
206.441.7574 x3914

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

Phone: 206.448.6146
Cell: 206.419.3698rakow.d@ghc.org
rakow.d@ghc.org
Assistant: Kristin Stewart
stewart.k@ghc.org
206.448.2884 / VM: 206.320.2884

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

Phone: 206.625.8861
john.sobeck@cigna.com
Assistant: Evie Davis
Evelynne.davis@cigna.com
206.654.8945

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

Phone: 206.701.8001
Other: 425.269.4230
Norm.Seabrooks@aetna.com
Assistant: Veronica Wright
WrightV3@aetna.com
206.701.8046 (Direct Line)

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

Phone: 253.442.1594 (Direct Line)
Other: 877.644.4613, Ext. 69894 (Toll-Free)
maoneill@coordinatedcarehealth.com
Assistant: Tracey Antrobus
TANTROBUS@coordinatedcarehealth.com
253.442.1462 (Direct Line)

Self-Funded Employer Representative

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

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

Physician Representatives

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

Phone: 360.456.1600
Cell: 360.561.9125
betheharvey@comcast.net

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

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

Government Representatives

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

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

DOH

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

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

Outside Professionals

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

Phone: 206.359.6750
 Fax: 206.359.7750
 aredman@perkinscoie.com
Assistant: Cindy Hanna
 CHanna@perkinscoie.com

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

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

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

Phone: 509.444.2350
 Cell: 509.290.2967
 lisac@desautelhege.com

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

Phone: 206.417.8989
 m@kicksparkcreative.com

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

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

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

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

KidsVax.org

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

Phone: 855.556.4101
Cell: 603.491.2389
fpotter@kidsvax.org

Julia G. Walter
Deputy Executive Director
2025 First Ave.
Market Place Tower – PH-A
Seattle, WA 98121

Phone: 855.556.4104
Cell: 603.724.5882
jwalter@kidsvax.org

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

Phone: 855.556.4102
croberge@kidsvax.org

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

Phone: 855.556.4103
tmills@kidsvax.org

Thomas Philbrick
Intern
PO Box 1885
Concord, NH 03302-1885

tphilbrick@kidsvax.org

Ashley Kittrell
Executive Assistant
2025 First Ave.
Market Place Tower – PH-A
Seattle, WA 98121

Phone: 855.556.4106
akittrell@kidsvax.org

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

Phone: 757.470.7429
psmith@kidsvax.org

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

Phone: 603.496.7907
nroberge@kidsvax.org

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

Phone: 703.961.1840 x115
mmazan@solutionworx.com

Others

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

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

Board Governance Roles & Committees

Executive Committee

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

Vaccine Committee Consultants

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

WASHINGTON VACCINE ASSOCIATION
Governing Statutes under the Revised Code of Washington

TABLE OF CONTENTS

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

Title 70. Public health and safety

Chapter 290. Washington vaccine association

RCW 70.290.010. Definitions

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

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

chapter.

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

RCW 70.290.020. Washington vaccine association - Creation

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

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

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

board to represent all entities under common ownership or control.

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

directors be helpful or necessary for the operation of the association;

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

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

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

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

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

RCW 70.290.047. Registration of third-party administrators

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

RCW 70.290.050. Selection of vaccines to be purchased - Committee

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

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

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

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

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

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

RCW 70.290.070. Board shall submit financial report to the secretary

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

RCW 70.290.080. Limitation of liability

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

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

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

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

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

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

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

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

RCW 70.290.900. Effective date — 2010 c 174

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

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

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

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

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

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

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

WVA 2016 Calendar 10-13-2015

Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
BOARD MTG OPERA-TIONS		AUDIT COMM	BOARD MTG OPERA-TIONS VACCINE COMM		BOARD MTG Approve WVA budget and annual WVA goals AUDIT COMM FYI - Close of 2014-15 Fiscal Year	OPERA-TIONS		OPERA-TIONS AUDIT COMM	BOARD MTG Annual meeting of Directors, election of Officers, and Secretary's appointments Approve Audited Financials Annual Review of Investment Performance FYI - Annual Report	Financial report due to Secretary Establish the estimated amount of annual assessments and notify payers in writing VACCINE COMM OPERATIONS	

