

What: Board of Directors Meeting
When: April 22, 2021; 2:00-4:00 p.m. PST
Where: Zoom Meeting

To register for the meeting, please review the [Public Comment Protocol](#) then email wvameetings@wavaccine.org at least two business days in advance of the meeting.

WVA Agendas are subject to revision up to and including the time of the meeting.

Agenda for Board of Directors Meeting

| Approx. Time | Pg. | | Topic/Anticipated Action | Presented by: |
|----------------|--|---------------------------|--|---|
| 2:00-2:05 p.m. | | | 1. Welcome & Introductions a. Notification of Recording | J. Zell |
| 2:05-2:10 p.m. | 4-6 | * | 2. Calendar Consent Items (Proposed Form of Votes) a. Board Meeting Minutes (February 4, 2021) | C. Murphy |
| 2:10-2:45 p.m. | 7-15 16-18 19-36 37-51 52-55 | * * * * * | 3. Financial Update a. Portfolio Update b. Investment Policy Statement Changes c. Financial Overview d. Auditor Selection e. 2021-22 Vaccine Assessment Grid f. 2021-22 Administrative Budget | P. Sidwell J. Zell P. Miller J. Zell P. Miller/J. Zell P. Miller/J. Zell |
| 2:45-3:05 p.m. | 56-57 58-60 61-62 63-72 | * * * * | 4. Executive Director Updates a. Communications i. Brochure ii. Brand Guide b. Quarterly Goals Update c. Plan of Operations Changes | J. Zell J. Zell/P. Miller J. Zell/A. Redman |
| 3:05-3:20 p.m. | | | 5. DOH Update | M. Roberts |
| 3:20-3:30 p.m. | | | 6. Vaccine Committee Update | E. Marcuse |
| 3:30-4:00 p.m. | 73 | * | [Executive Session] 7. Compliance and Recoveries Update 8. Cost Recovery Update 9. ED Stretch Goals [Board and ED Only] 10. Personnel Matters | J. Zell/P. Miller J. Zell C. Murphy C. Murphy |

*Indicates agenda item attached
Red text indicates an action item

WVA Board of Directors Meeting- April 22, 2021**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 February 4, 2021 meeting minutes.

[To approved February 4, 2021 meeting with the changes suggested at the meeting.]

Items under Agenda Section 3:

VOTED: To adopt the proposed changes to the Investment Policy Statement as presented at the meeting.

[To adopt the proposed changes to the Investment Policy Statement with the changes suggested at the meeting.]

VOTED: To authorize the Operations Committee to finalize the 2021-22 Assessment Grid in accordance with the Board's direction.

[To authorize the Operations Committee to finalize the 2021-22 Assessment Grid with the changes suggested at the meeting.]

VOTED: To approve the 2021-22 Administrative Budget as presented at the meeting.

[To approve the 2021-22 Administrative Budget with the changes suggested at the meeting.]

Items under Agenda Section 4:

VOTED: To approve the changes to the Plan of Operations as presented at the meeting.

[To approve the changes to the Plan of Operations with the changes suggested at the meeting.]

[Executive Session]

Items under Agenda Section 9:

VOTED: To approve the 2021 Executive Director Stretch Goals as presented.

[To approve the 2021 Executive Director Stretch Goals with the changes suggested at the meeting.]

**Washington Vaccine Association
Board of Directors Meeting
February 4, 2021; 2:00-4:00 p.m. (PST)**

I. Attendance. Due to COVID-19, this meeting was conducted solely by webinar. Participating in all or part of the meeting were the following individuals:

Directors

Chad Murphy, PharmD, Chair, Premera
Patricia Auerbach, MD, MBA, FACP, Treasurer,
UnitedHealthcare
Helen Chea, MD
John Dunn, MD, MPH, Kaiser Permanente
Cathy Falanga, Aetna Life Insurance Company ¹
Jason Farber, Esq., Davis Wright Tremaine LLP
Beth Harvey, MD, South Sound Pediatrics
Steve Lam, PharmD, Regence BlueShield
Washington
Ed Marcuse, MD, Emeritus Professor of
Pediatrics, University of Washington ²
Randy Parker, Carpenters Trusts of Western
Washington
Michele Roberts, MPH, MCHES,
Washington Department of Health

WVA

Julia G. Zell, MA., Esq., Executive Director

Helms & Company, Inc.

Patrick Miller, MPH, WVA, Administrative Director
Lisa White, MS, JD, Customer and Financial Support
Specialist
Leslie Walker, CPA, Mason+Rich, PA
Alyssa McKeon, Project Support Leader

Others

Lydia Bartholomew, MD, Aetna
Anne Redman, Esq., Perkins Coie, LLP
Janel Jorgenson, Washington Department of Health

II. Summary of Actions Taken and/or Recommended

Actions Taken (votes adopted)

- i. To approve the minutes of the November 5, 2020 Board Meeting
- ii. To approve the 2021 WVA Goals with the addition of the two items presented.
- iii. To approve the Public Comment Protocol as proposed.

Follow up Tasks/Action Items

- Add two items to the 2021 WVA Goals as discussed.
- Schedule an additional 20 minutes to review the updated Plan of Operations at the next Board meeting.

III. Minutes

Welcome and Introductions

Mr. Murphy called the meeting to order at 2:03 pm. Ms. Zell announced that the meeting would be recorded for the benefit of the minute taker, to be deleted once the minutes are approved. Mr. Miller took roll call. Mr. Miller introduced a new, part-time Helms employee, Ms. McKeon, who will be assisting with meeting management, communications, and project management. Ms. Zell introduced Dr. Bartholomew who will be serving as a Board member alternate for Cathy Falanga.

Consent Calendar

Mr. Murphy asked for a motion to approve the minutes. Upon motion duly made and seconded, it was unanimously

VOTED: To approve the minutes of the November 5, 2020 Board Meeting.

¹ Ms. Falanga departed at 3:30 pm

² Dr. Marcuse arrived at 2:57 pm

Financial Update

Ms. Zell provided an overview of the WVA finances. The WVA has begun to see an increase in cash, bolstered by our compliance recoveries. She noted that the WVA's Finance Committee will be looking closely at the Investment Policy Statement to ensure it continues to serve the WVA.

Mr. Miller reviewed the WVA's cash flow, noting that the Finance Committee will be addressing the trend in the collections increases. As part of the total asset review, he noted that the estimated collectable assessments have dropped due to the write down in November 2020.

Mr. Miller then went over the FY2022 budget and vaccine assessment grid development milestones graph, previously shared with the Executive Committee. In the next few months, the Board and its Committees will be revisiting the assumptions that drive the vaccine assessment grid approval process. Based on current cash levels, the current plan is to keep the grid level in FY2022.

Mr. Murphy thanked Ms. Zell and Mr. Miller for clearly laying out the process. Ms. Zell noted that the focus of 2020 was putting systems in place; she recognized the investment the Board made in moving the WVA forward in automation and electronic processes.

Department of Health Updates

Ms. Roberts updated the Board on the progress of the Covid-19 vaccine campaign. She discussed the continuous improvements in reporting data and the challenge of matching eligibility with supply as well as the timeline for learning the number of dosages they have on any given week. She praised the hard-working healthcare staff across the staff who are saving lives every day.

Ms. Roberts addressed the role of the WVA in the vaccine campaign. She expects a longer timeline until vaccines are available to children under twelve. Ms. Roberts highlighted the high-level work with health plans on educating the community and reminding individuals of the importance of receiving their 2nd dose. She sees an opportunity to partner with the WVA in the future on ways to streamline administrative charges. The Board thanked Ms. Roberts for the work of her and her team. Further discussion ensued. Several questions were asked pertaining to health plan cooperation, immunization records, and rural distribution of Covid-19 vaccines.

Ms. Jorgenson provided an update on immunization trends. She stated that month-to-month provider ordering data has begun to mirror pre-pandemic levels. She indicated that the Department of Health (DOH) is planning on pre-booking the same volume of flu vaccine for the coming year. Ms. Zell inquired into the success the flu provider survey, to which Ms. Jorgenson shared that it had a low response rate.

Mr. Murphy inquired if there were ways for health plans to better support the vaccine efforts of the DOH. Ms. Roberts acknowledged the volume of communication that health plans are providing to the beneficiaries right now and that more help is needed and appreciated. She noted the disparities being experienced by historically marginalized communities. Areas of additional support could include the following: working with and funding community partners so that the messaging and outreach is in their voice and call center support given the high volume of calls DOH receives. She emphasized that the door is open for help.

Ms. Roberts also explained that their goal is to have the vaccine reach the community through a variety of ways. This includes clinics, state vaccination sites, hospitals, pharmacies, and Indian Health Service facilities. She shared how hard it was to balance the supply against the demand. The DOH is trying to send a message of patience to the public and would appreciate any re-enforcement in messaging as well as reminding the public of prevention strategies such as wearing a mask, washing your hands, and keeping physically distant.

Executive Director Updates

Ms. Zell reviewed the 2021 quarterly goals by workstream. She noted that the WVA will continue to build on its success in 2020. Ms. Zell highlighted a few specific goals including creating a cohesive onboarding experience for new Board members that includes the history of the WVA, deploying a Board governance survey to ensure we are

maximizing our time together, and plans to continue to share performance metrics with the Board through the ED / AD reports.

Mr. Murphy requested the addition of two items to the 2021 quarterly goals: 1) under Governance, add a goal to solidify the infrastructure required to support the Executive Director's performance review; and 2) under Finance, add a goal to ensure the WVA works with the DOH to plan for the eventual need for the WVA to include COVID-19 vaccines for children.

Mr. Murphy asked for a motion to approve the 2021 WVA Goals with the addition of the two goals noted above. Upon motion duly made and seconded, it was unanimously

VOTED: To approve the 2021 WVA Goals with the addition of the two items discussed.

Ms. Zell previewed the proposed changes to the Plan of Operations, which will be brought before the Board for a vote in April. She noted that the proposed assessment late interest fee change will be discussed at the next Finance Committee meeting. The proposed change would lower the late assessment fee and clarify when an assessment is due. Based on questions from the Board, Ms. Redman and Ms. Robert clarified that the statute empowers the WVA to set the late assessment fee and the DOH to assess any penalties, up to 150% of the delinquent amount. Ms. Falanga requested that the WVA take into consideration a communication plan that would alert organizations to any changes and prepare them to set up their systems to handle any late fees automatically. Mr. Lam asked if fees would be applied retroactively once the updated Plan of Operations has been approved; Ms. Zell restated that the intention of the changes is to be clearer with all parties involved, not to be punitive, and would not be retroactive. Mr. Lam inquired about providing additional notifications to members as Article VII.B. only specified notification after 90 days. Ms. Redman shared that she likely would not recommend adding additional notifications due to the operational burden on the WVA. Ms. Zell noted that she will budget additional time at the next Finance Committee and Board meetings for discussion.

Ms. Redman noted that the other area with updates included Exhibit C, which will support the WVA's compliance efforts by ensuring the Association has the correct contact information.

Ms. Zell reviewed the new Public Comment Protocol that outlines procedures for members of the public to register their attendance and desire to speak or distribute materials at WVA meetings. Mr. Murphy asked for a motion to approve and adopt the Public Comment Protocol as proposed. Upon motion duly made and seconded, it was unanimously

VOTED: To approve the Public Comment Protocol as proposed.

The public meeting was adjourned at 3:30 pm PST. Non-Board members were excused, excepting Mr. Miller, outside counsel, and the Executive Director, and the Board transitioned to Executive Session.

IV. Executive Session. Confidential.

V. Closing.

With no further business before the Committee, Mr. Murphy closed the meeting at 4:07 pm PST.

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Reserves Investment Policy – Washington Vaccine Association(Adopted June 28, 2018; Revised and Restated June 28, 2021)**Overview of WVA Reserves Investment Policy**

Washington Vaccine Association (WVA) is a Washington nonprofit corporation, exempt from taxation pursuant to section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The primary purpose of WVA is to collect and remit adequate funds from health carriers and third-party administrators to the Washington State Department of Health to pay timely the cost of vaccines administered to children in the State of Washington who are not eligible for free vaccines under one or more federal programs. WVA was created in April 2010 pursuant to the provisions of Chapter 70.290, RCW.

The Board of Directors of WVA (Board) has determined that to carry out its statutory and charitable purpose WVA should maintain minimum reserves **[in amounts projected from time to time by the Board to cover several months of vaccines costs plus the next flu season purchases]** to provide liquidity to fund the costs of such vaccines by timely (just in time) deposits to the State's universal vaccine purchase account.

The purpose of this Reserves Investment Policy is to establish the responsibility, authority, and guidelines for the investment of WVA reserve funds maintained from time to time.

Reserves Investment Policy Review

This Reserves Investment Policy has been adopted by the Board and will be reviewed periodically by the Board or a delegated Board committee as required to remain consistent with the objectives of WVA and with current financial trends. Changes to this Reserves Investment Policy shall require Board approval.

Prudence and Good Faith

Persons responsible for managing and investing WVA funds shall act in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances as set out in the Washington State Uniform Prudent Management of Institutional Funds Act (UPMIFA), Chapter 24.55 RCW.

Investment Objectives and Principles

The objectives of WVA's investment program are, in order of priority:

- Safety and preservation of principal by investing in a high quality, diversified portfolio of securities as described in "Investment Guidelines."
- Liquidity of investments that is sufficient to meet WVA's projected funding requirements and provide liquidity for unanticipated funding needs.
- Conservative market rates of return on invested funds consistent with the above stated conservative

objectives.

Investment Guidelines

1. **Maturity:**

Individual security maturities ~~should~~ shall not exceed 60 months (5 years). The weighted average maturity of the Pportfolio shall not exceed 36 months (3 years). No more than 420% of the Pportfolio will carry maturities beyond 36 months (3 years). A maturity or effective maturity by definition shall include puts, announced calls or other structural features which will allow the holder to redeem the investments at a quantifiable price consistent with liquidity, safety and preservation of capital.

2. **Eligible Investments:**

Eligible investments shall include only the following investments:

United States Government Securities: Marketable securities which are direct obligations of the U.S.A., issued by or guaranteed as to principal and interest by the U.S. Government and supported by the full faith and credit of the United States.

