

**Washington Vaccine Association Operations Committee Meeting  
October 30, 2018; 10:00-11:00 a.m. PDT**

1 **I. Attendance.** Participating in all or part of the meeting were the following individuals.

2  
3 Committee Members

4 SheAnne Allen, DOH  
5 Tammy Blair, Kaiser  
6 Susan Comer, Aetna  
7 Walter Kuiee, Regence  
8

9 Washington Vaccine Association

10 Julia Zell, M.A., Esq. Executive Director  
11

12 KidsVax®

13 Terry Mills, Executive Assistant  
14

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

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

- 17 1. None.  
18

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

- 20 1. By the next Operations Committee Meeting, Ms. Zell will have a detailed Settlement  
21 Report Process implementation plan outlining how the process will work and will make  
22 sure that payers are notified prior to implementation.  
23 2. Ms. Zell will have a proposed meeting calendar for all WVA committees by November  
24 and will send meeting invites out accordingly as well as have it posted on  
25 www.wavaccine.org.  
26

27 **III. Meeting Minutes**

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29 Introductions

30 At 10:00 a.m., Julia Zell called the meeting to order. Ms. Zell indicated that at the meeting in May, WVA was  
31 in a dramatically different position as an organization. She highlighted the plan for future assessment grids,  
32 organizational changes that have taken place recently, the status of TRICARE and payer compliance, as well as  
33 a proposal for an alternate settlement report process.  
34

35 Ms. Zell asked if anyone had additional updates they would like to add to the agenda. Hearing none, she  
36 continued with the agenda items.  
37

38 2018 Grid and Future Changes

39 Ms. Zell stated that her understanding is that payers prefer very low assessment grid changes and keeping the  
40 grid steady rather than going into refund mode. In past years, if there was extra cash on hand from assessments,  
41 payers received refunds through reductions in the assessment grid; eventually, with few reserves, the Association  
42 had to resort to dramatic grid increases as it was unable to buffer for unexpected cash outlays, (as was the case  
43 about four years ago when the grid went up by approximately 19% overall). Ms. Zell asked for payer feedback.  
44 Susan Comer from Aetna responded that she agrees with keeping the assessment grid steady, rather than  
45 refunding money to payers.

1 Ms. Zell explained that the WVA is currently in a financial position to absorb annual CDC inflation increases,  
2 barring any extenuating factors. She reported the WVA has reached its reserve target of \$25MM. She went on  
3 to say that although that seems like a large amount, it represents only about three months of vaccine funding,  
4 plus the cost of the annual flu purchase. The recommendation from KidsVax® (KV), the WVA administrator,  
5 and herself was that to avoid the need to obtain a line of credit (LOC) or have off-schedule grid changes, the  
6 governing principle remains that it is much better for the Association to have a reserve capacity to cushion any  
7 kind of policy change or non-compliant payers rather than determining how to cover unexpected shortfalls.

8  
9 The Capital Reserves Investment Policy voted on by the Board last April included the decision by the Finance  
10 Committee to maintain a reserve capacity of \$25MM and keep enough cash in the operating account to fund  
11 immediate needs and keep the reserves to invest with very little risk. With these investments, the WVA  
12 anticipates being able to cover the majority of the Association's operational costs. Currently, the WVA has  
13 \$34MM in operating reserves with \$25MM invested. Ms. Zell asked if anyone had any additional thoughts or  
14 feedback. Tammy Blair with Kaiser Permanente had no feedback but expressed that she thinks these  
15 developments are great.

16  
17 Ms. Zell then gave a brief TRICARE update. The WVA led a multi-state coalition where it was able to obtain  
18 provisions in two different federal authorizing statutes, the first authorizing TRICARE to participate in universal  
19 state vaccine programs and the second making TRICARE's payment into these programs mandatory. The first  
20 was to give TRICARE authorization to participate in state vaccine programs based on every other payer. The  
21 second was to make it mandatory. This year, the WVA sought and obtained committee report language in an  
22 appropriations bill that directed TRICARE to prioritize payments of past due assessment amounts. This past  
23 April, after four or five years working with TRICARE, the WVA received the payment of about \$12.2MM. Ms.  
24 Zell explained that for years assessment rates have been higher than they should be on all other payers to make  
25 up for TRICARE because they were not paying; they have since paid WVA assessments and have committed to  
26 doing so in the future.