WVA 2015 Quarterly Board Meeting Calendar

First Quarter

JANUARY	FEBRUARY	MARCH
<p>QUARTERLY BOARD MEETING Review of Investment Performance</p> <p>Operations Review potential assessment level change</p> <p>DOH Flu pre-book survey</p>	<p>DOH Review results of January flu pre-book survey</p>	<p>PREP WORK FOR APRIL BOARD MEETING</p> <p>Audit Committee Plan audit: select auditors for annual term, review engagement letter, and address other audit matters</p>
<p>OTHER ACTIVITIES</p> <p>WVA WVA contributed article in provider organization newsletters</p> <p>FYI</p>	<p>OTHER ACTIVITIES</p> <p>WVA Update provider database with prior year data on vaccine doses and dollars (update occurs every other year)</p> <p>DOH Provide updated immunization data to WVA for 2015 update</p> <p>FYI</p>	<p>OTHER ACTIVITIES</p> <p>WVA</p> <p>FYI</p>

Second Quarter

APRIL	MAY	JUNE
<p>QUARTERLY BOARD MEETING</p> <ul style="list-style-type: none"> Review of Investment Performance Policy clean-up and update c/interest statements Review committee charters, and any revised charters Designated “retreat/social” time <p>Vaccine Committee Review implementation of April Vaccine Selection Review any changes to ACIP-recommended vaccines</p> <p>Operations Review Q1 issues, prepare for Assessment Grid update</p>	<p>DOH Prepare Budget and Management Packet, with projections for state portion of childhood vaccine program</p>	<p>JUNE BOARD MEETING</p> <ul style="list-style-type: none"> Approve annual budget and KidsVax goals <p>Audit Committee</p> <ul style="list-style-type: none"> Review and recommend budget to the WVA board. Seek authorization from the board to approve financials after meeting with auditors at the end of August.
<p>OTHER ACTIVITIES</p> <p>WVA Submit nonprofit corporation annual report to the WA Secretary of State (online filing) Meet with DOH to review projections for state portion of childhood vaccine program</p> <p>FYI CDC contract changes (review any changes to ACIP-recommended vaccines)</p>	<p>OTHER ACTIVITIES</p> <p>WVA</p> <p>FYI National Immunization Conference (Hilton Head, SC in 2015)</p>	<p>OTHER ACTIVITIES</p> <p>WVA 30th Close of 2014-2015 Fiscal Year</p> <p>FYI</p>

Third Quarter

JULY	AUGUST	SEPTEMBER
<p>Opportunity to increase assessment levels on Assessment Grid.</p>	<p>PREP WORK FOR OCT. BOARD MEETING</p>	<p>PREP WORK FOR OCT. BOARD MEETING</p> <p>Audit Committee Meet with auditors, prepare board presentation of audited 2015/16 financials and auditors' report (for October board presentation)</p> <p>Operations Review second quarter operational issues</p>
<p>OTHER ACTIVITIES Independent auditors review year-end financials</p> <p>FYI</p>	<p>OTHER ACTIVITIES</p> <p>FYI</p>	<p>OTHER ACTIVITIES</p> <p>WVA Notify all TPAs that have paid WVA but not registered of one-time registration requirement. (Send letter by end of October.)</p> <p>FYI Pink Book Conference (Seattle 9/16-17)</p>

Fourth Quarter

OCTOBER	NOVEMBER	DECEMBER
<p>QUARTERLY BOARD MEETING AND ANNUAL MEETING OF DIRECTORS</p> <ul style="list-style-type: none"> • Elect Board officers • Approve extension of directors' terms or appointment of new members • Ratify Secretary's appointments • Approve audited financials and Annual Report • Annual review of Investment Performance <p>DOH Prepare Budget and Management Packet, with projections for state portion of childhood vaccine program</p> <p>Audit Committee (Tentative)</p>	<p>Vaccine Committee Evaluate vaccine selection process</p> <p>Operations Review third quarter operational issues; Settlement Report Monitoring Tracking Report</p>	<p>PREP WORK FOR Q1 2016 BOARD MEETING</p>
<p>OTHER ACTIVITIES</p> <p>DOH Vaccine selection cycle for 2nd time in 2015</p> <p>WVA Prepare financial report for DOH Secretary, Due by Nov 1 Meet with DOH to review projections for state portion of childhood vaccine program</p>	<p>OTHER ACTIVITIES</p> <p>WVA By 11/1, submit financial report to DOH Secretary in required form Set assessment amounts for subsequent year and notify health carriers and TPAs in writing (by 11/15) If necessary, submit a report to DOH Secretary listing carriers/TPAs that failed to remit assessments</p>	<p>OTHER ACTIVITIES</p> <p>WVA Review TPA registration renewals with WVA</p>

Ongoing WVA Activities and Events

Monthly

- Remittance of funds to state treasurer for DOH purchase of vaccines
- Compliance follow-up to assist providers with DBA billing, update database and track compliance
- Update tracking systems for WVA performance metrics
- Financial management reports