United States Government Agency Securities: Debt securities issued by the Government Sponsored Enterprises, Federal Agencies and certain international institutions which are not direct obligations of the United States, but involve US Government sponsorship and are fully guaranteed by government agencies or enterprises, including but not limited to:

- Federal Farm Credit Bank (FFCB)
- Federal Home Loan Bank (FHLB)
- Federal Home Loan Mortgage Corporation (FHLMC)
- Federal National Mortgage Association (FNMA)

Corporate Debt Instruments: All commercial paper and other short-term, unsecured promissory notes issued by corporations or financial institutions including but not limited to Master Notes, Medium-Term Notes, Deposit Notes, Eurodollar Notes and Yankee Notes and bonds. Corporate Debt must have either short term or long-term ratings. At the time of purchase, a security must have at least 2 short-term ratings of A-1 or P-1 or F1 or higher (S&P, Moody's and Fitch, respectively), or at least 2 long-term debt ratings of A, A2, or A or higher (S&P, Moody's, and Fitch, respectively). If the credit rating on a security falls to either BAA1 or BBB+ from the time of purchase, the holding shall be sold. Investments in corporate bond issuers primarily related to health care or pharmaceutical companies is ~~strongly discouraged~~ (or: not permitted).

Money Market Mutual Funds: Shares of an open-end investment company fund registered under the Investment Company Act of 1940 and rated AAA by at least one major rating agency (S&P, Moody's, or Fitch). The investments of that fund should comply with the SEC regulations under Rule 2a-7 and maintain a constant net asset value, offer daily liquidity and carry an average weighted maturity that does not exceed 90 days. An investment consultant shall routinely evaluate WVA's investment portfolio to ensure its compliance with this Investment Policy.

FDIC Insured Certificates of Deposit: Marketable certificate of deposit (CDs) in separately insured ownership categories of less than \$250,000 each insured by the Federal Deposit Insurance Corporation.

Bank Deposit and Checking Accounts: No limit will be placed on bank deposit or checking accounts as long as they are 100% guaranteed by FDIC coverage. Where FDIC limits expire or are otherwise exceeded, the board will set prudent operating limits in consideration of the overall economic and operating benefits to WVA; credit quality of the bank; and overall risk environment.

Issuer Concentration Limits – In order to provide adequate issuer risk diversification the following issuer limits apply, based on the [Pportfolio](#) size at the time of purchase:

1. No limit on AAA money funds that otherwise meet policy parameters;
2. No limit on US Treasury individual securities;
3. Maximum of 10% individual securities backed by any qualifying Agency issuer; and
4. Maximum of 5% individual securities of any corporate or bank issuer, with a total maximum limit of corporate bond holdings to not more than 50% of the total [Pportfolio](#).

Benchmarking, Performance, and Communications

The investment performance of the [Pportfolio](#) will be measured and evaluated against an appropriate blend of commonly accepted performance benchmark indexes.

At a minimum, quarterly performance and strategy outlook reviews should be held with the investment manager and the Board or its delegated committee. The investment manager or consultant will provide timely reporting on capital market developments affecting the [Pportfolio](#) and present a course of action if necessary. Investments may be sold prior to maturity due to changes in credit quality, market condition, or for uncertain capital needs; however, prudence and overall caution shall be exercised to minimize any potential losses.

Delegation of Authority

The Board shall be authorized to delegate certain responsibilities to professional experts in various fields to assist WVA in developing an investment strategy aligned with WVA's objectives consistent with UPMIFA. Professionals may include investment management consultants, investment managers, custodians of investments, attorneys, auditors, and any others who may assist WVA in meeting its responsibilities and obligations to prudently administer the investments of WVA. The Board shall engage a qualified investment manager to evaluate performance of the [Pportfolio](#) and support compliance with this Reserves Investment Policy.

~~Approved and adopted on this~~ [Revised and Restated](#) ____ day of _____, 2021~~18~~.

~~Chad Murphy, PharmD~~ [John Sobeck, M.D., Chairman](#) ~~+ 3~~ [bven](#)

WASHINGTON VACCINE ASSOCIATION
UNAUDITED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED

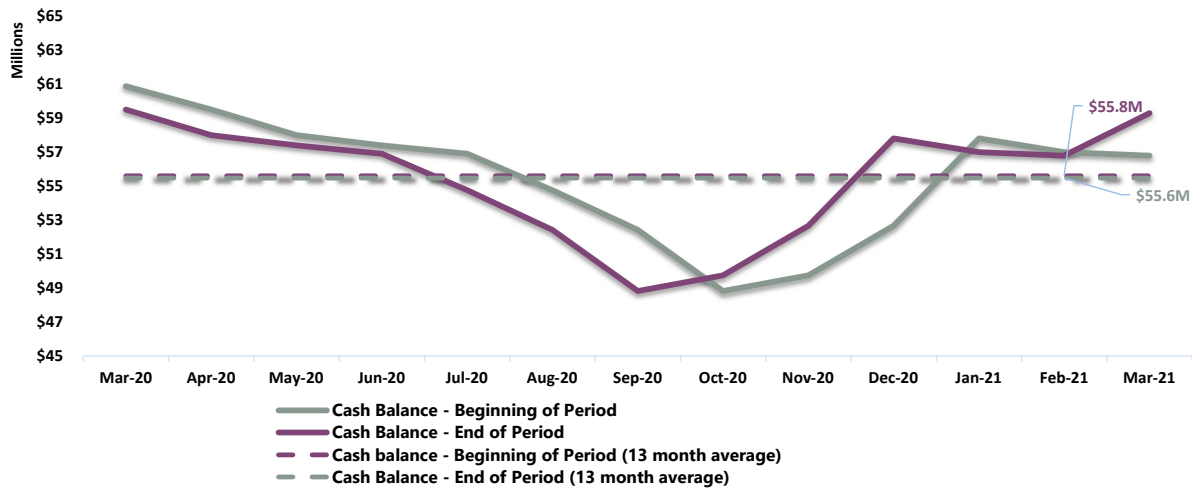
March 31, 2021

With Supplemental Informational Reporting

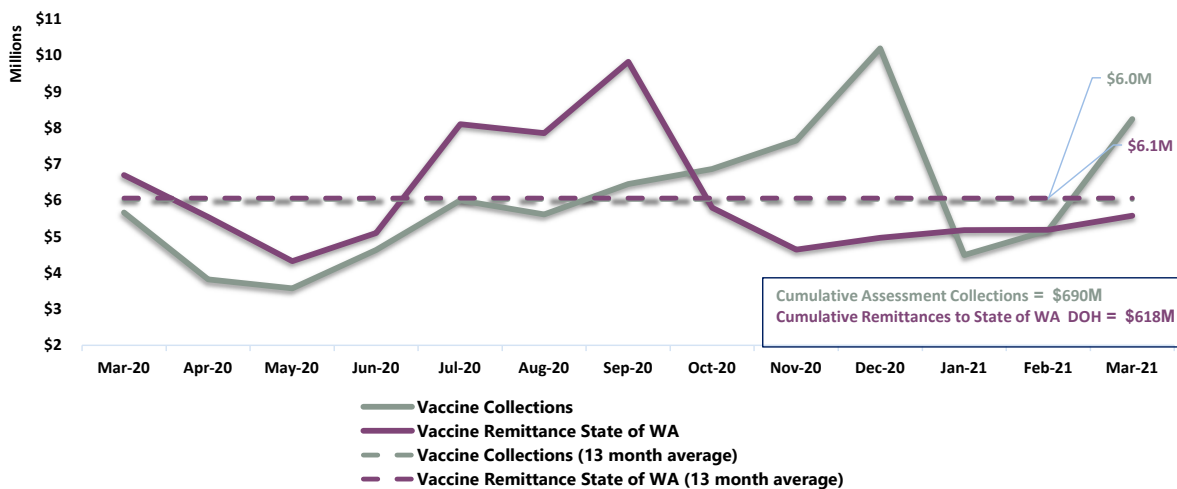
Prepared by

Helms & Company, Inc., Administrator

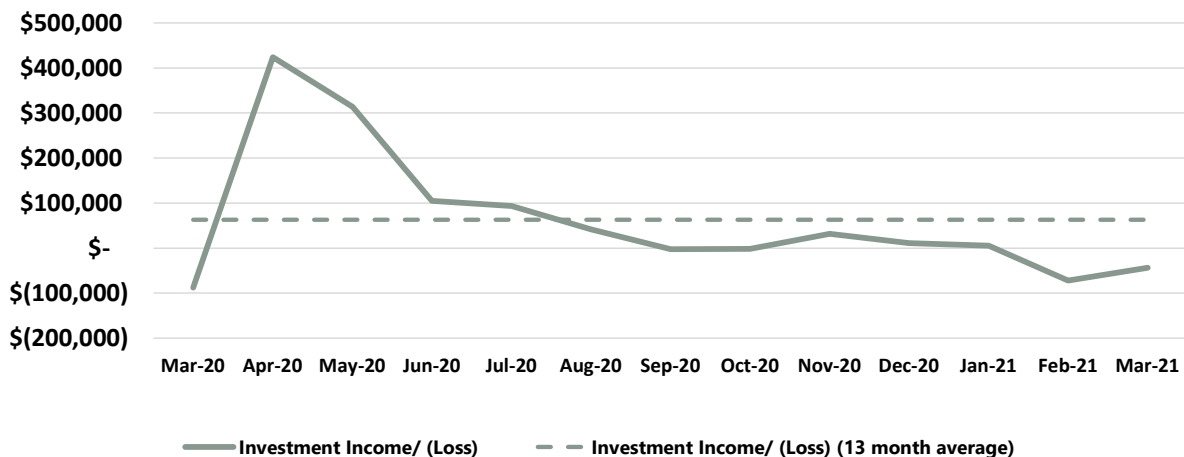
Cash Balances Beginning and End of Period March 2020 - March 2021



Total Vaccine Collections and Vaccine Remittances to State of WA March 2020 - March 2021



Investment Income / (Loss) March 2020 - March 2021



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

| | L | M | M | O | P | Q | R | S | T | U | V | V | V | Q |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|---------------------|---------------------|--------------------|--------------------|--------------------|---------------------|
| | Month 3/31/2020 | Month 4/30/2020 | Month 5/31/2020 | Month 6/30/2020 | Month 7/31/2020 | Month 8/31/2020 | Month 9/30/2020 | Month 10/31/2020 | Month 11/30/2020 | Month 12/31/2020 | Month 1/31/2021 | Month 2/28/2021 | Month 3/31/2021 | 13 Month Average |
| 1 Cash balance - beginning | \$ 60,865,088 | \$ 59,489,029 | \$ 57,990,368 | \$ 57,377,494 | \$ 56,887,146 | \$ 54,756,134 | \$ 52,414,390 | \$ 48,816,638 | \$ 49,741,742 | \$ 52,655,537 | \$ 57,802,418 | \$ 56,989,601 | \$ 56,789,867 | \$ 55,582,727 |
| Inflows: | | | | | | | | | | | | | | |
| 2 Vaccine collections | 5,666,245 | 3,825,663 | 3,577,333 | 4,633,406 | 6,002,328 | 5,612,609 | 6,458,449 | 6,874,561 | 7,653,271 | 10,198,444 | 4,490,717 | 5,179,085 | 8,252,789 | 6,032,685 |
| 3 Interest income - payers | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 4 Investment income/ (loss) | (87,471) | 423,706 | 313,654 | 104,782 | 93,280 | 41,498 | (2,857) | (1,665) | 31,728 | 10,991 | 4,909 | (72,190) | (44,049) | 62,794 |
| 5 Total inflows | 5,578,774 | 4,249,370 | 3,890,987 | 4,738,188 | 6,095,608 | 5,654,107 | 6,455,592 | 6,872,896 | 7,684,999 | 10,209,435 | 4,495,626 | 5,106,895 | 8,208,740 | \$ 6,095,478 |
| Outflows: | | | | | | | | | | | | | | |
| Program | | | | | | | | | | | | | | |
| 6 Vaccine remittance State of WA | (6,700,296) | (5,545,185) | (4,329,177) | (5,101,201) | (8,109,512) | (7,860,758) | (9,829,901) | (5,801,760) | (4,646,177) | (4,969,621) | (5,182,384) | (5,194,407) | (5,579,121) | (5,960,053) |
| Administration | | | | | | | | | | | | | | |
| 7 Direct Processing Costs | (60,213) | (65,432) | (65,432) | (66,479) | (7,015) | (65,432) | (134,939) | (70,542) | (66,475) | (3,250) | (87,605) | (75,106) | (74,230) | (64,781) |
| 8 Executive Director Costs and Support Fees | (18,392) | (28,841) | (43,093) | (20,417) | (18,673) | (21,723) | (17,762) | (22,370) | (20,953) | (17,762) | (19,093) | (20,231) | (19,275) | (22,199) |
| 9 Provider and Payer Education and Outreach | | | | | | (5,125) | | (10,501) | (11,717) | (3,861) | (775) | (2,653) | - | (2,664) |
| 10 Administrative Costs | | (16,673) | (63,160) | (40,438) | (91,421) | (42,812) | (70,742) | (42,618) | (25,883) | (51,560) | (18,586) | (7,231) | (38,617) | (39,211) |
| 11 Other Discretionary Expenditures | (175,932) | (91,900) | (3,000) | | | | | | | (16,500) | | (7,000) | (7,000) | (23,179) |
| 12 Total Administration | (254,537) | (202,846) | (174,684) | (127,335) | (117,109) | (135,092) | (223,444) | (146,031) | (125,028) | (92,933) | (126,059) | (112,221) | (139,122) | (152,034) |
| 13 Net all other outflows | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 14 Total outflows | (6,954,833) | (5,748,031) | (4,503,861) | (5,228,536) | (8,226,621) | (7,995,850) | (10,053,345) | (5,947,791) | (4,771,205) | (5,062,554) | (5,308,443) | (5,306,628) | (5,718,243) | (6,112,087) |
| 15 Net Cash Incr (decr) for period | (1,376,059) | (1,498,661) | (612,874) | (490,348) | (2,131,013) | (2,341,743) | (3,597,753) | 925,105 | 2,913,794 | 5,146,881 | (812,817) | (199,733) | 2,490,497 | (16,609) |
| 16 Cash balance - end of period | \$ 59,489,029 | \$ 57,990,368 | \$ 57,377,494 | \$ 56,887,146 | \$ 54,756,134 | \$ 52,414,390 | \$ 48,816,638 | \$ 49,741,742 | \$ 52,655,537 | \$ 57,802,418 | \$ 56,989,601 | \$ 56,789,867 | \$ 59,280,364 | \$ 55,566,118 |

Note: Cash balance includes amounts in KeyBank and Morgan Stanley

Washington Vaccine Association
Statement of Financial Position
As of March 31, 2021

ASSETS

| | | | |
|---|---|----|--------------------------|
| 1 | Current Assets | | |
| 2 | Cash and Cash Equivalents | \$ | 3,050,052 |
| 3 | Accounts Receivable | | - |
| 4 | Investments | | 56,230,312 |
| 5 | Members Estimated Collectible Assessments | | 5,184,071 |
| 6 | Prepaid Vaccine | | 5,508,750 |
| 7 | Prepaid Administrative Services | | - |
| 8 | Total Current Assets | | <u>69,973,185</u> |
| 9 | Total Assets | \$ | <u><u>69,973,185</u></u> |

