

**Washington Vaccine Association
Board of Directors' Meeting
April 23, 2020; 2:00-3:00 p.m. PT**

I. Attendance. Due to Covid-19 and the Governor's Emergency Order, this meeting was conducted solely by webinar, and was shortened from its previously scheduled length. Participating in all or part of the meeting were the following individuals:

<u>Directors</u>	<u>WVA</u>
Chad Murphy, PharmD, Chair, Premera	Julia G. Zell, MA., Esq., Executive Director
Patricia Auerbach, MD, MBA, FACP, Treasurer, UnitedHealthcare	<u>Helms & Company, Inc.</u>
John Dunn, MD, MPH, Kaiser Permanente	Patrick Miller, MPH, WVA Administrative Director
Cathy Falanga, Aetna Life Insurance Company	Lisa White, JD, WVA Customer and Financial Support Specialist
Jason Farber, Esq., Davis Wright Tremaine LLP	Tony Mendez, MBA, Senior Consultant
Beth Harvey, MD, South Sound Pediatric Associates	<u>Others</u>
Steve Lam, PharmD, Regence BlueShield Washington	Anne Redman, Esq., Perkins Coie
Ed Marcuse, MD, Emeritus Professor of Pediatrics, University of Washington	Leslie Walker, CPA, Mason+Rich, PA
Randy Parker, Carpenters Trusts of Western Washington	SheAnne Allen, Washington Department of Health
Michele Roberts, MPH, MCHES, Washington Department of Health	Hannah Febach, Washington Department of Health
John Sobeck, MD, MBA, Outgoing Chair, Everett Clinic	Fred Potter, KidsVax
	Breelyn Young, GlaxoSmithKline
	O. DeWayne Ingram, GlaxoSmithKline

II. Summary of Actions Taken and/or Recommended

Actions Taken (votes adopted)

1. To approve the minutes of the June 27, 2019 Board Meeting as presented.
2. To approve the minutes of the November 7, 2019 Board Meeting as presented.
3. To approve the Draft 2020/21 Vaccine Assessment Grid as presented with one correction to CPT code 90744 percent change from 46.5% to -8.6%.

Follow up Tasks/Action Items

None.

III. Minutes

Welcome and Introductions

At 2:00 p.m., a quorum having been established, Chairman Chad Murphy, called the meeting to order. Ms. Zell announced that the meeting was being recorded for the benefit of the minute-taker and would be deleted following final approval of the minutes. Ms. Zell asked Mr. Miller to introduce his team. Mr. Miller recognized Leslie Walker, CPA from Mason+Rich PA, Lisa White, JD, Customer and Financial Support Specialist, and Tony Mendez, MBA, Senior Consultant.

Consent Calendar

Chairman Murphy directed the Board's attention to the consent items submitted for approval, including the Board meeting minutes of June 27, 2019 and the Board meeting minutes of November 7, 2019. Attorney Redman asked about deleting a section in the June 27, 2019 minutes, and Ms. Zell replied that the deletion had already occurred and is reflected in the current meeting packet. There being no questions or comments, the following items were put to a vote:

Upon motion duly made and seconded, it was unanimously

- VOTED:**
- To approve the minutes of the June 27, 2019 Board Meeting as presented.
 - To approve the minutes of the November 7, 2019 Board Meeting as presented.

74 Financial Update

75 *Q3 FY2020 Financial Statements* – Ms. Walker reviewed the financial statements. She pointed out sections of the statements that
76 are consistent with how the Board has traditionally seen them presented and contrasted them with recent additions and changes that
77 have been made. Ms. Walker noted the buildup in cash that has occurred in the past year. This has left a robust cash balance that
78 will be addressed in the upcoming vaccine grid assessment changes effort. Mr. Miller stated that the graphical representation of
79 trends on page 18 are designed to provide the Board with a set of longitudinal, key indicators for information and decision making.
80 Additional key indicators will be added in future reports. Chairman Murphy stated that he liked the move towards key indicators
81 and asked if there were any questions from the Board regarding the financials. There were none. Chairman Murphy then asked if
82 there has been a downturn in vaccine utilization. Mr. Miller stated that it is expected given the reduced hours of many pediatrician
83 offices. Dr. Harvey agreed. Ms. Roberts stated that the Department of Health is seeing a reduction but expected a busy back-to-
84 school season in the summer as well as re-scheduled well-child visits leading to catch-up immunizations. She stated that the
85 vaccines’ long shelf lives should eliminate vaccine wastage.

