

Meeting: Executive Committee Meeting  
Date & Time: August 20, 2020; 2:30-3:30 p.m. (PT)  
Location: Webinar Meeting

To register for the meeting, please email [info@wavaccine.org](mailto:info@wavaccine.org).

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.

Approx. Time	*	Topic / [Anticipated Action]	Presented by:
2:30-2:35pm	* p. 1	1. Welcome and Introductions a) Notification of Recording	C. Murphy
2:35-2:40pm	* p. 2-5	2. Calendar Consent Items a) Approve June 11, 2020 Meeting Minutes	C. Murphy
2:40-2:50pm	* p. 6-15	3. Finance Update a) July 2020 Financials b) FY 2020 Audit Update c) FY 2020 Liabilities d) Cash Reserve Targets / Adjustments	P. Miller / L. Walker
2:50-3:10pm	* p. 16-22	4. Operational Update a) Key Performance Indicators b) Compliance c) Direct Care Practices	J. Zell / P. Miller
3:10-3:30pm		5. Executive Session (Not a Public Session)	C. Murphy
3:30pm		6. Closing	J. Zell

\* Indicates Agenda Item Attached

**August 20, 2020 WVA Meeting of the Executive Committee  
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 and committee members.

**Items under Agenda Section 2:**

VOTED: To approve the meeting minutes of the June 11, 2020, Executive Committee meeting.

[To approve the meeting minutes of the June 11, 2020, Executive Committee with the changes suggested at the meeting.]

**Meeting Notes**  
**Executive Committee Meeting**  
**June 11, 2020, 2:30-3:30 p.m. (PST)**

- I. Attendance.** This meeting was conducted solely by webinar. Participating in all or part of the meeting were the following individuals:

<u>Directors:</u>	<u>Helms &amp; Company, Inc.</u>
Chad Murphy, Chair, Premera	Patrick Miller, MPH, WVA Administrative Director
Patricia Auerbach, MD, UnitedHealthcare	Lisa White, JD, WVA Customer and Financial Support Specialist
Beth Harvey, MD, South Sound Pediatrics	
Ed Marcuse, MD, Emeritus Professor of Pediatrics, University of Washington	<u>Others:</u>
	Anne Redman, Esq., Perkins Coie
<u>WVA:</u>	
Julia G. Zell, MA., Esq., Executive Director	

**II. Summary of Actions Taken**

1. To approve the minutes of the June 27, 2019 Board Meeting as presented.

**III. Introductions & Purpose of Meeting**

Ms. Zell called the meeting to order at 2:30pm. She took attendance and announced that the meeting would be recorded for the benefit of the minute taker, to be deleted later.

**IV. Calendar Consent Items.**

Upon motion duly made and seconded, it was unanimously

**VOTED:** To approve the minutes of the March 05, 2020 Executive Committee meeting as presented.

**V. Finance Update.**

Mr. Miller provided a financial overview, stating that collections for March, April and May were less than the same periods in CY2019, presumably due to COVID-19. Funding to the Department of Health (DOH) remain at similar levels as the prior year. Ms. Zell stated that she has been in regular contact with the DOH regarding vaccine purchases and utilization trends. Mr. Miller stated that he and Ms. Zell have worked with Morgan Stanley to ensure adequate liquid funds remain available while collections continue to be lower than expected. One million dollars was transferred mid-May to meet the month's vaccine purchase by the DOH. Morgan Stanley has ensured fund liquidity to meet future obligations.

Mr. Miller reviewed the proposed FY2020-21 administrative budget and accompanying memorandum. The new budget format provides a monthly and annual budget and budget totals for the next two years that are tied to the new cash flow model reviewed at the previous board meeting. Ms. Zell noted that administrative budget was reviewed in detail with the Finance Committee at their last meeting. The Finance Committee voted to advance the budget to the Board of Directors at their June 2020 meeting. Mr. Miller then reviewed highlights from the budget memorandum document. Ms. Zell asked for any comments or questions. There were none.

Ms. Zell reviewed some of the budget items in more detail. First, the WVA is seeking a part-time position in Washington to serve as an education resource to providers and payers. She also noted that the budget includes funds to retain Margaret Lane, who served as a prior WVA Deputy Director, as a consultant. Ms. Lane has relationships in the industry to help the WVA secure needed resources. Attorney Redman asked if Ms. Lane will be retained by Helms and Company or if the WVA will retain her. Ms. Zell stated that the structure has not been determined. Ms. Redman then asked if the WVA has heard back from payers who received notice regarding MRM's erroneous billing under the prior Administrator. Mr. Miller confirmed that several payers have responded to the notice and have been provided their specific information. There is a tracking sheet recording these communications. Mr. Miller provided an overview and background of the MRM notice and communications to the payers and stated the documentation regarding the notices and responses will be on-going as the payers may or may not respond back to the organization. Ms. Zell stated that the MRM project is part of a greater issue that the WVA has pertaining to how liabilities will be determined and tracked for audit purposes. Ms. Zell stated that she would like Attorney Redman's legal opinion on this matter, and that it would be discussed further during the subsequent Executive Session. There was no further discussion. Mr. Murphy stated that the budget looked good from his perspective.

#### **VI. Implementation Update.**

Ms. Zell stated that the implementation is nearing completion and that she and Mr. Miller will send a monthly update to the full Board in months that there is no Board meeting scheduled. The April/May 2020 report was part of the meeting packet. The report is comprised of both key indicators and narrative. Mr. Miller reviewed the April/May 2020 report. He focused on the automation progress of both the electronic funds receipts from payers and the electronic remittance receipts. We are now seeing more data received electronically than by paper through the lockbox. Mr. Miller noted that the payer database now has approximately 350 unique payers and is comprised of data from July 1, 2019 to present. The database is helping us with our targeted, payer communications efforts including such things as the vaccine assessment grid, the statutory letter, and the new Private Insurance Assessment Billing Provider and Payer Guide. Mr. Miller referred the Committee members to the Communications Plan document in their packet. It describes the efforts to notify stakeholders of the 2020/21 vaccine assessment grid and the Private Insurance Assessment Billing Provider and Payer Guide. Mr. Miller stated that the monthly refund request amounts have been highly variable, and largely due to larger payers reprocessing assessments in large batches, some a year old. Finally, Mr. Miller stated that he and Ms. Zell have continued to work with Health Care Authority on HB 2728, which authorized the establishment of the Partnership Access Line (PAL). The Authority will be looking for information from the WVA payer database later this summer to create a per capita assessment to fund the PAL program. Ms. Zell stated that the Authority will be working with the Office of the Insurance Commissioner to begin to notify payers of the expected assessment.

Ms. Zell asked if there were questions or comments. Mr. Murphy expressed that the level of detail the Committee members are seeing is significantly different and better than with past methods and he applauded Ms. Zell and Mr. Miller for the transparency and their approach to sharing data.

Mr. Miller continued by explaining grid adherence issues. He noted that the WVA is seeing higher denial rates than expected and that many payers are not remitting assessments in accordance with the grid assessment pricing. He stated that as more remittances are received electronically, Helms will be able to catch errors earlier and communicate those problems to payers. Starting July 1, Ms. Zell and Helms will be working with payers to these issues with the payers.