LIABILITIES AND NET ASSETS

| | | | |
|----|---|----|--------------------------|
| 10 | Current Liabilities | | |
| 11 | Accounts Payable | \$ | 76,532 |
| 12 | Other Accruals | | 249,770 |
| 13 | Total Current Liabilities | | <u>326,302</u> |
| 14 | Assessments Collected in Excess of Vaccine Funding and Administrative Activities | | <u>69,646,883</u> |
| 15 | Total Liabilities | | <u>69,973,185</u> |
| 16 | Total Liabilities and Net Assets | \$ | <u><u>69,973,185</u></u> |

Washington Vaccine Association
Statement of Activities and Changes in Net Assets

| | | A | B | C | D | E | F |
|----|--|-----------------------------|--------------|--------------|----------------------------|--------------|--------------|
| | | Month Ended March 31, 2021 | | | Month Ended March 31, 2020 | | |
| | | Administrative | Vaccine | Total | Administrative | Vaccine | Total |
| | | Revenues / Vaccine Expenses | | | | | |
| 1 | Assessment Activity: | | | | | | |
| 2 | Assessments | \$ (257,780) | \$ 7,401,119 | \$ 7,143,339 | \$ 579,844 | \$ 6,092,325 | \$ 6,672,169 |
| 3 | Recoveries | - | 1,158,940 | 1,158,940 | - | - | - |
| 4 | Estimated Over (Under) Collections | - | - | - | - | - | - |
| 5 | Refunds | (32,284) | - | (32,284) | (151,906) | - | (151,906) |
| 6 | Estimated 2% Waste | (103,888) | - | (103,888) | (95,249) | - | (95,249) |
| 7 | Estimated Price Variance and Denial | (17,331) | - | (17,331) | (985,577) | - | (985,577) |
| 8 | DOH Replenishment | - | (6,515,851) | (6,515,851) | - | (5,057,211) | (5,057,211) |
| 9 | Adjustment to Correct Inventory | - | - | - | - | - | - |
| 10 | DOH Cost Recovery Admin Charge | (95,222) | - | (95,222) | (91,989) | - | (91,989) |
| 11 | Interest Income on Assessments | - | - | - | - | - | - |
| 12 | Net Assessment Activity | (506,505) | 2,044,208 | 1,537,703 | (744,877) | 1,035,114 | 290,237 |
| 13 | Investment Activity: | | | | | | |
| 14 | Interest and Dividend Income - Morgan Stanley | 73,870 | - | 73,870 | 90,954 | - | 90,954 |
| 15 | Realized Gain/(Loss) on Investments - Morgan Stanley | 307 | - | 307 | (10,129) | - | (10,129) |
| 16 | Unrealized Gain/(Loss) on Investments - Morgan Stanley | (107,251) | - | (107,251) | (172,569) | - | (172,569) |
| 17 | Investment Management Expenses | (11,024) | - | (11,024) | (11,838) | - | (11,838) |
| 18 | Interest Income - KeyBank | 49 | - | 49 | 4,273 | - | 4,273 |
| 19 | Net Investment Activity | (44,049) | - | (44,049) | (99,309) | - | (99,309) |
| 20 | Net Revenues | (550,554) | 2,044,208 | 1,493,654 | (844,186) | 1,035,114 | 190,928 |

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

| | A | B | C | D | E | F |
|---|----------------------------|---------|--------|----------------------------|---------|--------|
| | Month Ended March 31, 2021 | | | Month Ended March 31, 2020 | | |
| | Administrative | Vaccine | Total | Administrative | Vaccine | Total |
| | Other Expenses | | | | | |
| 21 Administrative Expenses: | | | | | | |
| 22 Direct Processing Costs | | | | | | |
| 23 Helms & Company (Previously KidsVax) | 70,480 | - | 70,480 | 65,432 | - | 65,432 |
| 24 Lockbox Image Conversion and Clearinghouse Intake (OrboGraph) | - | - | - | 22,292 | - | 22,292 |
| 25 Clearinghouse Intake Processing (Avality, Zelis) | 14,763 | - | 14,763 | - | - | - |
| 26 Lockbox Fees | 3,761 | - | 3,761 | 5,622 | - | 5,622 |
| 27 CollaborateMD | - | - | - | - | - | - |
| 28 Total Direct Processing Costs | 89,004 | - | 89,004 | 93,346 | - | 93,346 |
| 29 | | | | | | |
| 30 Executive Director Costs and Related Support Fees | | | | | | |
| 31 Executive Director Salary | 17,167 | - | 17,167 | 18,392 | - | 18,392 |
| 32 Payroll Taxes | 1,427 | - | 1,427 | - | - | - |
| 33 Leased Employee per Check Fee | 195 | - | 195 | - | - | - |
| 34 Executive Director Travel and Lodging, Education, and Other | 151 | - | 151 | - | - | - |
| 35 Technology Support (Desktop and Telephony) | 335 | - | 335 | 534 | - | 534 |
| 36 Total Executive Director Costs and Related Support Fees | 19,275 | - | 19,275 | 18,926 | - | 18,926 |
| 37 | | | | | | |
| 38 Provider and Payer Education and Outreach | | | | | | |
| 39 Provider Education Materials, Development and Printing | - | - | - | - | - | - |
| 40 Postage | - | - | - | - | - | - |
| 41 Website and Information Technology | - | - | - | - | - | - |
| 42 Technical Consultant - Margaret Lane | - | - | - | - | - | - |
| 43 Conferences and Education Sessions, Including Travel and Meals | - | - | - | - | - | - |
| 44 Provider Office Training Sessions, Including Travel and Meals | - | - | - | - | - | - |
| 45 Advertising and Sponsorships | - | - | - | - | - | - |
| 46 Hospitality | - | - | - | - | - | - |
| 47 Subcontractor Assistance | - | - | - | - | - | - |
| 48 Total Provider and Payer Education and Outreach | - | - | - | - | - | - |
| 49 | | | | | | |
| 50 Administrative Costs | | | | | | |
| 51 Legal Counsel | 11,056 | - | 11,056 | 19,147 | - | 19,147 |
| 52 Audit Fees | - | - | - | - | - | - |
| 53 Government Relations, Including Travel, Meals, and Consultants | - | - | - | - | - | - |
| 54 Registered Agent Fee | - | - | - | - | - | - |
| 55 Bank Fees | - | - | - | - | - | - |
| 56 Investment Management Fees | - | - | - | - | - | - |
| 57 Office Supplies and Equipment | - | - | - | 783 | - | 783 |
| 58 Rent, ELM and Storage Facility | - | - | - | - | - | - |
| 59 Other Admin Support Provided by Lessor | - | - | - | - | - | - |
| 60 Board Retreat and Meetings | - | - | - | - | - | - |
| 61 Insurance | - | - | - | - | - | - |
| 62 Cyber Liability | - | - | - | - | - | - |
| 63 Directors and Officers | - | - | - | - | - | - |

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

Washington Vaccine Association
Statement of Activities and Changes in Net Assets

| | | A | B | C | D | E | F |
|----|---|----------------------------|--------------|--------------|----------------------------|--------------|-----------|
| | | Month Ended March 31, 2021 | | | Month Ended March 31, 2020 | | |
| | | Administrative | Vaccine | Total | Administrative | Vaccine | Total |
| 64 | General Liability | - | - | - | - | - | - |
| 65 | Total Administrative Costs | 11,056 | - | 11,056 | 19,930 | - | 19,930 |
| 66 | | | | | | | |
| 67 | Other Discretionary Expenditures | | | | | | |
| 68 | Conversion/Implementation Cost | | - | - | - | - | - |
| 69 | Tricare Legislative & Administrative Services | - | - | - | - | - | - |
| 70 | Executive Director and Other Contractor Bonus | - | - | - | - | - | - |
| 71 | Denied Claims Recovery Expenses | 5,250 | - | 5,250 | 3,000 | - | 3,000 |
| 72 | Direct Healthcare Practices Operations | - | - | - | - | - | - |
| 73 | Covid-19 Expenses | 1,750 | - | 1,750 | | | |
| | Total Other Discretionary Expenditures | 7,000 | - | 7,000 | 3,000 | - | 3,000 |
| 74 | Total Administrative Expenses | 126,335 | - | 126,335 | 135,202 | - | 135,202 |
| 75 | Total Change in Unrestricted Net Assets | \$ (676,889) | \$ 2,044,208 | \$ 1,367,319 | \$ (979,388) | \$ 1,035,114 | \$ 55,726 |

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

| | | A | B | C | D | E | F |
|----|--|-----------------------------|--------------|--------------|--------------------------------------|---------------|---------------|
| | | Month Ended March 31, 2021 | | | For Nine Months Ended March 31, 2021 | | |
| | | Administrative | Vaccine | Total | Administrative | Vaccine | Total |
| | | Revenues / Vaccine Expenses | | | | | |
| 1 | Assessment Activity: | | | | | | |
| 2 | Assessments | \$ (257,780) | \$ 7,401,119 | \$ 7,143,339 | \$ 318,601 | \$ 56,020,803 | \$ 56,339,404 |
| 3 | Recoveries | - | 1,158,940 | 1,158,940 | - | 4,793,135 | 4,793,135 |
| 4 | Estimated Over (Under) Collections | - | - | - | - | - | - |
| 5 | Refunds | (32,284) | - | (32,284) | (263,451) | - | (263,451) |
| 6 | Estimated 2% Waste | (103,888) | - | (103,888) | (987,424) | - | (987,424) |
| 7 | Estimated Price Variance and 3% Denial | (17,331) | - | (17,331) | (228,675) | - | (228,675) |
| 8 | DOH Replenishment | - | (6,515,851) | (6,515,851) | - | (54,449,244) | (54,449,244) |
| 9 | Adjustment to Correct Inventory | - | - | - | 1,034,189 | (8,860,993) | (7,826,804) |
| 10 | DOH Cost Recovery Admin Charge | (95,222) | - | (95,222) | (785,428) | - | (785,428) |
| 11 | Interest Income on Assessments | - | - | - | - | - | - |
| 12 | Net Assessment Activity | (506,505) | 2,044,208 | 1,537,703 | (912,188) | (2,496,299) | (3,408,487) |
| 13 | Investment Activity: | | | | | | |
| 14 | Interest and Dividend Income - Morgan Stanley | 73,870 | - | 73,870 | 856,490 | - | 856,490 |
| 15 | Realized Gain/(Loss) on Investments - Morgan Stanley | 307 | - | 307 | 130,816 | - | 130,816 |
| 16 | Unrealized Gain/(Loss) on Investments - Morgan Stanley | (107,251) | - | (107,251) | (873,471) | - | (873,471) |
| 17 | Investment Management Expenses | (11,024) | - | (11,024) | (96,980) | - | (96,980) |
| 18 | Interest Income - KeyBank | 49 | - | 49 | 321 | - | 321 |
| 19 | Net Investment Activity | (44,049) | - | (44,049) | 17,176 | - | 17,176 |
| 20 | Net Revenues | (550,554) | 2,044,208 | 1,493,654 | (895,012) | (2,496,299) | (3,391,311) |

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

| | A | B | C | D | E | F |
|---|----------------------------|---------|--------|--------------------------------------|---------|---------|
| | Month Ended March 31, 2021 | | | For Nine Months Ended March 31, 2021 | | |
| | Administrative | Vaccine | Total | Administrative | Vaccine | Total |
| | Other Expenses | | | | | |
| 21 Administrative Expenses: | | | | | | |
| 22 Direct Processing Costs | | | | | | |
| 23 Helms & Company (Previously KidsVax) | 70,480 | - | 70,480 | 593,936 | - | 593,936 |
| 24 Lockbox Image Conversion and Clearinghouse Intake (OrboGraph) | - | - | - | 81,748 | - | 81,748 |
| 25 Clearinghouse Intake Processing (Avality, Zelis) | 14,763 | - | 14,763 | 28,673 | - | 28,673 |
| 26 Lockbox Fees | 3,761 | - | 3,761 | 37,102 | - | 37,102 |
| 27 CollaborateMD | - | - | - | 835 | - | 835 |
| 28 Total Direct Processing Costs | 89,004 | - | 89,004 | 742,294 | - | 742,294 |
| 29 | | | | | | |
| 30 Executive Director Costs and Related Support Fees | | | | | | |
| 31 Executive Director Salary | 17,167 | - | 17,167 | 154,110 | - | 154,110 |
| 32 Payroll Taxes | 1,427 | - | 1,427 | 8,247 | - | 8,247 |
| 33 Leased Employee per Check Fee | 195 | - | 195 | 1,755 | - | 1,755 |
| 34 Executive Director Travel and Lodging, Education, and Other | 151 | - | 151 | 9,882 | - | 9,882 |
| 35 Technology Support (Desktop and Telephony) | 335 | - | 335 | 3,585 | - | 3,585 |
| 36 Total Executive Director Costs and Related Support Fees | 19,275 | - | 19,275 | 177,579 | - | 177,579 |
| 37 | | | | | | |
| 38 Provider and Payer Education and Outreach | | | | | | |
| 39 Provider Education Materials, Development and Printing | - | - | - | 31,660 | - | 31,660 |
| 40 Postage | - | - | - | 194 | - | 194 |
| 41 Website and Information Technology | - | - | - | 4,085 | - | 4,085 |
| 42 Technical Consultant - Margaret Lane | - | - | - | 3,054 | - | 3,054 |
| 43 Conferences and Education Sessions, Including Travel and Meals | - | - | - | - | - | - |
| 44 Provider Office Training Sessions, Including Travel and Meals | - | - | - | - | - | - |
| 45 Advertising and Sponsorships | - | - | - | 1,590 | - | 1,590 |
| 46 Hospitality | - | - | - | 613 | - | 613 |
| 47 Subcontractor Assistance | - | - | - | - | - | - |
| 48 Total Provider and Payer Education and Outreach | - | - | - | 41,196 | - | 41,196 |
| 49 | | | | | | |
| 50 Administrative Costs | | | | | | |
| 51 Legal Counsel | 11,056 | - | 11,056 | 88,492 | - | 88,492 |
| 52 Audit Fees | - | - | - | 15,467 | - | 15,467 |
| 53 Government Relations, Including Travel, Meals, and Consultants | - | - | - | - | - | - |
| 54 Registered Agent Fee | - | - | - | - | - | - |
| 55 Bank Fees | - | - | - | - | - | - |
| 56 Investment Management Fees | - | - | - | - | - | - |
| 57 Office Supplies and Equipment | - | - | - | 6,720 | - | 6,720 |
| 58 Rent, ELM and Storage Facility | - | - | - | 252 | - | 252 |
| 59 Other Admin Support Provided by Lessor | - | - | - | - | - | - |
| 60 Board Retreat and Meetings | - | - | - | - | - | - |
| 61 Insurance | | | | | | |
| 62 Cyber Liability | - | - | - | 10,786 | - | 10,786 |
| 63 Directors and Officers | - | - | - | - | - | - |
| 64 General Liability | - | - | - | 38,753 | - | 38,753 |
| 65 Total Administrative Costs | 11,056 | - | 11,056 | 160,470 | - | 160,470 |
| 66 | | | | | | |
| 67 Other Discretionary Expenditures | | | | | | |