#### 27 28 Settlement Report Process

29 Ms. Zell then moved on to the matter of settlement reports, explaining their history and the proposal that will be  
30 presented to the Board regarding suggested changes. When the WVA first began, there was concern that  
31 providers were not going to be able to get their system up and running to generate dosage-based assessments.  
32 Additionally, many payers were concerned that providers would not complete the second step and fill out what  
33 is technically a medical claim form and submit it for the vaccine costs only on behalf of the WVA. However,  
34 four of the major payers in the market agreed to auto-generate a payment to the WVA if they received a vaccine  
35 administration claim from the providers without the corresponding vaccine assessment. Unfortunately, third-  
36 party administrators and smaller payers could not or would not participate in this process because they did not  
37 have the system sophistication to auto-generate a payment to the WVA or it would cost them a lot to write the  
38 necessary codes. Once providers began following-through with the dosage-based system, the WVA Board  
39 decided that it was not worth expending the Association's resources to pursue the settlement report process with  
40 the payers that rebuffed the WVA initial overtures to complete the process.

41  
42 Now, eight years later, they have decided to refocus efforts on cutting down on non-compliance and working  
43 towards total payer equity. Though a pure settlement report process may not be possible for all payers, work  
44 with TRICARE to come up with an alternative method yielded a plan that may work for payers that do not  
45 process settlement reports. The Board felt that if TRICARE is willing to make an alternative arrangement,  
46 perhaps other payers would also. This discussion was initiated during the May Operations Committee, but Ms.  
47 Zell wanted to come up with a more developed plan and have it vetted by Operations before going back to the  
48 Board to talk about it further.

1 Ms. Zell, KV, and other consultants have discussed a process whereby providers would continue to load the  
2 correct assessment grid, but then every year KV and WVA would invoice non-settlement report payers the  
3 average of assessments collected from those still processing reports. Right now, the amount of assessments  
4 collected from the four major carriers through the settlement reports, expressed as a percentage of their total  
5 assessment remittance is 1.8%. Every year, instead of sending just the statutory assessment letter notice to each  
6 payer, an invoice would also be included for the percentage of assessments collected through settlement reports  
7 from participating payers. A payer would have the choice to either process settlement reports or pay the flat fee.  
8 An exemption would be granted to payers that remit less than \$10,000 annually. It is the desire of the WVA to  
9 maintain payer equity, but due to providers not filling out the DBA there is approximately 2% leakage. As an  
10 organization, WVA does not have any way to make the dosage-based assessment mandatory for providers to  
11 complete and does not have a way to detect leakage of this nature, except through payer reports. However, the  
12 WA Department of Health requires providers to complete the assessment as part of receiving state supplied  
13 vaccines. Further discussion ensued, and Ms. Zell stated that the plan will have to go through the Board and it  
14 will likely be a year before it is implemented. At the next Operations Committee Meeting, Ms. Zell will have a  
15 detailed implementation plan on how the process will work and make sure that everyone is notified prior to  
16 implementation.

#### 17 Department of Health Updates

18 SheAnne Allen from DOH stated that the most recent vaccine projection packet will be sent over to the WVA  
19 today. That communication will provide projections for vaccine ordering for the next year and any decreases  
20 that DOH might see in provider enrollment so that they can prepare for the next year and a half.  
21

#### 22 Update on WVA Structural Changes

23 Ms. Zell reported that originally the WVA retained KV as the administrator to provide all administrative services  
24 but has recently decided to hire a full-time Executive Director. Ms. Zell has taken that position. She is the sole  
25 employee at the WVA and will be spending 100% of her work time on the WVA. KV will continue to provide  
26 administrative services to WVA.  
27

#### 28 Other Matters from Committee Members

29 No additional matters were brought forward.  
30

#### 31 Closing

32 There being no further business, the meeting was adjourned at 12:26 p.m. PDT.  
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What: Operations Committee Meeting  
 Date & Time: October 30, 2018, 10:00-11:00 PST  
 Call in Number: (267) 930-4000; Conference ID: 103063718#  
 Location: Teleconference

Notice: 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.

Approx. Time	Topic / Anticipated Action	Presented by:
10:00-10:05 a.m.	1. Introductions & Purpose of Meeting a. Survey of Other Topics	J. Zell
10:05-10:20 a.m.	2. 2018 Grid and Future Changes	J. Zell
10:20-10:25 a.m.	3. Settlement Report Process	J. Zell
10:25-10:35 a.m.	4. DOH Updates	S. Allen
10:45-10:55 a.m.	5. Other Matters from Committee Members	J. Zell
10:55-11:00 a.m.	6. Closing	