#### **VII. Executive Director Updates.**

Ms. Zell brought the Committee's attention to the effort to obtain a Board member to fill the open health plan seat. She will continue to work with health plans to fill the vacancy. Next, she provided brief

110 updates regarding the DOH response to the COVID-19 pandemic. A question was raised as to whether  
111 the WVA should anticipate additional funding requests from the Department related to COVID-19. Ms.  
112 Zell responded that there are no known requests from the Department at this time. Lastly, Ms. Zell stated  
113 that she will bring to the June Board meeting a resolution thanking Dr. John Sobeck for his time serving  
114 the organization.

115  
116 The public meeting was adjourned at 3:18 pm PST and the Committee transitioned to Executive Session.  
117

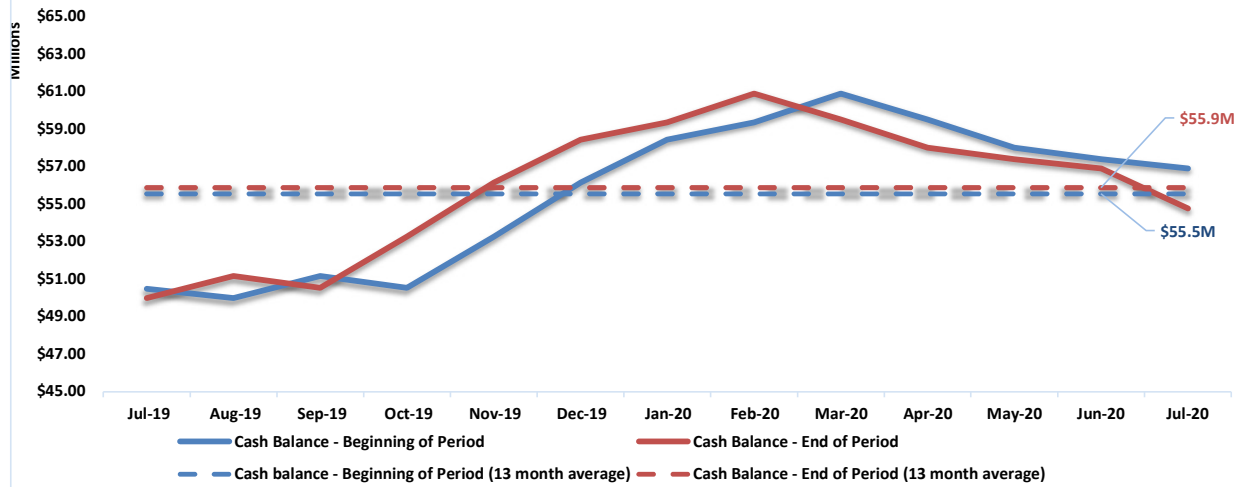
118 **VIII. Executive Session.** Confidential

DRAFT

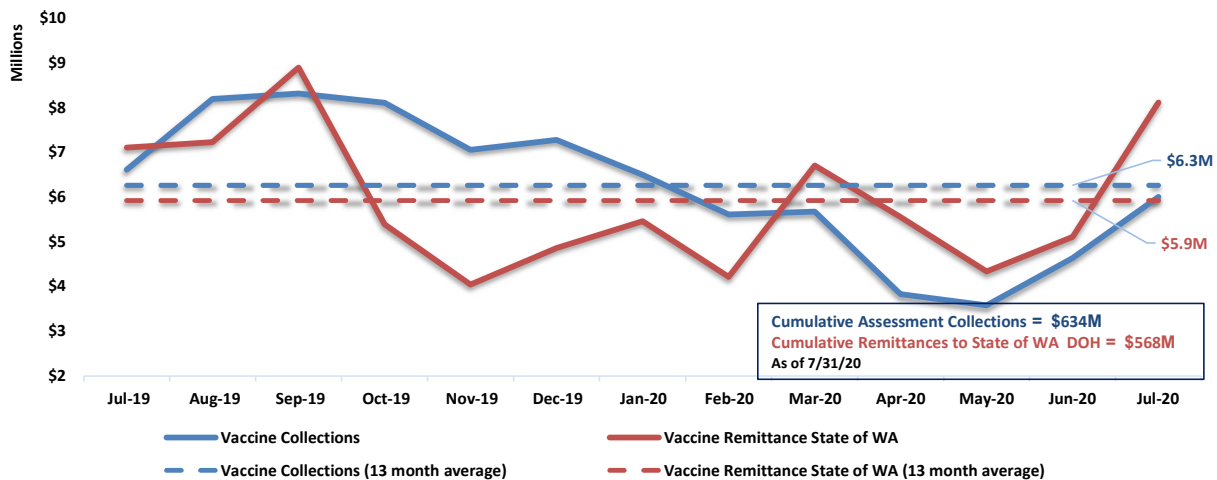
WASHINGTON VACCINE ASSOCIATION  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE MONTH ENDED  
July 31, 2020  
With Supplemental Informational Reporting

Prepared by  
Helms & Company, Inc., Administrator

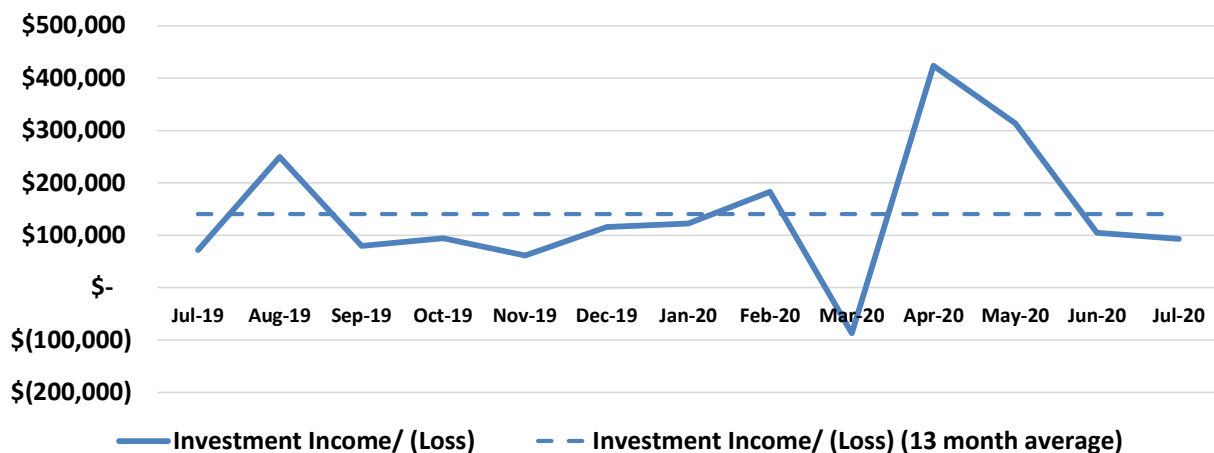
### Cash Balances Beginning and End of Period July 2019 - July 2020