Quarterly

- Settlement reports
- State Vaccine Advisory Committee Meetings: attendance on request and/or presentations
- Operations review of vaccine payments (identify/audit any significant or non-standard payments to providers)
- Investment Reports
- Rolling 12-month liquidity forecast

Annually

- Board self-evaluation
- Evaluation of ED and staff
- Announcements of assessment code changes and potential adjustment to assessment level
- January state legislative session: monitor for WVA impacts; determine if WVA needs statutory revision or regulation to advance mission
- National Immunization Conference: possible attendance and/or presentations
- Provide Secretary with opportunity to address Board

As appropriate

- WVA calendar updates, Web site updates, email alerts, provider updates
- Operations sub-group available to consider immediate issues or regulatory changes
- Communication with state legislators, Medical and Hospital Associations, presentations as requested



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

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

Items under Agenda Section 2:

VOTED: To approve the minutes of the August 6, 2015 WVA Board meeting.

[To approve the minutes of the August 6, 2015 WVA Board meeting with the changes suggested at the meeting.]

VOTED: To authorize the WVA to pay all insurance policy premiums through ACH transfer.

[To authorize the WVA to pay all insurance policy premiums through ACH transfer with the changes suggested at the meeting.]

Item under Agenda Section 4:

VOTED: To authorize KidsVax.org to proceed with publication of the 2014/2015 WVA Annual Report in the form as presented to the board.

[To authorize KidsVax to proceed with publication of the 2014/15 WVA Annual Report in the form as presented to the Board with the changes suggested at the meeting.]

Items under Agenda Section 6:

VOTED: To ratify the action of the Audit Committee in authorizing publication of the FYE 2014/15 Financial Statements and independent auditor's report.

[To ratify the action of the Audit Committee in authorizing publication of the FYE 2014/15 Financial Statements and independent auditor's report with the changes suggested at the meeting.]

Items under Agenda Section 7:

VOTED: To affirm the continuation of board member Diana Rakow, whose term renews in 2016 pursuant to RCW 70.290.030 (3)(b).

- VOTED: To affirm the continuation of board member Dr. Mary Kay O'Neill, whose term renews in 2016 pursuant to RCW 70.290.030 (3)(c).
- VOTED: To affirm the continuation of board member Dr. Ed Marcuse, whose term renews in 2016 and pursuant to RCW 70.290.030 (3)(f).
- VOTED: To affirm the continuation of board member Norman Seabrooks, whose term renews in 2016 pursuant to RCW 70.290.030 (3)(a).
- VOTED: To approve the election of the proposed slate of WVA officers listed on the WVA Board of Directors and Committees list for one-year terms pursuant to Section 6.1 of the WVA Bylaws.
- VOTED: To approve the individuals listed on the WVA Board Committee list presented at the meeting to serve on the Audit, Operations, and Vaccine Committees, respectively, with the committee chairs listed.

Items under Agenda Section 8:

- VOTED: To authorize KV to extend the engagement of the WVA with Crowell & Moring (C&M) at the terms discussed at the meeting.
- [To authorize KV to extend the engagement of the WVA with Crowell & Moring (C&M) at the terms discussed at the meeting and with the changes suggested at the meeting.]
- VOTED: To request the TRICARE Litigation Taskforce to oversee the work of KV in managing the C&M engagement and to authorize the Taskforce to make further modifications to the engagement letter as it may deem appropriate.
- [To request the TRICARE Litigation Taskforce to oversee the work of KV in managing the C&M engagement and to authorize the Taskforce to make further modifications to the engagement letter as it may deem appropriate with the changes suggested at the meeting.]

**Directions to Perkins Coie
1201 3rd Avenue Suite 4800
Seattle, WA 98101**

Traveling South on I-5:

- Take the **Stewart St/Denny Way exit**
- Head east on Denny Way toward Dexter Ave N
- Turn RIGHT onto Dexter Ave
- Take a slight left onto 7th Ave
- Turn RIGHT onto Bell St
- Turn LEFT onto 5th Ave
- Turn RIGHT onto Seneca St
- Turn RIGHT onto 3rd Ave
- Destination will be on the left

Traveling North on I-5:

- Take the **Seneca St exit 165 (exit only on left-hand side of freeway)**
- Continue on Seneca St. Drive to 3rd Ave
- Turn left onto Seneca St.
- Turn right onto 3rd Ave.
- Destination is on the left

Traveling West on I-90:

- Take exit 2C for I-5 N toward Vancouver B.C.
- Keep right, follow signs for James St.
- Turn LEFT onto James St
- Turn RIGHT at the 3rd cross street onto 4th Ave
- Turn LEFT onto Seneca St
- Turn RIGHT onto 3rd Ave
- Destination is on the left.