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

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

| | | A | B | C | D | E | F |
|----|--|----------------------------|---------------------|---------------------|--------------------------------------|-----------------------|-----------------------|
| | | Month Ended March 31, 2021 | | | For Nine Months Ended March 31, 2021 | | |
| | | Administrative | Vaccine | Total | Administrative | Vaccine | Total |
| 68 | Conversion/Implementation Cost | | - | - | 16,500 | - | 16,500 |
| 69 | Tricare Legislative & Administrative Services | - | - | - | - | - | - |
| 70 | Executive Director and Other Contractor Bonus | - | - | - | - | - | - |
| 71 | Denied Claims Recovery Expenses | 5,250 | - | 5,250 | 26,250 | - | 26,250 |
| 72 | Direct Healthcare Practices Operations | - | - | - | - | - | - |
| 73 | Covid-19 Expenses | 1,750 | - | 1,750 | 15,750 | - | 15,750 |
| | Total Other Discretionary Expenditures | 7,000 | - | 7,000 | 58,500 | - | 58,500 |
| 74 | Total Administrative Expenses | 126,335 | - | 126,335 | 1,180,039 | - | 1,180,039 |
| 75 | Total Change in Unrestricted Net Assets | \$ (676,889) | \$ 2,044,208 | \$ 1,367,319 | \$ (2,075,051) | \$ (2,496,299) | \$ (4,571,350) |

Washington Vaccine Association
Statement of Activities and Changes in Net Assets

| | | A | B | C | D | E | F |
|----|--|--------------------------------------|---------------|---------------|--------------------------------------|---------------|---------------|
| | | For Nine Months Ended March 31, 2021 | | | For Nine Months Ended March 31, 2020 | | |
| | | Administrative | Vaccine | Total | Administrative | Vaccine | Total |
| | | Revenues / Vaccine Expenses | | | | | |
| 1 | Assessment Activity: | | | | | | |
| 2 | Assessments | \$ 318,601 | \$ 56,020,803 | \$ 56,339,404 | \$ 6,029,864 | \$ 56,949,575 | \$ 62,979,439 |
| 3 | Recoveries | - | 4,793,135 | 4,793,135 | - | - | - |
| 4 | Estimated Over (Under) Collections | - | - | - | 364,472 | 2,230,634 | 2,595,106 |
| 5 | Refunds | (263,451) | - | (263,451) | (303,005) | - | (303,005) |
| 6 | Estimated 2% Waste | (987,424) | - | (987,424) | (1,166,109) | - | (1,166,109) |
| 7 | Estimated Price Variance and 3% Denial | (228,675) | - | (228,675) | (2,918,037) | - | (2,918,037) |
| 8 | DOH Replenishment | - | (54,449,244) | (54,449,244) | - | (51,811,771) | (51,811,771) |
| 9 | Adjustment to Correct Inventory | 1,034,189 | (8,860,993) | (7,826,804) | - | - | - |
| 10 | DOH Cost Recovery Admin Charge | (785,428) | - | (785,428) | (187,615) | - | (187,615) |
| 11 | Interest Income on Assessments | - | - | - | - | - | - |
| 12 | Net Assessment Activity | (912,188) | (2,496,299) | (3,408,487) | 1,819,570 | 7,368,438 | 9,188,008 |
| 13 | Investment Activity: | | | | | | |
| 14 | Interest and Dividend Income - Morgan Stanley | 856,490 | - | 856,490 | 1,032,583 | - | 1,032,583 |
| 15 | Realized Gain/(Loss) on Investments - Morgan Stanley | 130,816 | - | 130,816 | 35,505 | - | 35,505 |
| 16 | Unrealized Gain/(Loss) on Investments - Morgan Stanley | (873,471) | - | (873,471) | (131,584) | - | (131,584) |
| 17 | Investment Management Expenses | (96,980) | - | (96,980) | (95,416) | - | (95,416) |
| 18 | Interest Income - KeyBank | 321 | - | 321 | 79,703 | - | 79,703 |
| 19 | Net Investment Activity | 17,176 | - | 17,176 | 920,791 | - | 920,791 |
| 20 | Net Revenues | (895,012) | (8,039,606) | (3,391,311) | 2,740,361 | 7,368,438 | 10,108,799 |

Washington Vaccine Association
Statement of Activities and Changes in Net Assets

| | A | B | C | D | E | F |
|--|--------------------------------------|---------------------------|---------|--------------------------------------|---------|---------|
| | For Nine Months Ended March 31, 2021 | | | For Nine Months Ended March 31, 2020 | | |
| | Administrative | Vaccine Other Expenses | Total | Administrative | Vaccine | Total |
| 21 Administrative Expenses: | | | | | | |
| 22 Direct Processing Costs | | | | | | |
| 23 Helms & Company (Previously KidsVax) | 593,936 | - | 593,936 | 622,721 | - | 622,721 |
| 24 Lockbox Image Conversion and Clearinghouse Intake | 81,748 | - | 81,748 | 69,044 | - | 69,044 |
| 25 Clearinghouse Intake Processing (Availity, Zelis) | 28,673 | - | 28,673 | 223,117 | - | 223,117 |
| 26 Lockbox Fees | 37,102 | - | 37,102 | 44,389 | - | 44,389 |
| 27 CollaborateMD | 835 | - | 835 | - | - | - |
| 28 Total Direct Processing Costs | 742,294 | - | 742,294 | 959,271 | - | 959,271 |
| 29 | | | | | | |
| 30 Executive Director Costs and Related Support Fees | | | | | | |
| 31 Executive Director Salary | 154,110 | - | 154,110 | 155,437 | - | 155,437 |
| 32 Payroll Taxes | 8,247 | - | 8,247 | - | - | - |
| 33 Leased Employee per Check Fee | 1,755 | - | 1,755 | 5,540 | - | 5,540 |
| 34 Executive Director Travel and Lodging, Education, and | 9,882 | - | 9,882 | 49,569 | - | 49,569 |
| 35 Technology Support (Desktop and Telephony) | 3,585 | - | 3,585 | 9,794 | - | 9,794 |
| 36 Total Executive Director Costs and Related Support Fee | 177,579 | - | 177,579 | 220,340 | - | 220,340 |
| 37 | | | | | | |
| 38 Provider and Payer Education and Outreach | | | | | | |
| 39 Provider Education Materials, Development and Print | 31,660 | - | 31,660 | 16,724 | - | 16,724 |
| 40 Postage | 194 | - | 194 | - | - | - |
| 41 Website and Information Technology | 4,085 | - | 4,085 | 37,425 | - | 37,425 |
| 42 Technical Consultant - Margaret Lane | 3,054 | - | 3,054 | - | - | - |
| 43 Conferences and Education Sessions, Including Travel | - | - | - | - | - | - |
| 44 Provider Office Training Sessions, Including Travel and | - | - | - | - | - | - |
| 45 Advertising and Sponsorships | 1,590 | - | 1,590 | - | - | - |
| 46 Hospitality | 613 | - | 613 | - | - | - |
| 47 Subcontractor Assistance | - | - | - | - | - | - |
| 48 Total Provider and Payer Education and Outreach | 41,196 | - | 41,196 | 54,149 | - | 54,149 |
| 49 | | | | | | |
| 50 Administrative Costs | | | | | | |
| 51 Legal Counsel | 88,492 | - | 88,492 | 86,945 | - | 86,945 |
| 52 Audit Fees | 15,467 | - | 15,467 | 14,700 | - | 14,700 |
| 53 Government Relations, Including Travel, Meals, and C | - | - | - | - | - | - |
| 54 Registered Agent Fee | - | - | - | - | - | - |
| 55 Bank Fees | - | - | - | 7,508 | - | 7,508 |
| 56 Office Supplies and Equipment | 6,720 | - | 6,720 | 10,534 | - | 10,534 |
| 57 Rent, ELM and Storage Facility | 252 | - | 252 | 453 | - | 453 |
| 58 Other Admin Support Provided by Lessor | - | - | - | - | - | - |
| 59 Board Retreat and Meetings | - | - | - | - | - | - |
| 60 Insurance | | | | | | |

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

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

| | | A | B | C | D | E | F |
|----|---|--------------------------------------|----------------|----------------|--------------------------------------|--------------|--------------|
| | | For Nine Months Ended March 31, 2021 | | | For Nine Months Ended March 31, 2020 | | |
| | | Administrative | Vaccine | Total | Administrative | Vaccine | Total |
| 61 | Cyber Liability | 10,786 | - | 10,786 | - | - | - |
| 62 | Directors and Officers | - | - | - | - | - | - |
| 63 | General Liability | 38,753 | - | 38,753 | 42,581 | - | 42,581 |
| 64 | Total Administrative Costs | 160,470 | - | 160,470 | 162,721 | - | 162,721 |
| 65 | | | | | | | |
| 66 | Other Discretionary Expenditures | | | | | | |
| 67 | Conversion/Implementation Cost | 16,500 | - | 16,500 | - | - | - |
| 68 | Tricare Legislative & Administrative Services | - | - | - | (73,271) | - | (73,271) |
| 69 | Executive Director and Other Contractor Bonus | - | - | - | - | - | - |
| 70 | Denied Claims Recovery Expenses | 26,250 | - | 26,250 | 24,000 | - | 24,000 |
| 71 | Direct Healthcare Practices Operations | - | - | - | - | - | - |
| 72 | Covid-19 Expenses | 15,750 | - | 15,750 | | | |
| | Total Other Discretionary Expenditures | 58,500 | - | 58,500 | (49,271) | - | (49,271) |
| 74 | Total Administrative Expenses | 1,058,322 | - | 1,180,039 | 1,347,210 | - | 1,347,210 |
| 75 | Total Change in Unrestricted Net Assets | \$ (1,953,334) | \$ (8,039,606) | \$ (4,571,350) | \$ 1,393,151 | \$ 7,368,438 | \$ 8,761,589 |

**Washington Vaccine Association
Administrative Budget Status
For Month of March 31, 2021**

| | A Approved Budget | B Actual March 31, 2021 | C Budget Variance |
|--|-------------------------|-------------------------------|-------------------------|
| 1 Direct Processing Costs | | | |
| 2 Helms & Company | \$ 65,432 | \$ 65,432 | \$ - |
| 3 Lockbox Image Conversion and Clearinghouse Intake (OrboGraph) | 16,255 | 5,048 | 11,207 |
| 4 Clearinghouse Intake Processing (Availity, Zelis) | 1,350 | 14,574 | (13,224) |
| 5 Lockbox Fees | 3,350 | 3,761 | (411) |
| 6 CollaborateMD | 189 | 189 | - |
| 7 Total Direct Processing Costs | 86,576 | 89,004 | (2,428) |
| 8 Executive Director Costs and Related Support Fees | | | |
| 9 Executive Director Salary | 17,424 | 17,167 | 257 |
| 10 Payroll Taxes | 1,767 | 1,427 | 340 |
| 11 Leased Employee per Check Fee | 195 | 195 | - |
| 12 Executive Director Travel and Lodging, Education, and Other | 8,000 | 151 | 7,849 |
| 13 Technology Support (Desktop and Telephony) | 335 | 335 | - |
| 14 Total Executive Director Costs and Related Support Fees | 27,721 | 19,275 | 8,446 |
| 15 Provider and Payer Education and Outreach | | | |
| 16 Provider Education Materials, Development and Printing | 6,250 | - | 6,250 |
| 17 Postage | 1,000 | - | 1,000 |
| 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 | 333 | - | 333 |
| 24 Subcontractor Assistance | 6,500 | - | 6,500 |
| 25 Total Provider and Payer Education and Outreach | 17,333 | - | 17,333 |
| 26 Administrative Costs | | | |
| 27 Legal Counsel | 5,000 | 11,056 | (6,056) |
| 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 | 9,333 | 11,024 | (1,691) |
| 33 Office Supplies and Equipment | 450 | - | 450 |
| 34 Rent, ELM and Storage Facility | 150 | - | 150 |
| 35 Other Admin Support Provided by Lessor | 100 | - | 100 |
| 36 Board Retreat and Meetings | 3,333 | - | 3,333 |
| 37 Insurance | | | |
| 38 Cyber Liability | - | - | - |
| 39 Directors and Officers | - | - | - |
| 40 General Liability | - | - | - |
| 41 Total Administrative Costs | 19,866 | 22,080 | (2,214) |
| 42 Other Discretionary Expenditures | | | |
| 43 Conversion/Implementation Cost | - | - | - |
| 44 Executive Director and Other Contractor Bonus | - | - | - |
| 45 Denied Claims Recovery Expenses | 3,500 | 5,250 | (1,750) |
| 46 Direct Healthcare Practices Operations | 2,000 | - | 2,000 |
| 47 Covid-19 Expenses | - | 1,750 | 1,750 |
| 48 Total Other Discretionary Expenditures | 5,500 | 7,000 | (1,500) |
| 49 Total Budget | 156,995 | 137,359 | 19,637 |