### Total Vaccine Collections and Vaccine Remittances to State of WA July 2019 - July 2020



### Investment Income / (Loss) July 2019 - July 2020



Washington Vaccine Association  
Statement of Cash Flows  
For the Periods Ended

	D	E	F	G	H	I	J	K	L	M	M	O	P	Q
	Month 7/31/2019	Month 8/31/2019	Month 9/30/2019	Month 10/31/2019	Month 11/30/2019	Month 12/31/2019	Month 1/31/2020	Month 2/29/2020	Month 3/31/2020	Month 4/30/2020	Month 5/31/2020	Month 6/30/2020	Month 7/31/2020	13 Month Average
1 Cash balance - beginning	\$ 50,477,970	\$ 49,980,636	\$ 51,155,207	\$ 50,542,716	\$ 53,255,278	\$ 56,133,802	\$ 58,400,151	\$ 59,339,593	\$ 60,865,088	\$ 59,489,029	\$ 57,990,368	\$ 57,377,494	\$ 56,887,146	\$ 55,530,344.42
<b>Inflows:</b>														
2 Vaccine collections	6,606,830	8,184,440	8,302,457	8,094,118	7,047,496	7,273,642	6,491,637	5,610,679	5,666,245	3,825,663	3,577,333	4,633,406	6,002,328	6,255,098.09
3 Interest income - payers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Investment income/ (loss)	71,604	249,557	79,333	94,279	61,431	115,537	122,871	183,013	(87,471)	423,706	313,654	104,782	93,280	140,429
5 Total inflows	6,678,434	8,433,997	8,381,790	8,188,397	7,108,928	7,389,179	6,614,508	5,793,692	5,578,774	4,249,370	3,890,987	4,738,188	6,095,608	6,395,527
<b>Outflows:</b>														
<b>Program</b>														
6 Vaccine remittance State of WA	(7,092,489)	(7,219,840)	(8,884,882)	(5,382,263)	(4,043,758)	(4,858,333)	(5,457,734)	(4,210,312)	(6,700,296)	(5,545,185)	(4,329,177)	(5,101,201)	(8,109,512)	(5,918,076)
<b>Administration</b>														
7 Direct Processing Costs	(71,104)	(98,368)	(63,305)	(56,186)	(165,102)	(207,483)	(66,363)	(28,499)	(60,213)	(65,432)	(65,432)	(66,479)	(7,015)	(78,537)
8 Executive Director Costs and Support Fees								(19,783)	(18,392)	(28,841)	(43,093)	(20,417)	(18,673)	(11,477)
9 Provider and Payer Education and Outreach														-
10 Administrative Costs	(7,594)	61,999	(32,900)	(34,386)	(13,794)	(54,014)	(37,558)	(6,603)		(16,673)	(63,160)	(40,438)	(91,421)	(25,888)
11 Other Discretionary Expenditures	(2,800)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(113,411)	(3,000)	(175,932)	(91,900)	(3,000)			(31,157)
12 Total Administration	(81,498)	(39,369)	(99,205)	(93,572)	(181,896)	(264,497)	(217,332)	(57,885)	(254,537)	(202,846)	(174,684)	(127,335)	(117,109)	(147,059)
13 Net all other outflows	(1,781)	(218)	(10,193)	-	(4,750)	-	-	-	-	-	-	-	-	(1,303)
14 Total outflows	(7,175,768)	(7,259,427)	(8,994,280)	(5,475,835)	(4,230,403)	(5,122,830)	(5,675,066)	(4,268,197)	(6,954,833)	(5,748,031)	(4,503,861)	(5,228,536)	(8,226,621)	(6,066,438)
15 Net Cash Incr (decr) for period	(497,334)	1,174,571	(612,490)	2,712,562	2,878,524	2,266,349	939,442	1,525,495	(1,376,059)	(1,498,661)	(612,874)	(490,348)	(2,131,013)	329,090
16 Cash balance - end of period	\$ 49,980,636	\$ 51,155,207	\$ 50,542,716	\$ 53,255,278	\$ 56,133,802	\$ 58,400,151	\$ 59,339,593	\$ 60,865,088	\$ 59,489,029	\$ 57,990,368	\$ 57,377,494	\$ 56,887,146	\$ 54,756,134	\$ 55,859,434

Note: Cash balance includes amounts in KeyBank and Morgan Stanley



**Washington Vaccine Association**  
**Statement of Financial Position**  
**As of July 31, 2020**

**ASSETS**

1	Current Assets		
2	Cash and Cash Equivalents	\$	3,481,542
3	Accounts Receivable		-
4	Investments		51,274,592
5	Members Estimated Collectible Assessments		12,132,071
6	Prepaid Vaccine		8,017,405
7	Prepaid Administrative Services		-
8	Total Current Assets		<u>74,905,610</u>
9	Total Assets	\$	<u><u>74,905,610</u></u>

**LIABILITIES AND NET ASSETS**

10	Current Liabilities		
11	Accounts Payable	\$	66,299
12	Other Accruals		-
13	Total Current Liabilities		<u>66,299</u>
14	Assessments Collected in Excess of Vaccine Funding and Administrative Activities		<u>74,839,311</u>
15	Total Liabilities		74,905,610
16	Net Assets - Unrestricted		<u>-</u>
17	Total Liabilities and Net Assets	\$	<u><u>74,905,610</u></u>

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

	A	B	C	D	E	F
	Month Ended July 31, 2020			Month Ended July 31, 2019		
	Administrative	Vaccine	Total	Administrative	Vaccine	Total
	Revenues / Vaccine Expenses					
1 <b>Assessment Activity:</b>						
2 <b>Assessments</b>	\$ 218,143	\$ 5,774,150	\$ 5,992,293	\$ 673,450	\$ 6,462,245	\$ 7,135,695
3 <b>Estimated Over (Under) Collections</b>	-	-	-	92,126	346,075	438,201
4 <b>Refunds</b>	(33,892)	-	(33,892)	(25,003)	-	(25,003)
5 <b>Estimated 2% Waste</b>	(100,046)	-	(100,046)	-	-	-
6 <b>Estimated Price Variance and Denial</b>	(36,893)	-	(36,893)	-	-	-
7 <b>DOH Replenishment</b>	-	(5,335,964)	(5,335,964)	-	(6,462,245)	(6,462,245)
8 <b>DOH Cost Recovery Admin Charge</b>	(92,107)	-	(92,107)	-	-	-
9 <b>Interest Income on Assessments</b>	-	-	-	-	-	-
10 <b>Net Assessment Activity</b>	(44,795)	438,187	393,392	740,573	346,075	1,086,648
11 <b>Investment Activity:</b>						
12 <b>Interest and Dividend Income - Morgan Stanley</b>	144,148	-	144,148	126,490	-	126,490
13 <b>Realized Gain/(Loss) on Investments - Morgan Stanley</b>	(2,007)	-	(2,007)	1,688	-	1,688
14 <b>Unrealized Gain/(Loss) on Investments - Morgan Stanley</b>	(48,907)	-	(48,907)	(36,521)	-	(36,521)
15 <b>Investment Management Expenses</b>	(12,098)	-	(12,098)	(30,131)	-	(30,131)
16 <b>Interest Income - KeyBank</b>	45	-	45	10,149	-	10,149
17 <b>Net Investment Activity</b>	81,181	-	81,181	71,675	-	71,675
18 <b>Net Revenues</b>	36,386	438,187	474,573	812,248	346,075	1,158,323