86
87 *FY2021 Budget, Price Grid and Cash Flow Model* – Mr. Miller proceeded to review the presentation encompassing the cash flow
88 model, the administrative budget, and the Vaccine Assessment Grid. Mr. Miller presented the model, which he stated is a new
89 approach that combines the cash-flow needs and the administrative budget that adjusts the vaccine assessment grid in real time.
90 The model is a three-year cash flow model intended to 1) reduce the current cash position over a three year-period, 2) to create
91 stability in the assessment grid, and 3) to ensure a level of reasonable reserves. The first part of the presentation focused on a set
92 of historical trended measures that explain the cash build up and laid out a proposed reduction in cash over the next three years.

93
94 The second part of the presentation described the three-year model and depicted three different collection scenarios with seven
95 “dials” or adjustment factors that the Board can use to drive the model assumptions (p. 32-33). The status quo model would continue
96 the cash accumulation that would result in \$97M of cash at the end of the three-year period. The below cost model would result in
97 a deficit, and the at cost model is what is recommended. This model reduces cash over the next three years by \$13.1M, \$10.1M,
98 and \$9.4M, respectively, which will reduce the ~\$60M end of FY2020 cash balance to ~\$28M at the end of FY2023. Several
99 reasons for contingency funds were reviewed including COVID-19 resources, Vaxelis’ release in 2021, potential VFC split
100 changes, and the current capacity to fund unexpected vaccine needs.

101
102 The third part of the presentation focused on the administrative budget. This will be reviewed in detail by the Finance Committee
103 in May, and it will be fine-tuned further by that meeting. Additional funds are proposed to address provider and payer outreach
104 efforts, including a part-time resource starting in the fall of 2020 to be based in Seattle.

105
106 The final part of the presentation focused on the vaccine assessment grid and included a memo with the core financial assumptions
107 upon which it was developed. Mr. Miller reviewed the grid format and explained that the grid assessment amounts are all decreased
108 from the prior year. Chairman Murphy pointed out that CPT code 90744 showed a percentage increase. Mr. Miller stated that this
109 will be fixed prior to the grid’s release. Ms. Zell stated that the draft (and final) grid will be posted to the WVA website, sent to the
110 Department of Health, to the Washington State Office of the Insurance Commissioner, sent to the third-party administrators in the
111 updated TPA database, and to other partners including the Washington Chapter of the American Academy of Pediatrics (WCAAP)
112 and the Association of Washington Healthcare Plans (AWHP).

113
114 Upon motion duly made and seconded, it was unanimously

115
116 **VOTED:** To approve the Draft 2020/21 Vaccine Assessment Grid as presented with one correction to
117 CPT code 90744 percent change from 46.5% to -8.6% pending final Operations Committee review.

118
119 Executive Director Updates

120 Ms. Zell focused the Board’s attention on the Executive Director report and the WVA Quarterly Goal Summary. She first thanked
121 outgoing Chairman John Soback for his many years of contribution to the organization. Ms. Zell then pointed to the WVA Quarterly
122 Goals Summary document on the last page of the meeting packet. It shows primary activities by quarter by workstream. Ms. Zell
123 stated that the Q1 activities in blue have been completed, the Q2 activities in green are in progress and that Q3 and Q4 activities
124 are future in black. She described work that is underway to increase the provider/payer education efforts, including enhanced
125 website features and a new provider/payer brochure. Ms. Zell recommended that board meetings be held four times a year given
126 the amount of change that is underway. Ms. Zell stated that the Committee Charters were being re-examined by Attorney Redman,
127 and that a Board retreat might likely be pushed to Q1 2021 given the current COVID-19 state.

128
129 Public Comment

130 Dr. Marcuse asked if there is time for public comment. Chairman Murphy asked members of the public to identify themselves first,
131 prior to making any comments. Most of the members of the public introduced themselves and stated that they had no comments
132 yet appreciated the opportunity.

133
134 Adjournment to Executive Session

135 The public meeting concluded at 2:48pm PT and the Board moved to Executive Session.

136

137 Executive Session: Confidential