Unaudited - For Management Purposes Only
Prepared by Helms And Company Inc

4/9/2021

**Washington Vaccine Association
Administrative Budget Status
For the Quarter Ended March 31, 2021**

| | A | B | C |
|--|-------------------|-----------------------|-----------------|
| | Approved | Actual | Budget |
| | Budget | March 31, 2021 | Variance |
| 1 Direct Processing Costs | | | |
| 2 Helms & Company (Previously KidsVax) | \$ 196,296 | \$ 196,296 | \$ - |
| 3 Lockbox Image Conversion and Clearinghouse Intake (OrboGraph) | 48,764 | 14,826 | 33,938 |
| 4 Clearinghouse Intake Processing (Avality, Zelis) | 4,050 | 28,853 | (24,803) |
| 5 Lockbox Fees | 13,400 | 13,887 | (487) |
| 6 CollaborateMD | 567 | 646 | (79) |
| 7 Total Direct Processing Costs | 263,077 | 254,508 | 8,569 |
| 8 Executive Director Costs and Related Support Fees | | | |
| 9 Executive Director Salary | 52,272 | 51,500 | 772 |
| 10 Payroll Taxes | 5,301 | 4,545 | 756 |
| 11 Leased Employee per Check Fee | 585 | 585 | - |
| 12 Executive Director Travel and Lodging, Education, and Other | 22,000 | 866 | 21,134 |
| 13 Technology Support (Desktop and Telephony) | 1,005 | 1,005 | - |
| 14 Total Executive Director Costs and Related Support Fees | 81,163 | 58,501 | 22,662 |
| 15 Provider and Payer Education and Outreach | | | |
| 16 Provider Education Materials, Development and Printing | 18,750 | 1,125 | 17,625 |
| 17 Postage | 3,000 | 35 | 2,965 |
| 18 Website and Information Technology | 3,750 | - | 3,750 |
| 19 Technical Consultant - Margaret Lane | 3,000 | 775 | 2,225 |
| 20 Conferences and Education Sessions, Including Travel and Meals | - | - | - |
| 21 Provider Office Training Sessions, Including Travel and Meals | 3,000 | - | 3,000 |
| 22 Advertising and Sponsorships | - | 1,590 | (1,590) |
| 23 Hospitality | 999 | - | 999 |
| 24 Subcontractor Assistance | 19,500 | - | 19,500 |
| 25 Total Provider and Payer Education and Outreach | 51,999 | 3,525 | 48,474 |
| 26 Administrative Costs | | | |
| 27 Legal Counsel | 15,000 | 26,222 | (11,222) |
| 28 Audit Fees | - | - | - |
| 29 Government Relations, Including Travel, Meals, and Consultants | 2,500 | - | 2,500 |
| 30 Registered Agent Fee | - | - | - |
| 31 Bank Fees | 4,500 | - | 4,500 |
| 32 Investment Management Fees | 27,999 | 31,399 | (3,400) |
| 33 Office Supplies and Equipment | 1,350 | 433 | 917 |
| 34 Rent, ELM and Storage Facility | 450 | - | 450 |
| 35 Other Admin Support Provided by Lessor | 300 | - | 300 |
| 36 Board Retreat and Meetings | 9,999 | - | 9,999 |
| 37 Insurance | | | |
| 38 Cyber Liability | 24,000 | 10,786 | 13,214 |
| 39 Directors and Officers | - | - | - |
| 40 General Liability | - | - | - |
| 41 Total Administrative Costs | 86,098 | 68,840 | 17,258 |
| 42 Other Discretionary Expenditures | | | |
| 43 Conversion/Implementation Cost | - | - | - |
| 44 Executive Director and Other Contractor Bonus | - | - | - |
| 45 Denied Claims Recovery Expenses | 10,500 | 15,750 | (5,250) |
| 46 Direct Healthcare Practices Operations | 6,000 | - | 6,000 |
| 47 Covid-19 Expenses | - | 5,250 | (5,250) |
| 48 Total Other Discretionary Expenditures | 16,500 | 21,000 | (4,500) |
| 49 Total Budget | 498,837 | 406,374 | 92,463 |

Unaudited - For Management Purposes Only
Prepared by Helms And Company Inc

4/9/2021

**Washington Vaccine Association
Administrative Budget Status
For Nine Months Ended March 31, 2021**

| | A | B | C |
|--|-------------------|-----------------------|-----------------|
| | Approved | Actual | Budget |
| | Budget | March 31, 2021 | Variance |
| 1 Direct Processing Costs | | | |
| 2 Helms & Company (Previously KidsVax) | \$ 588,888 | \$ 588,888 | \$ - |
| 3 Lockbox Image Conversion and Clearinghouse Intake (OrboGraph) | 146,291 | 86,796 | 59,495 |
| 4 Clearinghouse Intake Processing (Avality, Zelis) | 12,150 | 28,484 | (16,334) |
| 5 Lockbox Fees | 37,450 | 37,102 | 348 |
| 6 CollaborateMD | 1,701 | 1,024 | 677 |
| 7 Total Direct Processing Costs | 786,480 | 742,294 | 44,186 |
| 8 Executive Director Costs and Related Support Fees | | | |
| 9 Executive Director Salary | 143,774 | 154,110 | (10,336) |
| 10 Payroll Taxes | 15,597 | 8,247 | 7,350 |
| 11 Leased Employee per Check Fee | 1,755 | 1,755 | - |
| 12 Executive Director Travel and Lodging, Education, and Other | 49,000 | 9,882 | 39,118 |
| 13 Technology Support (Desktop and Telephony) | 3,015 | 3,585 | (570) |
| 14 Total Executive Director Costs and Related Support Fees | 213,141 | 177,579 | 35,562 |
| 15 Provider and Payer Education and Outreach | | | |
| 16 Provider Education Materials, Development and Printing | 56,250 | 31,660 | 24,590 |
| 17 Postage | 13,000 | 194 | 12,806 |
| 18 Website and Information Technology | 11,250 | 4,085 | 7,165 |
| 19 Technical Consultant - Margaret Lane | 9,000 | 3,054 | 5,946 |
| 20 Conferences and Education Sessions, Including Travel and Meals | 5,000 | - | 5,000 |
| 21 Provider Office Training Sessions, Including Travel and Meals | 9,000 | - | 9,000 |
| 22 Advertising and Sponsorships | 1,000 | 1,590 | (590) |
| 23 Hospitality | 2,997 | 613 | 2,384 |
| 24 Subcontractor Assistance | 32,500 | - | 32,500 |
| 25 Total Provider and Payer Education and Outreach | 139,997 | 41,196 | 98,801 |
| 26 Administrative Costs | | | |
| 27 Legal Counsel | 45,000 | 88,492 | (43,492) |
| 28 Audit Fees | 18,000 | 15,467 | 2,533 |
| 29 Government Relations, Including Travel, Meals, and Consultants | 7,500 | - | 7,500 |
| 30 Registered Agent Fee | 150 | - | 150 |
| 31 Bank Fees | 13,500 | - | 13,500 |
| 32 Investment Management Fees | 84,001 | 96,980 | (12,979) |
| 33 Office Supplies and Equipment | 4,050 | 6,720 | (2,670) |
| 34 Rent, ELM and Storage Facility | 1,350 | 252 | 1,098 |
| 35 Other Admin Support Provided by Lessor | 900 | - | 900 |
| 36 Board Retreat and Meetings | 9,999 | - | 9,999 |
| 37 Insurance | | | |
| 38 Cyber Liability | 24,000 | 10,786 | 13,214 |
| 39 Directors and Officers | 32,000 | 38,753 | (6,753) |
| 40 General Liability | 650 | - | 650 |
| 41 Total Administrative Costs | 241,100 | 257,450 | (16,350) |
| 42 Other Discretionary Expenditures | | | |
| 43 Conversion/Implementation Cost | - | 16,500 | (16,500) |
| 44 Executive Director and Other Contractor Bonus | - | - | - |
| 45 Denied Claims Recovery Expenses | 31,500 | 26,250 | 5,250 |
| 46 Direct Healthcare Practices Operations | 18,000 | - | 18,000 |
| 47 Covid-19 Expenses | - | 15,590 | (15,590) |
| 48 Total Other Discretionary Expenditures | 49,500 | 58,340 | (8,840) |
| 49 Total Budget | 1,430,218 | 1,276,859 | 153,359 |

Unaudited - For Management Purposes Only
Prepared by Helms And Company Inc

4/9/2021

Washington Vaccine Association

Notes to Financial Statements

For the Month Ended March 31, 2021

Balance Sheet

Lines 2 and 4. Cash increased in March by approximately \$2.4 million. Total cash and investments at month end are approximately \$59.3 million as compared to the budgeted cash position of \$51.1 million. Factors contributing to the variance from the budgeted reduction include the receipt of recovery payments as well as likely increases in pediatric office visit. The time-lag between the date of service and the receipt of payment will need to be considered when projecting cash reserves for FY2022.

Line 6. The Prepaid Vaccine amount includes the amount requested by the Washington Department of Health (DOH) for the April 2021 replenishment of vaccines. The amount includes the DOH indirect charge of 1.4%. The DOH cost recovery charge included with this request was \$95,222 and is associated with February 2021.

Line 5. Members Estimated Collectible Assessments reflects the value of vaccine funding provided to the DOH for the purchase of vaccines for which the Association expects to receive an assessment payment.

Profit and Loss

Line 2. The amount reported as Assessments includes all assessments received in the month of March. The assessments are tracked in the accounting system using the procedure code and date of service supplied by the payer's remittance advice. While it is primarily assumed that a provider utilized a vaccine that was purchased by the Department of Health in either the corresponding month or a prior month(s), there are too many variables in the purchasing process, the supply chain, and the utilization driving the remittance to provide certainty.

Line 3. The amount reflects payment received by the WVA resulting from grid adherence and other payer compliance initiatives.

Line 6. The amount reported as 2% Waste is an estimate that 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 that 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 continue to be used for the foreseeable future.

Line 7. The amount reported in March as Price Variance and Denials are variances and denials identified through the lockbox transactions processed through OrboGraph.

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

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 process to resolve these items, as well as prevent future remittance errors from occurring will be developed.

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.



Ensuring Funds for Childhood Vaccines

2021-22 Vaccine Assessment Grid Development

Presented to the
Washington Vaccine Association
Board of Directors
April 22, 2021

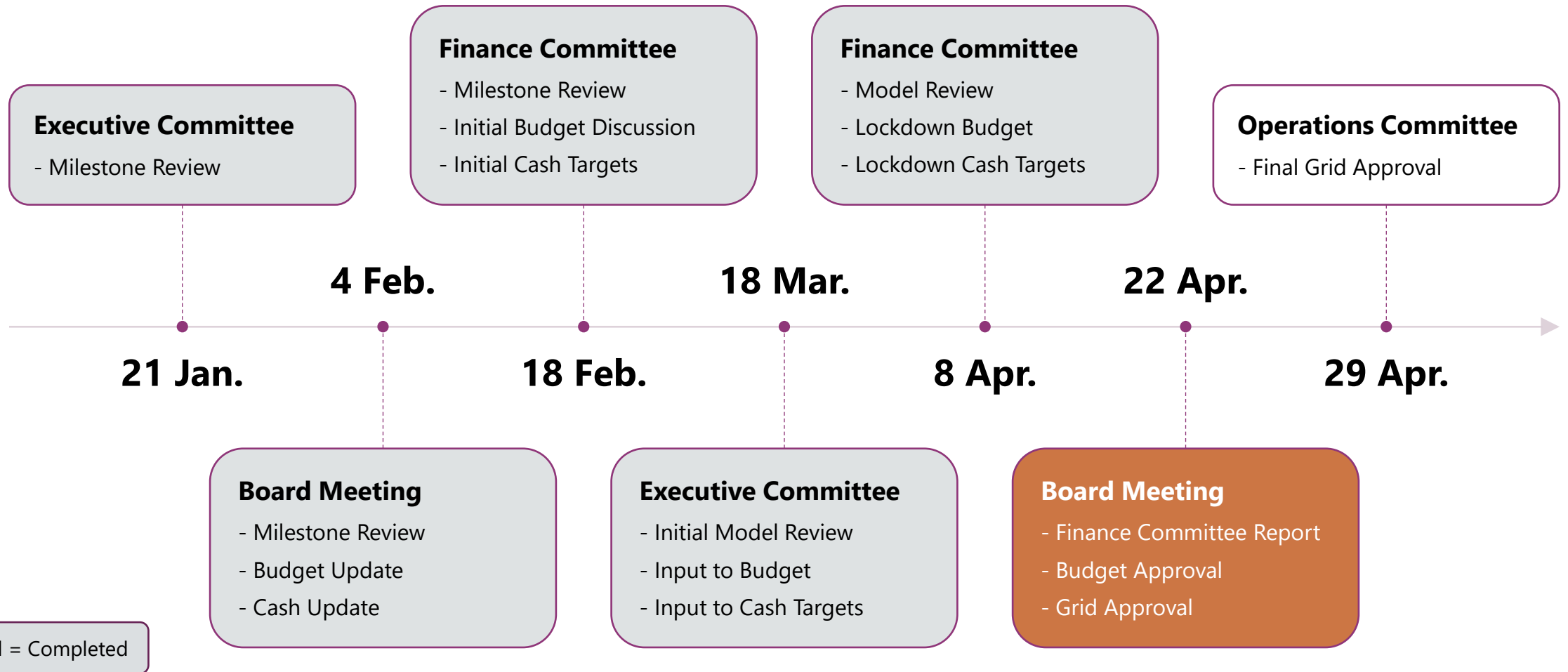
Patrick Miller, MPH
Leslie Walker, CPA



Presentation Overview

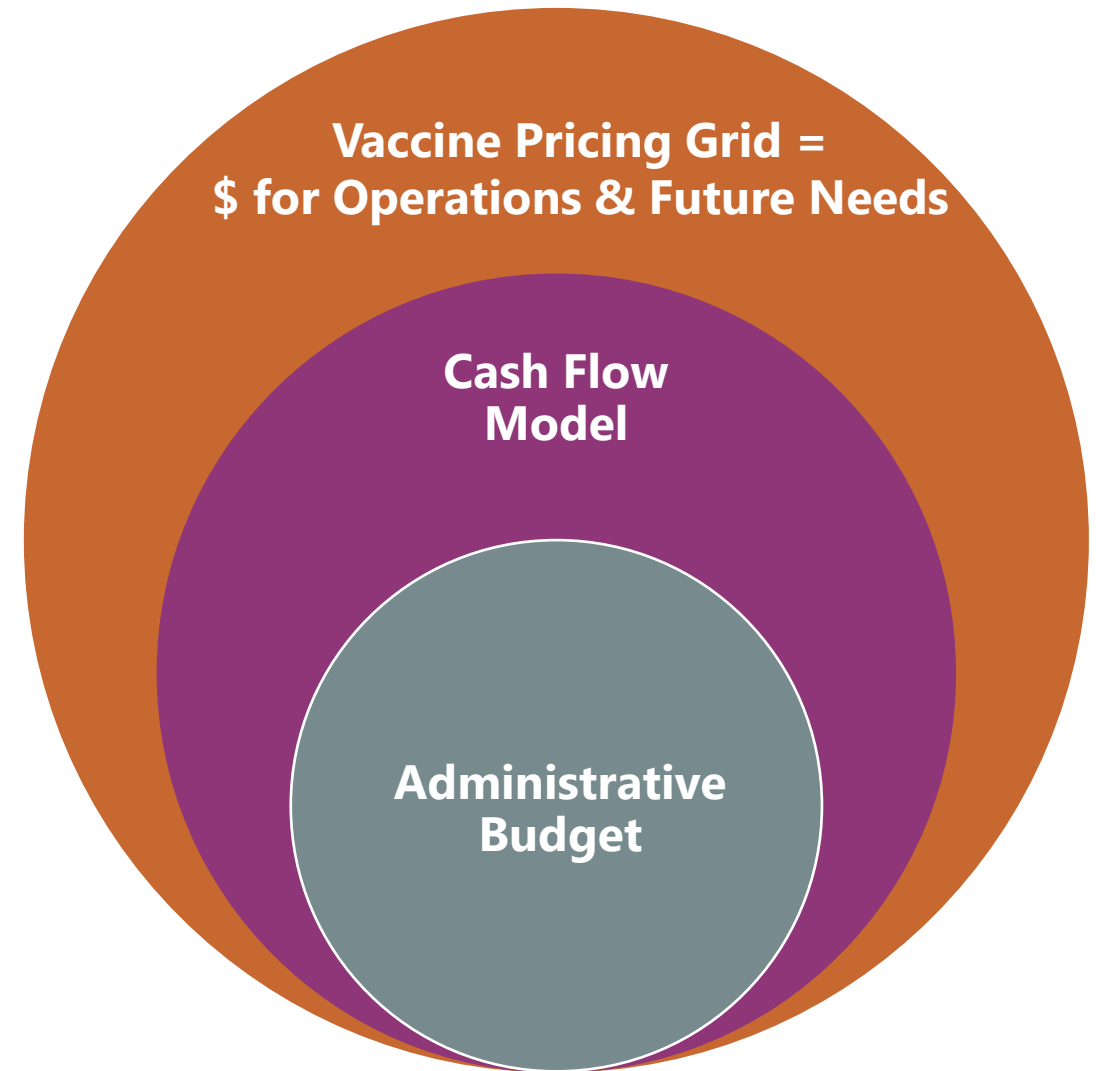
1. Timeline
2. Integrated Approach
3. Historical Charts
4. Model
 - a) Cash Flow Model Assumptions Summary
 - b) Notes Related to DOH Projections
 - c) Administrative Budget Summary
 - d) Administrative Budget Components
 - e) Model Detail
 - f) Vaccine Pricing Grid
5. Discussion