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

	A	B	C	D	E	F
	Month Ended July 31, 2020			Month Ended July 31, 2019		
	Administrative	Vaccine	Total	Administrative	Vaccine	Total
	Other Expenses					
19 Administrative Expenses:						
20 Direct Processing Costs						
21 Helms & Company (Previously KidsVax)	65,432	-	65,432	36,484	-	36,484
22 Lockbox Image Conversion and Clearinghouse Intake (OrboGraph)	7,015	-	7,015	-	-	-
23 Clearinghouse Intake Processing (Avality, Zelis)	501	-	501	-	-	-
24 Lockbox Fees	3,680	-	3,680	4,289	-	4,289
25 CollaborateMD	-	-	-	-	-	-
26 Total Direct Processing Costs	76,628	-	76,628	40,773	-	40,773
27						
28 Executive Director Costs and Related Support Fees						
29 Executive Director Salary	16,776	-	16,776	18,284	-	18,284
30 Payroll Taxes	1,702	-	1,702	-	-	-
31 Leased Employee per Check Fee	195	-	195	-	-	-
32 Executive Director Travel and Lodging, Education, and Other	-	-	-	6,280	-	6,280
33 Technology Support (Desktop and Telephony)	-	-	-	-	-	-
34 Total Executive Director Costs and Related Support Fees	18,673	-	18,673	24,564	-	24,564
35						
36 Provider and Payer Education and Outreach						
37 Provider Education Materials, Development and Printing	829	-	829	-	-	-
38 Postage	23	-	23	-	-	-
39 Website and Information Technology	-	-	-	-	-	-
40 Technical Consultant - Margaret Lane	-	-	-	-	-	-
41 Conferences and Education Sessions, Including Travel and Meals	-	-	-	-	-	-
42 Provider Office Training Sessions, Including Travel and Meals	-	-	-	-	-	-
43 Advertising and Sponsorships	-	-	-	1,781	-	1,781
44 Hospitality	-	-	-	-	-	-
45 Subcontractor Assistance	-	-	-	-	-	-
46 Total Provider and Payer Education and Outreach	852	-	852	1,781	-	1,781
47						
48 Administrative Costs						
49 Legal Counsel	7,700	-	7,700	-	-	-
50 Audit Fees	-	-	-	2,600	-	2,600
51 Government Relations, Including Travel, Meals, and Consultants	-	-	-	-	-	-
52 Registered Agent Fee	-	-	-	-	-	-
53 Bank Fees	-	-	-	-	-	-
54 Investment Management Fees	-	-	-	-	-	-
55 Office Supplies and Equipment	-	-	-	1,033	-	1,033
56 Rent, ELM and Storage Facility	-	-	-	218	-	218
57 Other Admin Support Provided by Lessor	-	-	-	-	-	-
58 Board Retreat and Meetings	-	-	-	-	-	-
59 Insurance	-	-	-	-	-	-
60 Cyber Liability	-	-	-	-	-	-
61 Directors and Officers	-	-	-	-	-	-
62 General Liability	-	-	-	-	-	-
63 Total Administrative Costs	7,700	-	7,700	3,851	-	3,851
64						
65 Other Discretionary Expenditures						
66 Conversion/Implementation Cost	-	-	-	-	-	-
Tricare Legislative & Administrative Services	-	-	-	26,332	-	26,332
67 Executive Director and Other Contractor Bonus	-	-	-	-	-	-
68 Denied Claims Recovery Expenses	-	-	-	3,000	-	3,000
69 Direct Healthcare Practices Operations	-	-	-	-	-	-
70 Total Other Discretionary Expenditures	-	-	-	29,332	-	29,332
71 Total Administrative Expenses	103,853	-	103,853	100,301	-	100,301

Unaudited - For Management Purposes - See Attached Notes  
Prepared by Helms And Company, Inc.

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8/12/2020

Meeting Packet Page #11

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

	A	B	C	D	E	F
	Month Ended July 31, 2020			Month Ended July 31, 2019		
	Administrative	Vaccine	Total	Administrative	Vaccine	Total
72 Total Change in Unrestricted Net Assets	\$ (67,467)	\$ 438,187	\$ 370,720	\$ 711,947	\$ 346,075	\$ 1,058,022

Washington Vaccine Association  
Administrative Budget Status  
For Month of July 31, 2020

	A Approved Budget	B Actual July 31, 2020	C Budget Variance
1 Direct Processing Costs			
2 Helms & Company	\$ 65,432	\$ 65,432	\$ -
3 Lockbox Image Conversion and Clearinghouse Intake (OrboGraph)	16,255	7,015	9,240
4 Clearinghouse Intake Processing (Availity, Zelis)	1,350	501	849
5 Lockbox Fees	3,000	3,680	(680)
6 CollaborateMD	189	-	189
7 Total Direct Processing Costs	86,226	76,628	9,598
8 Executive Director Costs and Related Support Fees			
9 Executive Director Salary	16,917	16,776	140
10 Payroll Taxes	1,716	1,702	14
11 Leased Employee per Check Fee	195	195	-
12 Executive Director Travel and Lodging, Education, and Other	3,000	-	3,000
13 Technology Support (Desktop and Telephony)	335	-	335
14 Total Executive Director Costs and Related Support Fees	22,162	18,673	3,489
15 Provider and Payer Education and Outreach			
16 Provider Education Materials, Development and Printing	6,250	829	5,421
17 Postage	1,000	23	977
18 Website and Information Technology	1,250	-	1,250
19 Technical Consultant - Margaret Lane	1,000	-	1,000
20 Conferences and Education Sessions, Including Travel and Meals	-	-	-
21 Provider Office Training Sessions, Including Travel and Meals	1,000	-	1,000
22 Advertising and Sponsorships	-	-	-
23 Hospitality	167	-	167
24 Subcontractor Assistance	-	-	-
25 Total Provider and Payer Education and Outreach	10,667	852	9,815
26 Administrative Costs			
27 Legal Counsel	5,000	7,700	(2,700)
28 Audit Fees	-	-	-
29 Government Relations, Including Travel, Meals, and Consultants	-	-	-
30 Registered Agent Fee	-	-	-
31 Bank Fees	1,500	-	1,500
32 Investment Management Fees	9,337	12,098	(2,761)
33 Office Supplies and Equipment	100	-	100
34 Rent, ELM and Storage Facility	65	-	65
35 Other Admin Support Provided by Lessor	100	-	100
36 Board Retreat and Meetings	-	-	-
37 Insurance	-	-	-
38 Cyber Liability	-	-	-
39 Directors and Officers	-	-	-
40 General Liability	-	-	-
41 Total Administrative Costs	16,102	19,798	(3,696)
42 Other Discretionary Expenditures			
43 Conversion/Implementation Cost	-	-	-
44 Executive Director and Other Contractor Bonus	-	-	-
45 Denied Claims Recovery Expenses	3,500	-	3,500
46 Direct Healthcare Practices Operations	2,000	-	2,000
47 Total Other Discretionary Expenditures	5,500	-	5,500
48 Total Budget	140,657	115,951	24,706
49 Other Uncategorized Expenses			

Washington Vaccine Association

Notes to Financial Statements

For the Month Ended July 31, 2020

Balance Sheet

Line 6. The Prepaid Vaccine amount includes the amount requested by the Washington Department of Health (DOH) for the August 2020 replenishment of vaccines. The amount also includes the administrative fee of 1.4%. The DOH cost recovery charge included with this request was \$92,107 and is associated with June 2020.