1. 2021-22 Budget & Vaccine Grid Development Process

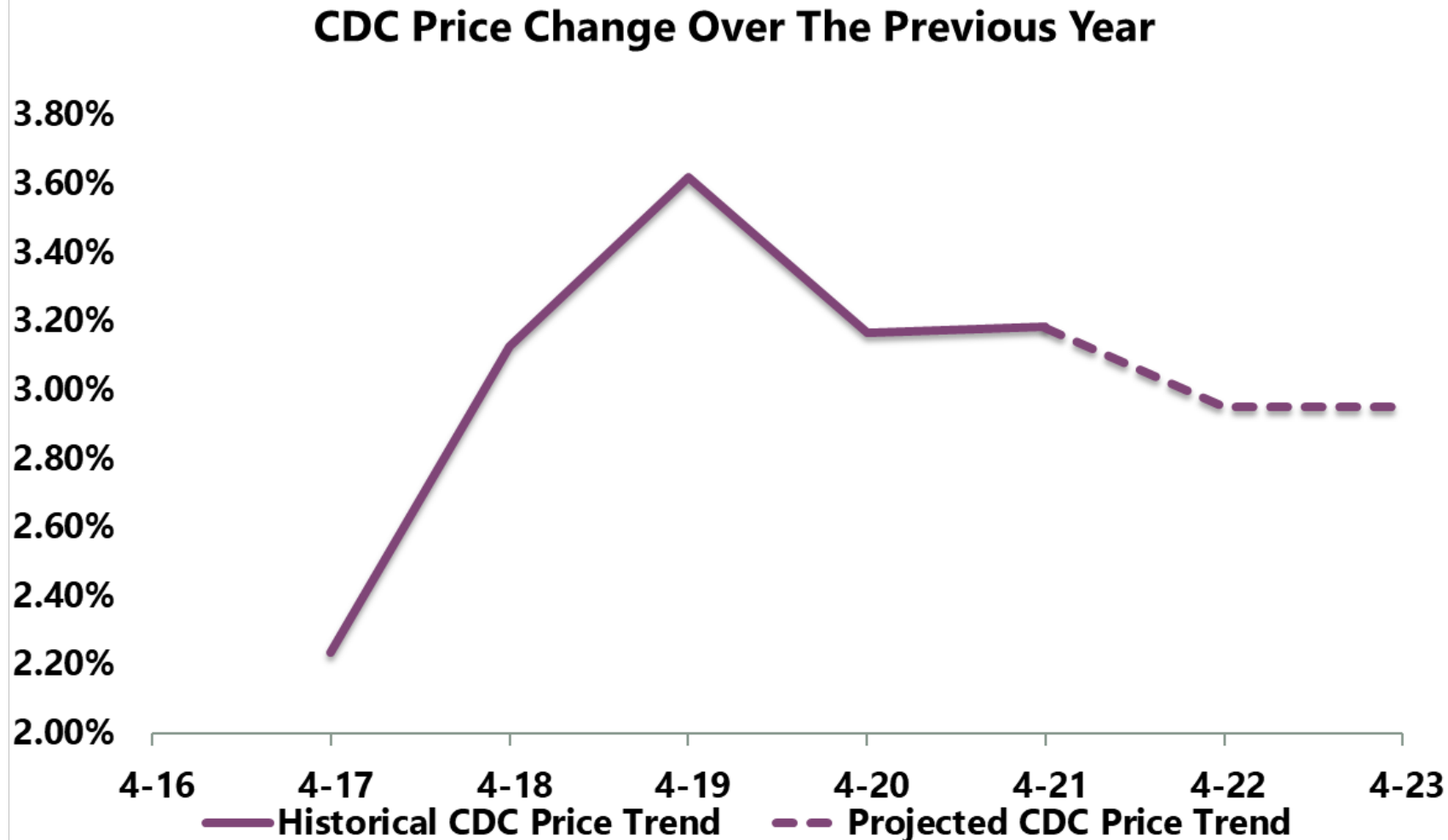


2. Integrated Approach

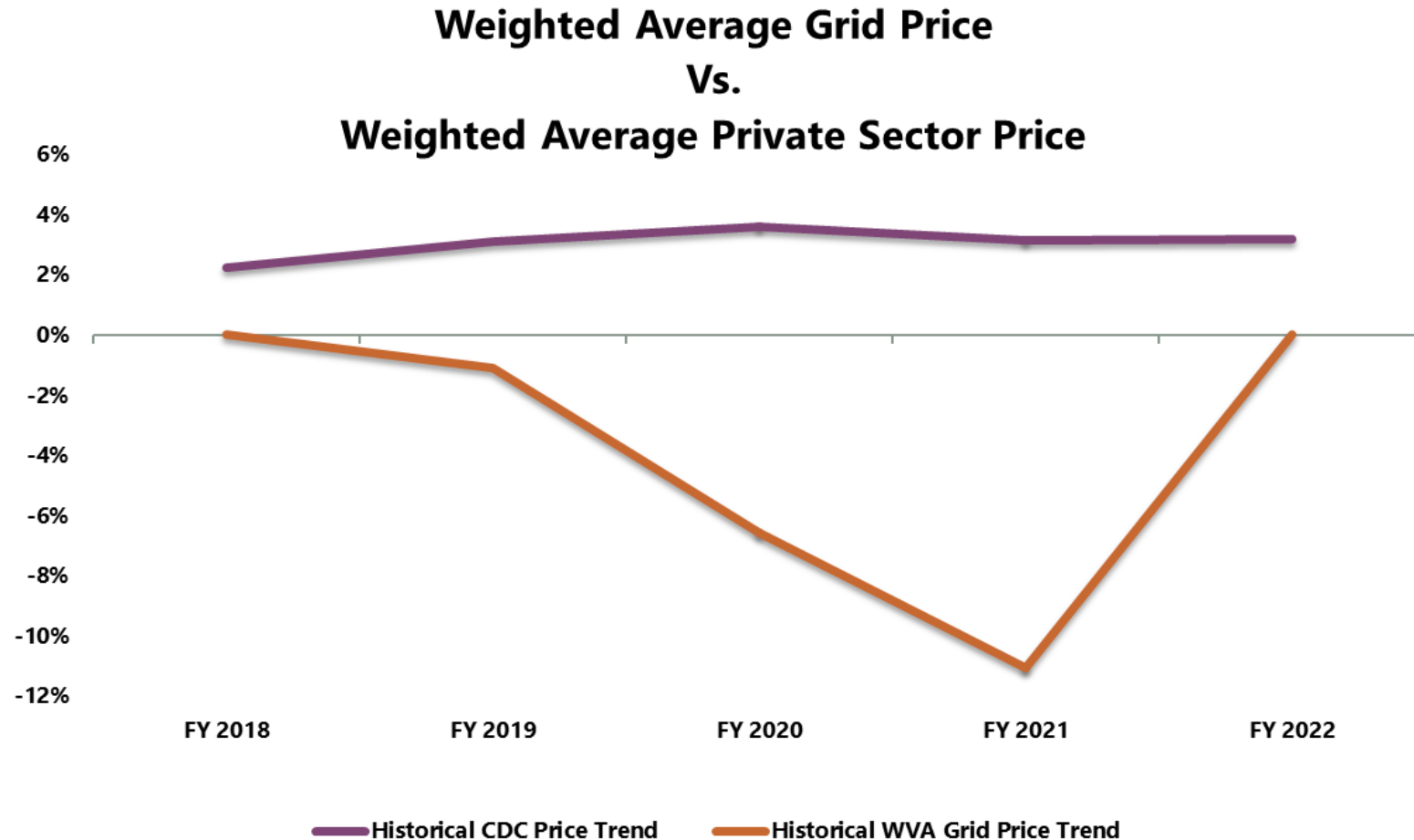
1. There is a nested relationship between the administrative budget, the cash flow model, and the vaccine pricing grid that was not considered in prior years
2. Goals of the 2021-22 vaccine pricing grid process include:
 1. Providing grid stability across prior year to minimize year-to-year fluctuation
 2. Reducing cash on hand to a Board-approved level
 3. Allowing for reasonable reserves