Profit and Loss

Line 1. Assessment Activity continues to be below the revenue received during the same period in the prior year. This is a result of the response to COVID-19 and the reduction in routine vaccinations. While the revenue has increased in recent months, we anticipate this overall trend of lowered revenues will continue and we are in communication with the DOH regarding their monthly vaccine funds transfer request.

Line 2. The amount reported as Assessment Revenue includes all assessments received in the month of July. The assessments are tracked in the accounting system using the date of service supplied by the provider's remittance advice. It is assumed that the provider utilized a vaccine which was purchased by the Department of Health in either the corresponding month or a prior month. A monthly analysis of vaccine funding levels and assessment revenue has revealed assessment revenues for the months of October, November and December of 2019 are greater than vaccine purchase requirements. Further analysis of additional data is required and will be gathered in subsequent months.

Line 6. The amount reported as 2% Waste is an estimate which was recorded through a journal entry. This estimate will be refined as we continue to process and track the amount of collectible assessments remaining from each DOH funding request. The amount remaining would likely represent vaccines which were not administered and would be considered waste. This will take several months of data before we are able to provide a more accurate estimate and therefore the 2% Waste estimate will be used for the next several months.

Line 7. The amount reported in July as Price Variance and Denials is the actual total of variances and denials identified through the lockbox transactions processed through OrboGraph. In July we were able to identify several payers who did not remit assessments in accordance with the most recent Grid Assessment. We have contacted these payers and will continue to utilize the data to identify additional opportunities for improved Grid adherence.

Line 8. The DOH replenishment is the actual "cost" of the vaccines which are associated with the Assessments received in July.

### Other

Based upon a review of detailed assessment remittance data, it appears that the Association may have received some remittances in error. Research is ongoing to determine the reasons for these remittances, the timeline of receipt, and the total dollar amount. Additionally, a processes to resolve these items, as well as prevent future remittance errors from occurring will be developed. Resolution of this issue may require the accrual of a contingent liability for the amount of the payments received in error. This accrual will be an estimate based upon the best available information.

Utilizing the assessment remittance database, the Association has been able to identify several instances whereby a payer has been incorrectly denying or underpaying assessments for a variety of reasons. Efforts are underway to contact payers to resolve these discrepancies and may result in additional assessment revenue attributable to the current fiscal year.

**July 2020**

**WVA Status Report**

**Patrick Miller, Administrative Director & Julia Zell, Executive Director**

**FINANCE**

- 1. Financial Statements and Investments.** Overall, the WVA is still in a strong fiscal position with adequate reserves to support vaccine funding requests with lower vaccine assessment remittances. As expected, collections continue to be below CY2019 levels due to the COVID-19 outbreak (See **Table 1**).

**Table 1** provides a comparison between 2019 and 2020 assessment collections and the drop in 2020 due to COVID-19. April and May were the lowest months, and June and July saw an increase in each month.

**Table 1: Comparison of Unaudited 2019 and 2020 Assessment Collections**

CY Year	January	February	March	April	May	June	July	Totals
2019	\$ 6,342,729	\$ 5,156,707	\$ 6,490,515	\$ 6,055,530	\$ 6,692,508	\$ 5,945,345	\$ 6,606,830	\$ 43,292,183
2020	\$ 6,491,637	\$ 5,610,679	\$ 5,666,245	\$ 3,825,663	\$ 3,577,353	\$ 4,633,406	\$ 6,002,328	\$ 35,809,331
Increase/(Decrease)	\$ 148,908	\$ 453,972	\$ (824,270)	\$ (2,229,867)	\$ (3,115,155)	\$ (1,311,939)	\$ (604,502)	\$ (7,481,231)
% Increase/(Decrease)	2.3%	8.8%	-12.7%	-36.8%	-46.5%	-22.1%	-9.1%	-17.3%
2020 All Cash Receipts	\$ 6,486,623.02	\$ 5,633,191.00	\$ 5,689,092.77	\$ 4,080,647.08	\$ 3,612,629.88	\$ 4,647,656.29	\$ 6,005,746.32	\$ 36,155,586

On three occasions this year, funds were transferred from Morgan Stanley to KeyBank to ensure available funds for the June, July and August 2020 DOH vaccine purchases. The amounts and dates are:

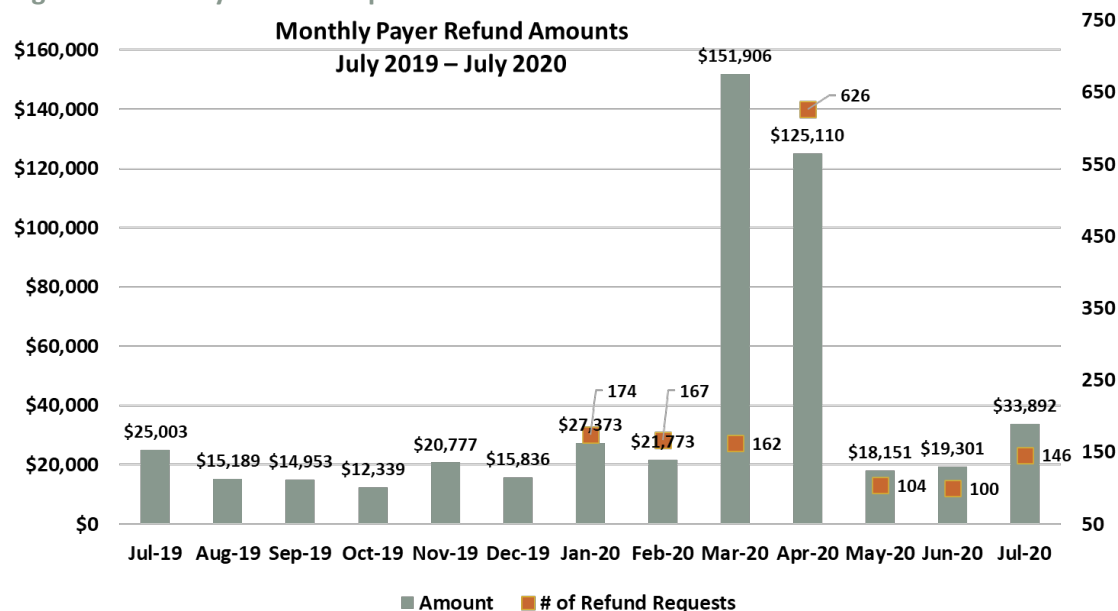
- \$1m, May 15, 2020;
- \$1M, July 20, 2020; and
- \$5M, August 6, 2020.

- 2. Financial Liabilities.** As previously discussed, a number of Apple Health Medicaid and health share ministries payers had remitted payment to WVA incorrectly. The Apple Health Medicaid liability has been determined to be \$50,597.93. The liability related to health share ministries is currently being determined and letters have been sent to the health shares. Additionally, the final MRM liability was determined to be \$107,064.57 after an initial, potential liability of \$203,771.63.
- 3. Monthly Refunds.** **Figure 1** shows the monthly refund request counts and corresponding refund amounts. The March and April 2020 numbers are higher than normal due to several large, payer re-processing efforts, including one of the largest payers.

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Figure 1: Monthly Refund Request Counts and Amounts



We continue to work with payers to adjust their operations to eliminate “take backs” and to instead submit refund requests. This is in effect now three of the largest carriers and is helping us to better understand the true, refund rate.

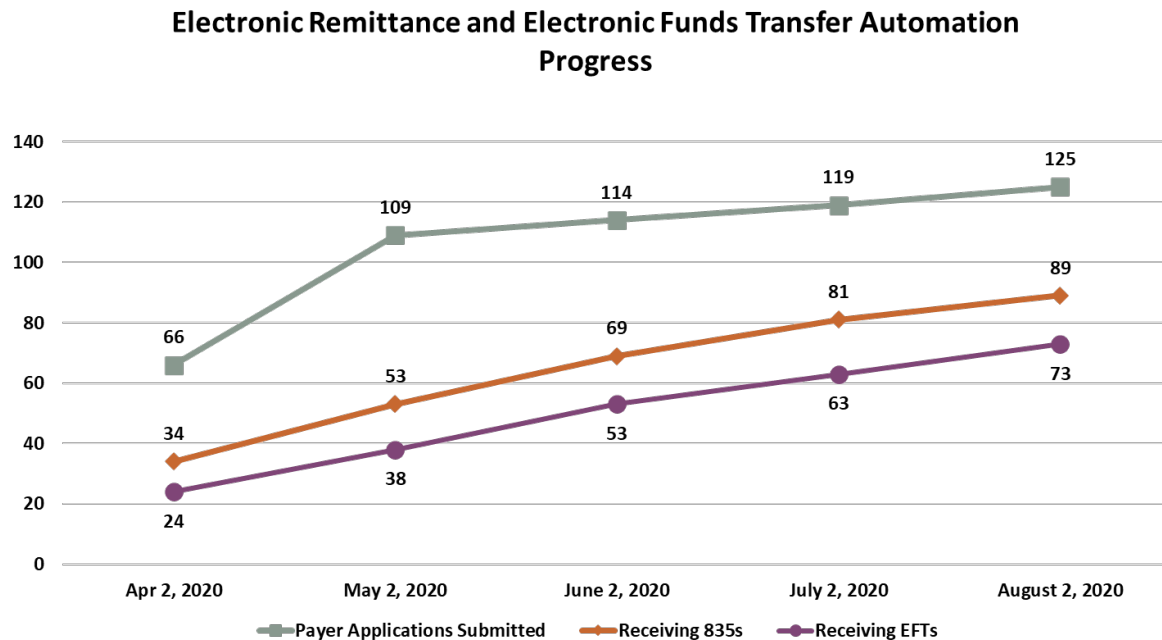
## TECHNOLOGY AND OPERATIONS

- Automation Activities.** Excellent progress continues in terms of the continued effort to migrate payers from paper to electronic remittances (835 transactions) and from paper checks to electronic funds deposits (EFT transactions). This migration is a fundamental part of the implementation strategy to be able to use payer-generated data to evaluate and monitor the open-DBA system.

**Figure 2** shows a breakdown of the 125 payer applications submitted to date to generate electronic remittances and electronic deposits. The number of payers submitting 835s nearly tripled between April 2 and August 2, 2020 from 34 to 89 as did the number of payers remitting electronically (EFT) from 24 to 73 payers. Each payer application takes between two weeks and three months depending on their process. These 125 payers, while only a subset of the nearly 400 payers that have remitted to WVA, are estimated to account for more than 80% of WVA’s volume.

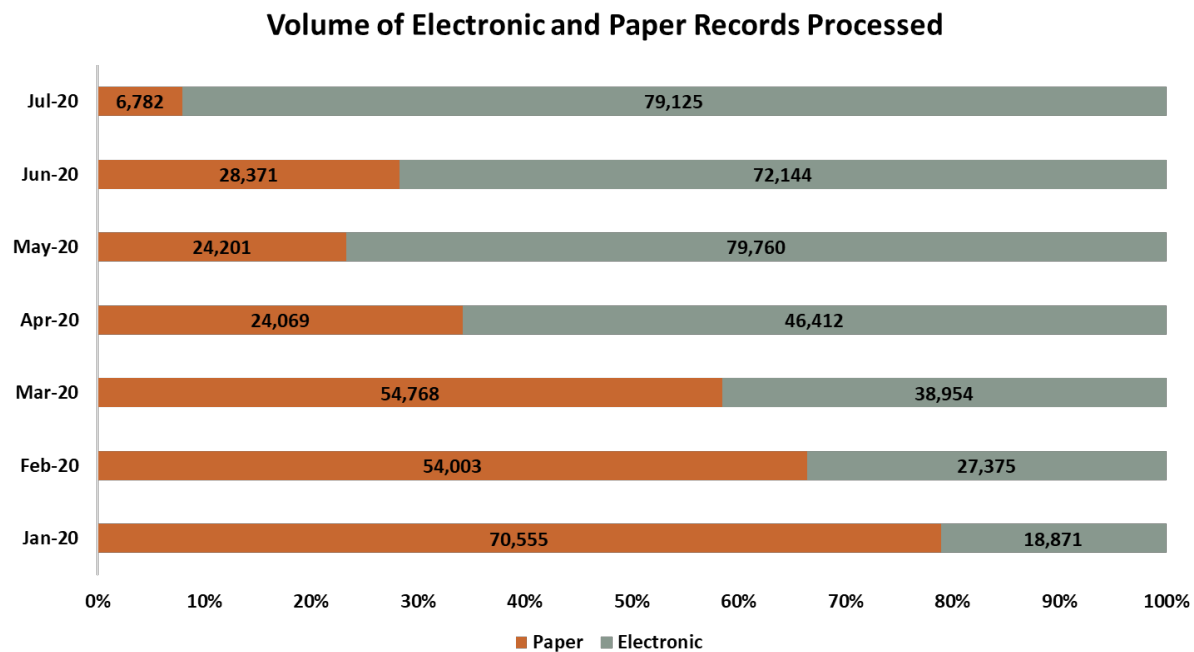
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Figure 2: Monthly EFT Transaction Volume and Remittance Amounts



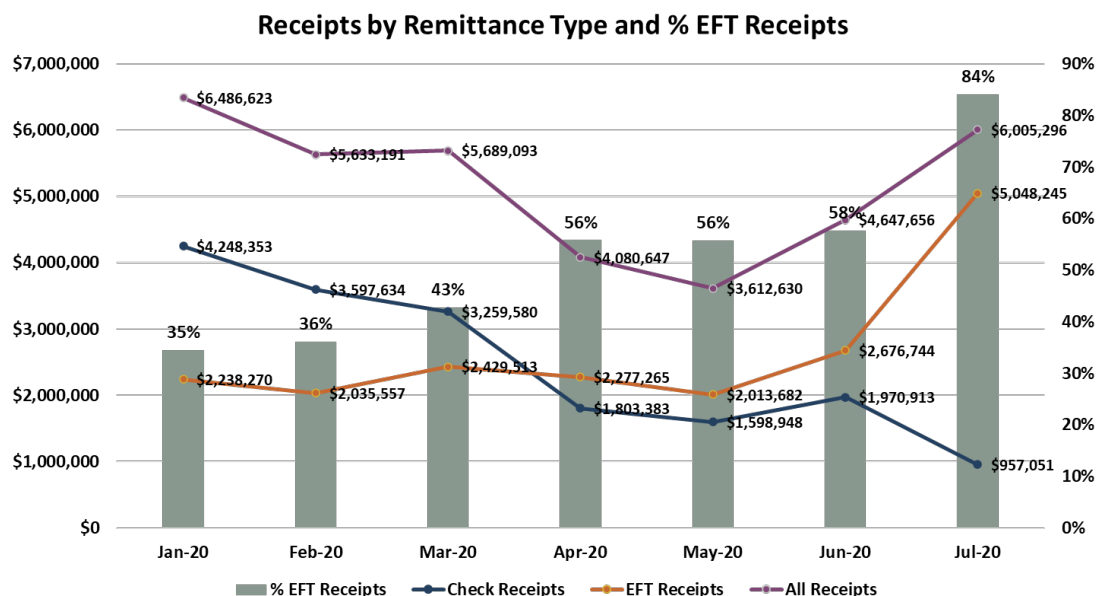
**Figure 3** shows the number of paper (EOB) versus electronic (EDI) remittances received. Currently, paper remittances are received in the lockbox and converted to an electronic document by Helms' vendor, OrboGraph. In July 2020 we achieved a significant milestone with the vast majority (92%) of remittances being electronic.