3. CDC Price Change Over the Previous Year

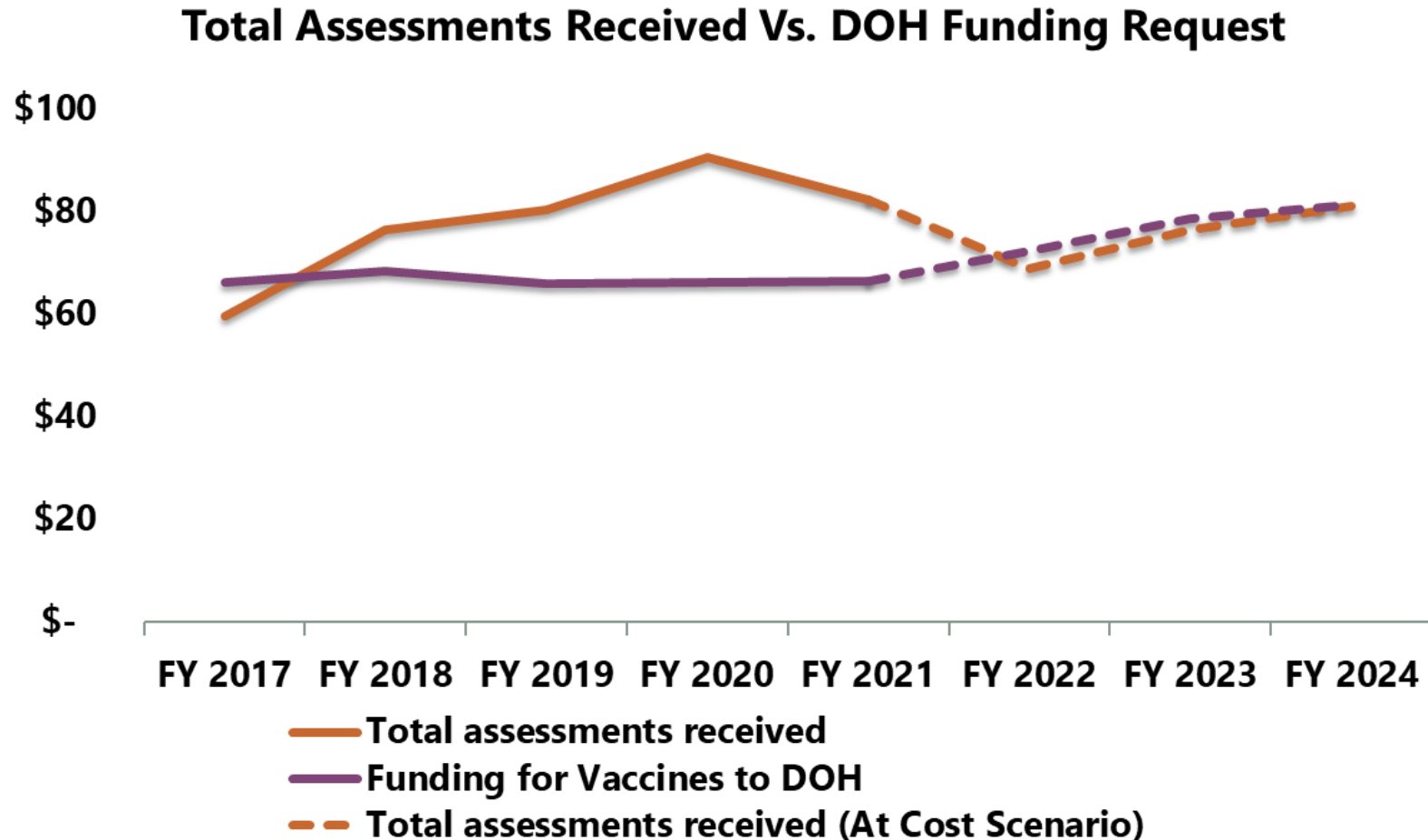


3. Weighted Average Grid Price Vs. Weighted Average Private Sector Price

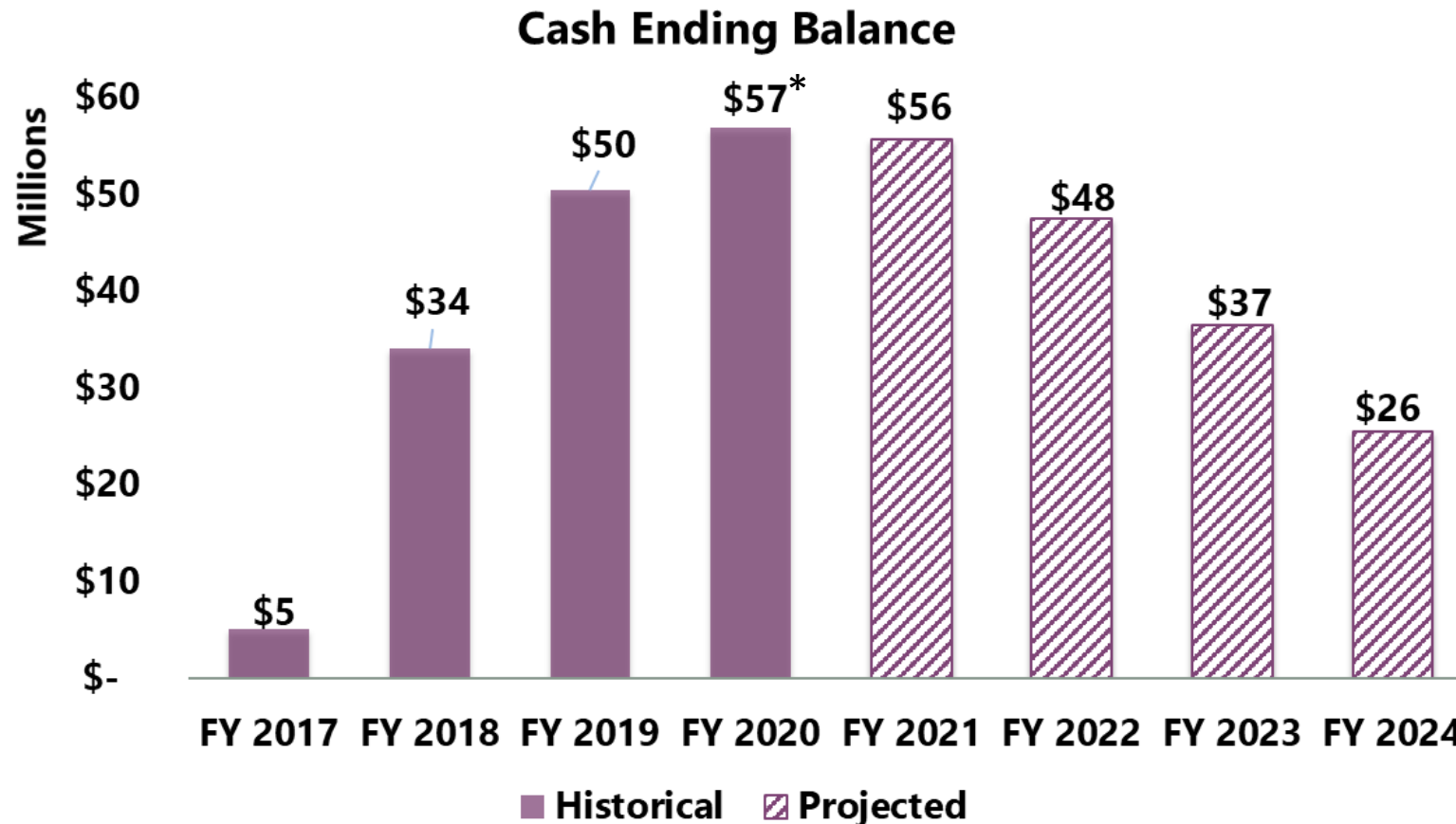


The CDC private sector weighted average grid price is greater than the WVA weighted average grid price.

3. Total Assessments Received Vs. DOH Funding Request



3. Historical and Projected End of FY Cash Balance – FY2017-24



* As of April 2020, the end of fiscal year projections for FY2020 was \$60M.

4.a. Cash Flow Model Assumptions Summary

| Adjustment Variables | Assumptions | | |
|--|-------------|---------|----------|
| | FY2022 | FY2023 | FY2024 |
| Assessment Grid as Percent of Prior Year | 100% | 103% | 103% |
| DOH Indirect Charge | 1.4% | 1.4% | 1.4% |
| DOH Cost Recovery Fee | 1.4% | 1.4% | 1.4% |
| Vaccine Wastage | 2.4% | 2.4% | 2.4% |
| Denials | 13.0% | 11.5% | 10.5% |
| Denial Recoveries | 4.0% | 3.5% | 2.5% |
| Administrative Budget | \$1.86M | \$1.94M | \$1.96M |
| Cash “Burn Down” Amount | \$8.1M | \$11.0M | \$11.0M |
| Year End Balance | \$47.6M | \$36.6M | \$25.56M |
| CDC Price Increase | 3.0% | 3.0% | 3.0% |

4.b. Notes Related to DOH Projections

- The pandemic's impact on WVA
 - Doses ordered by providers fell and then mostly recovered
 - DOH's FY22 projections assume a 5% reduction with recovery in FY23
 - VFC-eligible Medicaid enrollment for Washington children <19 has steadily increased between April to December 2020
 - Contingency fund projections for COVID-19 vaccines were adjusted by DOH by 3% for FY22 and FY23 and will be monitored
- Two new vaccines
 - MenQuadfi expected release in May 2021 to replace Menactra
 - Vaxelis expected release in July 2021 to be offered as an alternative to several combinations of vaccines¹
- Adjustments to periodic changes in VFC fund split
 - Federal FY2020 Population Estimates Survey VFC population was 53% and non-VFC eligible is 47%; the non-VFC population includes State privately insured, CHIP and CHP funding sources

1. Hexavalent replacement to prevent diphtheria, tetanus, pertussis, polio, Haemophilus influenzae type b, and hepatitis B (DTaP-IPV-Hib-HepB)

4.c. Administrative Budget Summary

| WVA Budget Summary | Forecast | | | | |
|--|------------------|------------------|------------------|------------------|------------------|
| | Projected Actual | Budgeted Total | Budgeted Total | Budgeted Total | Budgeted Total |
| | FY 2021 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Direct Processing Costs | | | | | |
| Subtotal | 1,008,233 | 1,046,981 | 1,012,716 | 1,117,974 | 1,117,974 |
| Executive Director Costs and Related Support Fees | | | | | |
| Subtotal | 238,342 | 304,694 | 304,775 | 314,525 | 325,207 |
| Provider and Payer Education and Outreach | | | | | |
| Subtotal | 43,606 | 198,996 | 92,000 | 87,000 | 87,000 |
| Administrative Costs | | | | | |
| Subtotal | 327,686 | 310,615 | 326,677 | 316,768 | 323,429 |
| Other Discretionary Expenditures | | | | | |
| Subtotal | 59,250 | 166,000 | 119,471 | 105,769 | 107,120 |
| | | | | | |
| Total Budget | 1,677,117 | 2,027,286 | 1,855,638 | 1,942,037 | 1,960,730 |

4.d. Administrative Budget Components

Direct Processing Costs

Helms & Company, Inc. | OrboGraph | Clearinghouse Processing | Lockbox and Bank Fees

ED Costs and Related Support Fees

Salary | Payroll Taxes | Leased Employee Fees | Travel | Technology Support

Provider and Payer Education and Outreach

Education Materials Design and Printing | Postage | Website & Information Technology | Technical Consultant | Conferences | Advertising | Hospitality | Subcontractor Assistance

Administrative Costs

Legal | Audit | Investment Management | Registered Agent | Rent | Board Meetings | Insurance

Other Discretionary Expenditures

ED Merit and Bonus Pool | Recovery and Compliance | Direct Healthcare Practice Recoveries

4.e.

| WVA Financial Model | Historical | | Projected Actual | | Forecast Period - Absorbs Inflation | | |
|--|--------------------|--------------------|---------------------|--------------------|-------------------------------------|---------------------|---------------------|
| | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| Assumptions | | | | | | | |
| Assessment Grid as Percent of Prior Year | | | | | 100.0% | 103.0% | 103.0% |
| DOH Indirect Charge | | | | | 1.4% | 1.4% | 1.4% |
| DOH Cost Recovery Fee | | | | | 1.4% | 1.4% | 1.4% |
| Vaccine Wastage | | | | | 2.4% | 2.4% | 2.4% |
| Denials | | | | | 13.0% | 11.5% | 10.5% |
| Denial Recoveries | | | | | 4.0% | 3.5% | 2.5% |
| Projected Unknown | | | | | 14.8% | 14.8% | 14.8% |
| Inflows/Outflows | | | | | | | |
| Assessment Revenue | 84,137,375 | 87,262,137 | 79,804,611 | 75,547,829 | 68,794,912 | 74,232,783 | 76,459,766 |
| Vaccine Replenishment | 65,835,583 | 65,491,991 | 61,491,029 | 75,547,829 | 72,251,470 | 78,666,412 | 81,259,271 |
| Investment Income | - | 51,903 | 1,716,186 | 260,000 | - | - | - |
| TRICARE Expense Offset | - | - | | | - | - | - |
| Gross Revenue | 18,301,792 | 21,822,049 | 20,029,769 | 260,000 | (3,456,558) | (4,433,629) | (4,799,505) |
| Administrative Cost | | | | | | | |
| DOH Indirect Charge | - | - | (1,133,128) | (1,060,241) | (1,023,394) | (1,104,338) | (1,140,838) |
| DOH Cost Recovery Fee | - | - | (462,339) | (1,067,134) | (1,023,394) | (1,104,338) | (1,140,838) |
| Vaccine Wastage | - | - | (1,490,121) | (1,470,348) | (1,734,035) | (1,887,994) | (1,950,222) |
| Denials | - | - | (8,081,070) | (9,821,218) | (8,943,339) | (8,536,770) | (8,028,275) |
| Denial Recoveries | - | - | | 5,011,930 | 2,751,796 | 2,598,147 | 1,911,494 |
| Projected Unknown | | | | 11,190,849 | 10,190,544 | 10,996,052 | 11,325,934 |
| Refunds | | | (467,342) | (361,995) | (348,000) | (420,000) | (420,000) |
| Cash Flow Delay | | | | (2,221,379) | (2,651,823) | (5,169,769) | (4,799,505) |
| Administrative Budget | (1,189,899) | (1,821,862) | (1,986,592) | (1,692,557) | (1,855,638) | (1,942,037) | (1,960,730) |
| Total Administrative Cost | (1,189,899) | (1,821,862) | (13,620,592) | (1,492,092) | (4,637,284) | (6,571,046) | (6,202,982) |
| Revenue in Excess of Expenditures | 17,111,893 | 20,000,187 | 6,409,177 | (1,232,092) | (8,093,841) | (11,004,675) | (11,002,486) |
| Effect on Cash Reserves | | | | | | | |
| Cash Reserves Beginning Balance | 9,582,053 | 34,130,094 | 50,477,971 | 56,887,148 | 55,655,056 | 47,561,215 | 36,556,539 |
| Cash Generated/ (Used) | 24,538,923 | 16,347,877 | 6,409,177 | (1,232,092) | (8,093,841) | (11,004,675) | (11,002,486) |
| Cash Reserves Ending Balance | 34,130,094 | 50,477,971 | 56,887,148 | 55,655,056 | 47,561,215 | 36,556,539 | 25,554,053 |

Adjustment Variables

4.f. Vaccine Pricing Grid

Washington Vaccine Association Assessment Grid

FOR ALL CLAIMS WITH A DATE OF SERVICE ON OR AFTER **JULY 1, 2021**.

Please note that this WVA Assessment Grid, effective July 1, 2021, replaces the grid last updated on July 1, 2020. The grid lists vaccines and their corresponding CPT codes that are part of the dosage-based assessment (DBA) process for providers, health insurance carriers, and third party administrators. There are other childhood vaccines (and corresponding CPT codes) that are not included in the DBA process and, therefore, no assessment is needed. The availability of specific vaccine brands are determined by the manufacturer and not all brands of flu vaccine are offered through the Childhood Vaccine Program (CVP). **The green column is the assessment amount per dose as of July 1, 2021.**

| CPT Code | NDC Code / Packaging | CPT Code Description | Tradename | WVA Assessment Amount per dose as of 7/1/2020 | CDC Private Sector Cost/Dose 4/1/21 | WVA Assessment Amount per dose as of 7/1/2021 | Percent Change 7/1/2020 to 7/1/2021 |
|----------|---|---|-------------------|---|-------------------------------------|---|-------------------------------------|
| 90620 | 58160-0976-20 (10 pack – 1 dose syringe) | Meningococcal recombinant protein and outer membrane vesicle vaccine, serogroup B (MenB-4C), 2 dose schedule, for intramuscular use | Bexsero® | \$120.84 | \$191.75 | \$120.84 | 0.0% |
| | 58160-0976-06 (1 pack – 1 dose syringe) | | | | | | |
| 90621 | 00005-0100-10 (10 pack – 1 dose syringe) | Meningococcal recombinant lipoprotein vaccine, serogroup B (MenB-FHbp), 2 or 3 dose schedule, for intramuscular use | Trumenba® | \$117.17 | \$157.35 | \$115.17 | 0.0% |
| 90633 | 58160-0825-11 (10 pack – 1 dose vial) | Hepatitis A vaccine (HepA), pediatric/adolescent dose, 2 dose schedule, for intramuscular use | Havrix® | \$20.72 | \$34.85 | \$20.72 | 0.0% |
| | 58160-0825-52 (10 pack – 1 dose syringe) | | | | | | |
| | 00006-4095-02 (10 pack – 1 dose syringe) | | Vaqta® | | \$34.60 | | |
| 90647 | 00006-4897-00 (10 pack – 1 dose vial) | Haemophilus influenzae type b vaccine (Hib), PRP-OMP conjugate, 3 dose schedule, for intramuscular use | PedvaxHIB® | \$13.54 | \$27.25 | \$13.54 | 0.0% |
| 90648 | 49281-0545-03 (5 pack – 1 dose vial) | Haemophilus influenzae type b vaccine (Hib), PRP-T conjugate, 4 dose schedule, for intramuscular use | ActHIB® | \$9.46 | \$17.63 | \$9.46 | 0.0% |
| | 58160-0818-11 (10 pack – 1 dose vial) | | Hiberix® | | \$11.57 | | |
| 90651 | 00006-4119-03 (10 pack – 1 dose vial) | Human Papillomavirus vaccine types 6, 11, 16, 18, 31, 33, 45, 52, 58, nonavalent (9vHPV), 2 or 3 dose schedule, for intramuscular use | Gardasil®9 | \$189.08 | \$239.29 | \$189.08 | 0.0% |
| | 00006-4121-02 (10 pack – 1 dose syringe) | | | | | | |