Figure 3: Monthly Paper and Electronic Remittance Volume Receipts



**Figure 4** details the monthly remittance amounts by type (check receipts and EFT receipts) and the percent of total remittances that were EFT. The decline in total remittances between March and June 2002, are reflective of the COVID-19 decline in services. The percent of total remittances that were EFT grew to 84% in July.

**Figure 4: Monthly EFT Remittances, Total Remittances & % Total EFT**

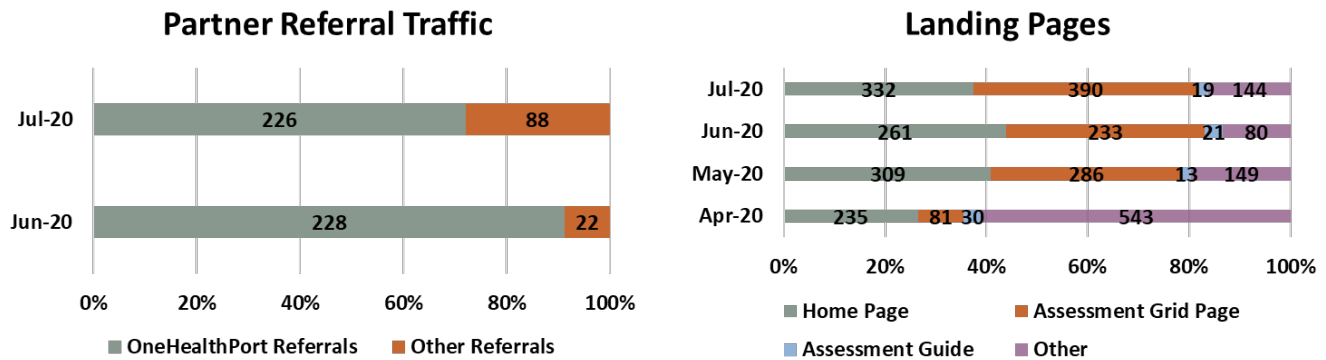


5. **Systems Development.** To date, nearly 400 unique payers have been identified through the lockbox imaging and electronic remittance efforts. These are tracked in the general ledger and within our payer database application. The payer database provides us with a mechanism for enhanced financial, regulatory, and operational analytics. As of June 30, 2020, the database is being actively used to assign payers and is linked to the OrboGraph and Quickbooks platforms. KeyBank deposit files (ACH and checks) are imported daily and linked to the correct payer. The system generates daily deposit and EFT transaction reports. The payer database also has fields identifying “specialty” payers such as health shares, Medicare Advantage, Medicaid Apple Health, travel insurance, and other types of payers beyond health carriers and TPAs. These data are used to work with these payers to correct the problem and provide appropriate education. In July, the initial launch of the PowerBI analytics module was created. There are individual reports for identifying payers who have not adhered to the current pricing grid as well as reports for denials analysis and financial summaries.

## EDUCATION AND STAKEHOLDER SERVICING

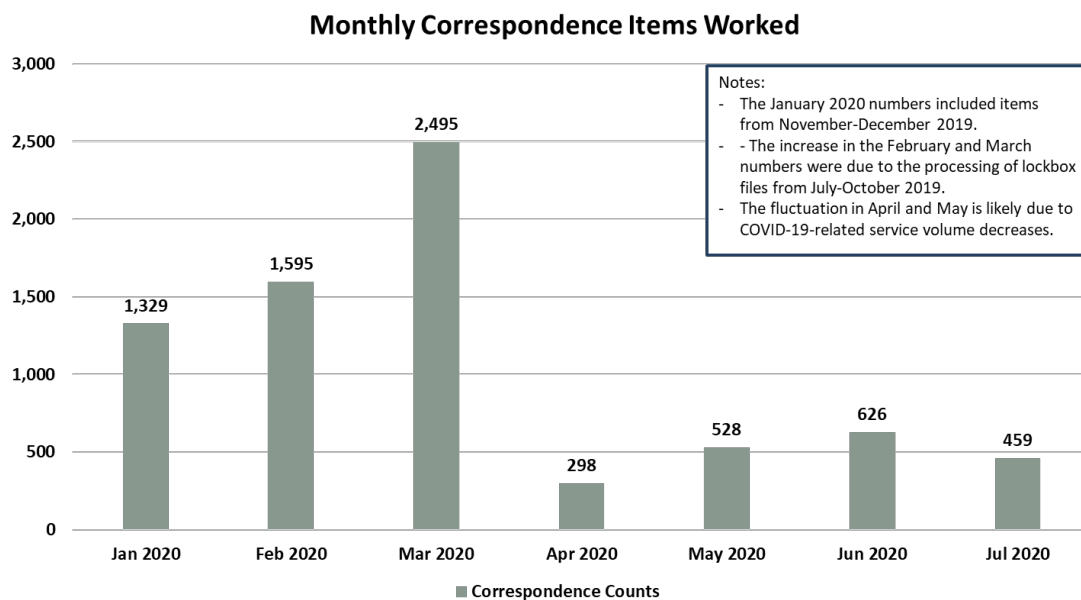
6. **WVA Education Materials.** In addition to ongoing content updates, the navigation has been updated for the FAQs pages on the WVA website (<https://wavaccine.org/faqs/>). The “2020-21 Vaccine Assessment Grid” (“Grid”) and the “Private Insurance Assessment Billing Provider and Payer Guide” (“Guide”) are the most-frequently viewed/downloaded materials from the website. **Figure 5** shows two different website statistics – the first highlights a referral partnership created with OneHealthPort in June. The second highlights where visitors land when they enter our site.

Figure 5: WVA Public Website Statistics



7. **Stakeholder Servicing.** The WVA has a dedicated Helms staff member, Lisa White, who manages payer and provider customer service interactions, as well as processes payer refunds and other operational tasks. **Figure 6** shows the number of pieces of correspondence items worked within OrboGraph’s imaging workflow system (HPAC). The number of correspondence items has varied over the past five months. The reasons vary as shown in the “notes” call out box on the chart. We will continue to watch this going forward as we have more contact with payers on items we are “cleaning up” such as Medical Review Managers, health shares, and other initiatives.

Figure 6: Monthly Correspondence Items Worked



8. **Project Initiatives.** Over the past sixty days, the number of project initiatives increased. These projects are focused on using data from the information systems to help identify payer-specific processing issues. These projects are being undertaken for a variety of reasons including: reducing incorrect provider billing, reducing incorrect payer remittances, relieve WVA of liabilities, funds recovery, fostering partnerships, system equity, and general education. They are in addition to some of the aforementioned efforts in the report regarding systems development, ERAs, and EFTs. A summary of these projects can be found in **Table 2**.

**Table 2: Project Initiatives**

<b>Project Name</b>	<b>Status</b>	<b>Notes</b>
Apple Health Payer Liability	Open	Liability established; repayment in process
MRM Re-Billings Liability	Open	Liability established; request for repayment due by 6/30/2021
Providence / Premera Repricing Effort	Open	Initial analysis delivered; Providence is working with Premera to determine final scope
FAQ Pages Re-design	Completed	Re-organized web interface; re-wrote key FAQs and added new ones; additional FAQ updates will occur
Health Shares Liability	Open	Working with 11 payers to determine liability and payment schedule
UHC Patient Responsibility	Open	Second set of data delivered to UHC; awaiting their analysis re: adjudication set up
FY2021 Payer Grid Adherence	Open	Initial set of 26 payers identified; file delivery is in process; FY2020 data will be subsequently examined; creating a compliance contact database to add to the PayerDB
Direct Care Practices	To be Prioritized	Initial analysis and operational workflow recommendations made; developed updated FAQ; need to determine priority with WVA and DOH
Payer Settlement Reports	Open	Have identified three payer reports to date; will be working in September to identify the top practices for provider outreach;
Optum Pay's non-WVA NPIs	Open	Working with UHC contacts to determine if these are a provider billing issue or something else
Multiple Provider Research and Outreach Efforts	Ongoing	Currently assisting three large practices with solutions for systemic DBA issues involving multiple payers

**Figures 7 and 8** depict the number of active projects by status and the number of projects by goal category, respectively. They are graphical formats of the information in **Table 2**.

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Figure 7: Project Tracking by Status as of July 31, 2020

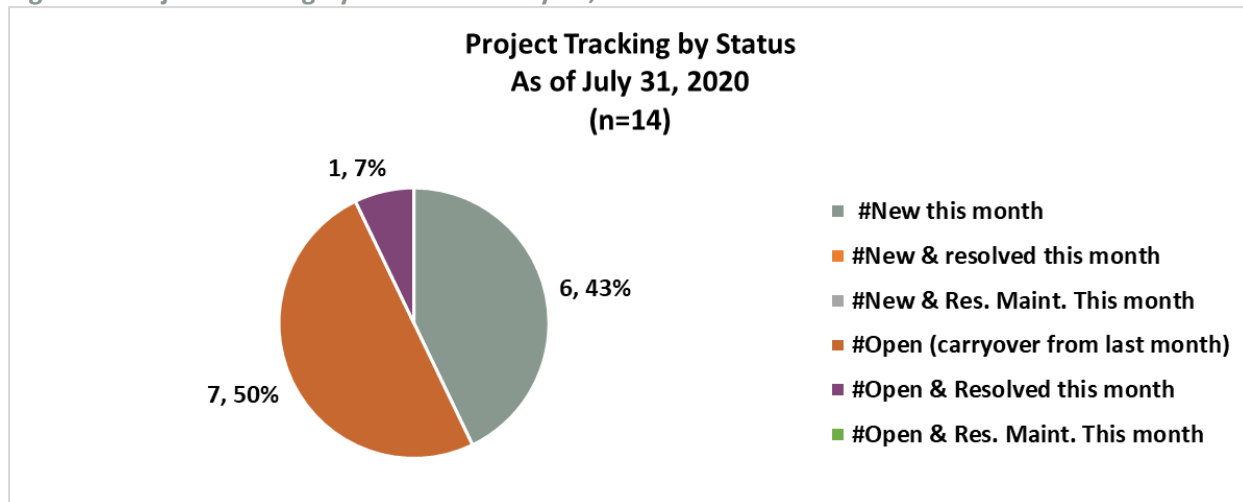
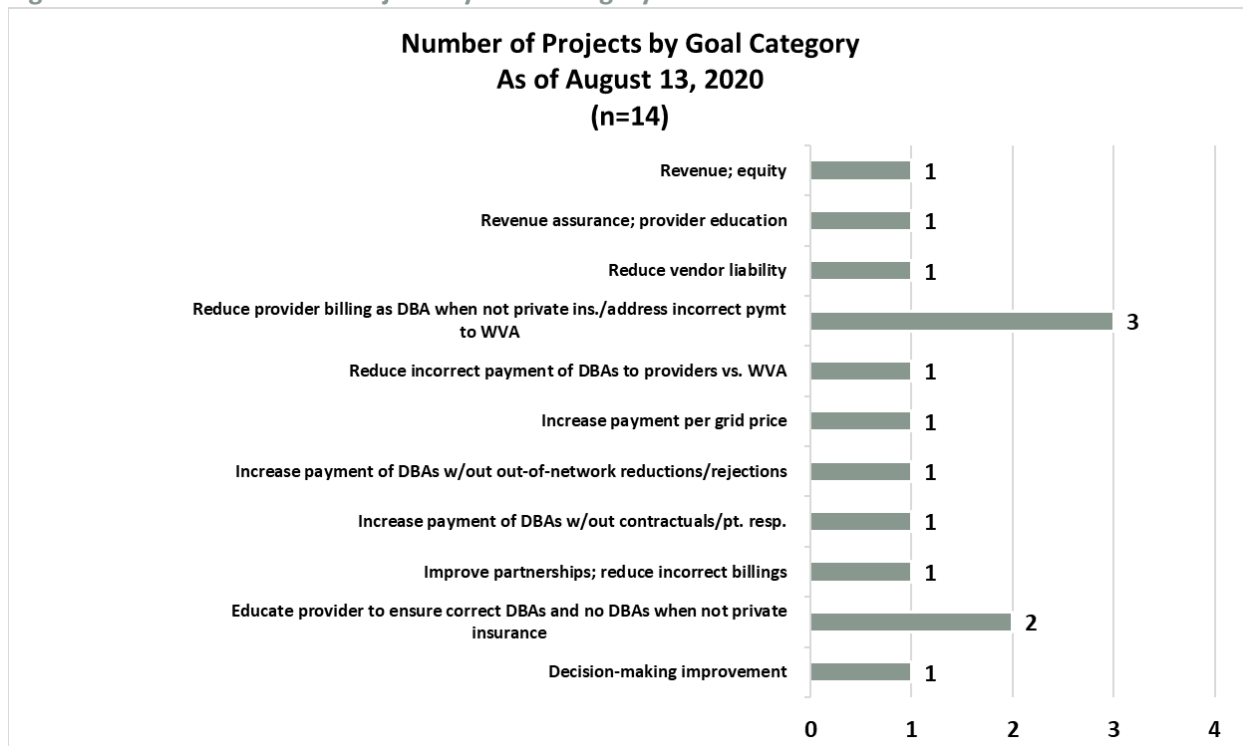


Figure 8: Number of Active Projects by Goal Category



## MISCELLANEOUS

9. **WVA Board Governance.** Dr. Helen Chea, Medical Director, Pediatric Healthcare Services with Molina Healthcare of Washington has been appointed to the board by the Association of Washington Healthcare Plans and her nomination will need to be affirmed by the Board.

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