SAMPLE: Refer to Spreadsheet

Discussion

| WVA Budget Summary | | Forecast | | | | |
|--------------------|---|------------------|------------------|------------------|------------------|------------------|
| | | Projected Actual | Budgeted Total | Budgeted Total | Budgeted Total | Budgeted Total |
| | | FY 2021 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
| 1 | Direct Processing Costs | | | | | |
| 2 | Helms & Company, Inc. | 785,184 | 785,184 | 830,184 | 935,442 | 935,442 |
| 3 | Lockbox Conversion and Clearinghouse Intake (OrboGraph) | 130,450 | 195,054 | 113,136 | 113,136 | 113,136 |
| 4 | Clearinghouse Intake Processing (Avality, Zelis) | 42,895 | 16,200 | 24,396 | 24,396 | 24,396 |
| 5 | Lockbox and Bank Fees | 47,924 | 48,275 | 45,000 | 45,000 | 45,000 |
| 6 | CollaborateMD (FY2021 only) | 1,780 | 2,268 | - | - | - |
| 7 | Subtotal | 1,008,233 | 1,046,981 | 1,012,716 | 1,117,974 | 1,117,974 |
| 9 | Executive Director Costs and Related Support Fees | | | | | |
| 10 | Executive Director Salary | 205,611 | 206,046 | 216,471 | 225,129 | 234,135 |
| 11 | Payroll Taxes | 12,528 | 20,898 | 13,578 | 14,000 | 15,000 |
| 12 | Leased Employee per Check Fee | 2,730 | 2,730 | 2,730 | 2,730 | 2,730 |
| 13 | Executive Director Travel, Conferences, and Lodging, Education, and Other | 12,883 | 71,000 | 66,996 | 67,666 | 68,343 |
| 14 | Technology Support (Desktop and Telephony) | 4,590 | 4,020 | 5,000 | 5,000 | 5,000 |
| 15 | Subtotal | 238,342 | 304,694 | 304,775 | 314,525 | 325,207 |
| 17 | Provider and Payer Education and Outreach | | | | | |
| 18 | Education Materials, Development and Printing | 28,813 | 75,000 | 45,000 | 45,000 | 45,000 |
| 19 | Postage | 194 | 20,000 | 20,000 | 20,000 | 20,000 |
| 20 | Website and Information Technology | 4,085 | 15,000 | 15,000 | 15,000 | 15,000 |
| 21 | Technical Consultant - Margaret Lane | 3,054 | 12,000 | 5,000 | - | - |
| 22 | Conferences and Education Sessions, Incl. Travel and Meals | - | 7,000 | - | - | - |
| 23 | Provider Office Training Sessions, Incl. Travel and Meals | 3,000 | 12,000 | 5,000 | 5,000 | 5,000 |
| 24 | Advertising and Sponsorships | 3,848 | 2,000 | 2,000 | 2,000 | 2,000 |
| 25 | Hospitality | 612 | 3,996 | - | - | - |
| 26 | Subcontractor Assistance | - | 52,000 | - | - | - |
| 27 | Subtotal | 43,606 | 198,996 | 92,000 | 87,000 | 87,000 |
| 29 | Administrative Costs | | | | | |
| 30 | Legal Counsel | 103,491 | 60,000 | 96,000 | 80,000 | 80,000 |
| 31 | Audit Fees | 15,467 | 18,000 | 15,000 | 15,000 | 15,000 |
| 32 | Government Relations Consultants | 5,000 | 12,500 | 5,000 | 5,000 | 5,000 |
| 33 | Registered Agent Fee | 150 | 150 | 150 | 150 | 150 |
| 34 | Bank Fees | - | 18,000 | - | - | - |
| 35 | Investment Management Fees | 130,053 | 112,000 | 127,500 | 127,500 | 127,500 |
| 36 | Office Supplies and Equipment | 8,070 | 5,400 | 5,400 | 5,400 | 5,400 |
| 37 | Rent | 5,617 | 6,715 | 6,715 | 6,715 | 6,715 |
| 38 | Other Admin Support Provided by Lessor | 300 | 1,200 | 501 | 501 | 501 |
| 39 | Board Retreat, Scheduled Meetings & Hospitality | 9,999 | 20,000 | 15,996 | 16,796 | 17,636 |
| 40 | Insurance | | | - | - | - |
| 41 | Cyber Liability | 10,786 | 24,000 | 11,865 | 13,052 | 14,357 |
| 42 | Board D & O | 38,608 | 32,000 | 41,050 | 45,155 | 49,670 |
| 43 | General Liability | 145 | 650 | 1,500 | 1,500 | 1,500 |
| 44 | Subtotal | 327,686 | 310,615 | 326,677 | 316,768 | 323,429 |
| 46 | Other Discretionary Expenditures | | | | | |
| 47 | Conversion/Implementation Cost (FY2020 only) | 16,500 | - | - | - | - |
| 48 | Executive Director Bonus Pool | 5,250 | 100,000 | 32,471 | 33,769 | 35,120 |
| 49 | Recovery and Compliance (Health Revenue 360/Helms) | 31,500 | 42,000 | 63,000 | 48,000 | 48,000 |
| 50 | Direct Healthcare Practice Recoveries | 6,000 | 24,000 | 24,000 | 24,000 | 24,000 |
| 51 | Covid-19 Expenses (FY2021 only) | 17,340 | - | - | - | - |
| 52 | Subtotal | 59,250 | 166,000 | 119,471 | 105,769 | 107,120 |
| 54 | Total Budget | 1,677,117 | 2,027,286 | 1,855,638 | 1,942,037 | 1,960,730 |

Note: Rows 6, 22, 25 and 26 will be removed from the FY2022 budget due to either being no longer needed or combined with another row.

MEMORANDUM

TO: Julia Zell, Executive Director and WVA Board of Directors
FROM: Patrick Miller, MPH (Helms) and Leslie Walker, CPA (Mason+Rich PA)
SUBJECT: 2021-22 WVA Vaccine Assessment Grid Recommendation
DATE: April 15, 2021

Introduction

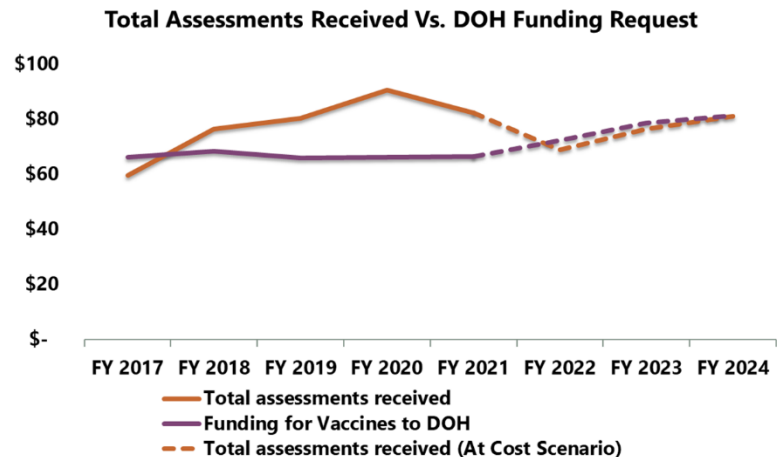
The purpose of this memorandum is to provide the Washington Vaccine Association's ("WVA") Board of Directors ("Board"), Finance Committee, and Operations Committee with Helms & Company's recommendations for the 2021-22 Vaccine Assessment Grid ("Grid") and a description of the underlying assumptions. The 2021-22 Grid was developed in partnership with the Washington Department of Health ("DOH") and is based upon the new model developed for the 2020-21 Grid. The administrative budget, cash flow projections, and the Grid are integrated into a unified model which allows input from the Board. The purpose of the model is to allow the Board flexibility in setting a series of adjustment factors to produce different scenarios over a three-year time horizon. These scenarios meet the desired reduction of cash and subsequently the WVA's collections through Grid changes so that the Association can meet its funding obligations. The Finance Committee met on April 8, 2021, to review the model and the administrative budget, and their requested changes have been incorporated.

Grid History Summary

The last two Grids saw reductions in Grid prices with a two percent net reduction for the 2019-20 Grid and a 13.7% reduction for the 2020-21 Grid. As shown in **Figure 1**, the two percent reduction adjustment had some reduction on cash, however, cash still grew due to the FY2020 Grid being priced nearly 12% above the vaccine remittances to the State of Washington.

The 2020-21 Grid price was lowered by 13.7% which did bring cash down, however, recoveries as of March 31, 2021 exceeded \$5.7M which was \$3.1M greater than budgeted recoveries for the year. The total cash on hand as of June 30, 2021, is expected to be \$55.7M which is \$1.2M lower than the \$56.9M as of June 30, 2020¹. The pandemic also created unpredictability in the modeled assessments receipts given the impact on delayed pediatric vaccine trends.

Figure 1: Total Assessments Received Vs. DOH Funding Request



The proposed 2021-22 Grid prices will stay the same as the 2020-21 Grid prices and will absorb inflation of the CDC prices in order to continue to reduce cash reserves.

¹ Cash is greater than prior year budget projections due to higher than anticipated recoveries combined with what is likely the impact of increased provider office visits as the pandemic intensity declines.

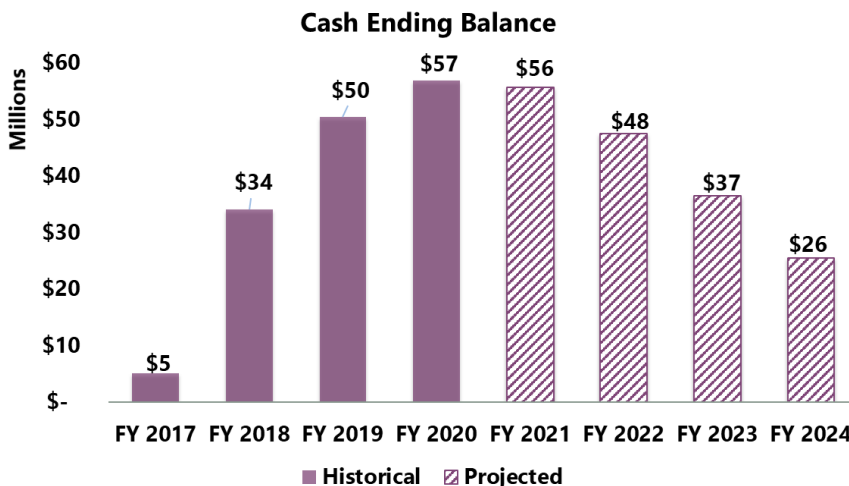


Setting FY2022-FY2024 Cash Targets

The Finance Committee has set the goal of continuing to reduce cash via reduction targets while also ensuring reserves for the eventual COVID-19 vaccine costs expected to begin in 2022 or 2023. The model created for the upcoming fiscal year assumes cash decreasing over the next three years with end of fiscal year cash balances of \$48M, \$37M, and \$26M, respectively (**Figure 2**). The model targets reductions in cash of \$8.1M, \$11.0M, and \$11.0M over the next three fiscal years, respectively. This allows the Grid price to remain fairly constant over a three-year period while bringing cash reserves down.

Until recent years, the WVA has not had significant amounts of cash on hand. In 2015, the organization was in a significant deficit position and required a line of credit to be established to continue operations. The line of credit was ultimately retired, and adjustments were made to the Grid in order to build cash reserves. It is important to recognize that these reserves were created through assessment funds paid by the insurance carriers and third-party administrators and not via State of Washington expenditures.

Figure 2: Historical and Projected Cash Ending Balances



FY2022-2024 Grid Assumptions

The following assumptions were made in the financial model with respect to setting the 2021-22 Grid prices and projecting the cash flow through FY2024:

1. The Department of Health's (DOH) March 2021 projections of vaccine utilization formed the underpinnings of the initial model for the April 8, 2021 Finance Committee meeting and the April 22, 2021 Board meeting. The DOH projects roughly a five percent reduction in vaccine material in FY2022, and a nominal increase for FY2023 with 1,109,650 and 1,152,260 doses in FY2022 and FY2023, respectively.
2. On April 1, 2021, the Centers for Disease Control ("CDC") updated its Vaccine Price List² for the CDC cost per dose and the private sector cost per dose. The cost per dose increased 3% over the prior year. The April 1, 2021 CDC prices were used for the development of the 2020-21 Grid³. No COVID-19 vaccines are included. It is expected that the CDC will replace Menactra with MenQuadfi in May 2021 and that Vaxelis will be added in July 2021.
3. The Assessment Grid as a Percentage of Prior Year will be flat at 100%; meaning that the proposed Grid prices will equal last year's Grid prices with the exception of Vaxelis which is new.
4. The Department of Health's Indirect Rate will be held steady at 1.4% for the next three fiscal years.
5. The Department of Health's Cost Recovery Fee is expected to hold steady at an average of 1.4% for the upcoming fiscal year⁴.

² <https://www.cdc.gov/vaccines/programs/vfc/awardees/vaccine-management/price-list/index.html>

³ The 3% will be verified once the April 1, 2021 CDC price list is made available. It is due on April 1.

⁴ 1.4% is the average for the first ten months of FY2021.



6. Based upon remittance data, the current, estimated DBA denial rate is currently 13%. We expect this to drop to 11.5% and 10.5% in the latter two fiscal years based upon planned denial recovery activities.
7. The denial recovery rate is expected to be 4.0% in FY2021 and 3.5% and 2.5% in the latter two fiscal years.

Analysis of Changes

The attached 2021-22 Grid update has been reviewed with the Department of Health. The total projected assessments in FY2022 are \$68,794,912. For ease of identification, the 2020-21 Grid prices are shown in gray and the 2021-22 Grid prices are in green. The Grid prices stayed the same as the prior year while absorbing the cost of inflation resulting in an increased planned reduction of cash on hand at the end of FY2022.

#



WVA RAISED OVER
\$628 Million

FOR CHILD VACCINES IN WASHINGTON

2010-2020

WHO WE ARE

Washington Vaccine Association (WVA) is a public/private partnership created by statute in 2010 to provide adequate funds for Washington State's purchase of pediatric vaccines. Together with federal and other funding sources, WVA's assessment dollars from health plans enables the state to continue its universal childhood vaccination program.

HISTORY

In May 2010, Washington State discontinued the use of state tax dollars to support the purchase of pediatric vaccine for privately insured children. In order to continue the state's purchase of all recommended pediatric vaccines, (and not limit the childhood vaccination program to indigent level, publicly-insured children), the legislature mandated health plans to pay an assessment to WVA to fund the state's purchase of vaccines for privately insured children. Allowing the state to continue its "universal" vaccination program. Under the program, both providers and patients receive recommended vaccines without cost.

LEADERSHIP

WVA is governed by a Board, comprised of representatives from the four largest health carriers, the largest health maintenance organization, a health carrier not otherwise represented, a Taft Hartley Plan, a Washington State self-funded plan, two physicians and a Washington Department of Health (DOH) representative.



Call Us

1.888.928.2224

Fax Us

1.888.928.2242

Email Us

info@wavaccine.org

wavaccine.org



Ensuring Funds for Childhood Vaccines





WHAT WE DO

Partnering with the DOH, WVA makes it possible for:

- Enrolled physicians, clinics, and hospitals to receive state-supplied vaccines at no cost for all children seen at the practice.
- All children to have easy access to critical vaccines.
- All payers to participate in one of the most efficient, cost-effective systems in the country for purchasing and distributing childhood vaccines.

How state-supplied vaccines are funded

Insurers and third-party administrators now pay for administered vaccines based on a per dosage assessment. WVA collects these payments and transfers the funds to the state on a just-in-time basis.

Through its Childhood Vaccine Program, the DOH buys the vaccines at federal contract rates (through the Vaccines for Children Program) and distributes them to physicians, clinics, hospitals, and other enrolled providers.

This ensures that all Washington State children have access to recommended vaccines regardless of insurance status.

 **1025**
PROVIDERS

 **373**
PAYORS APPROX.

Powerful Benefits

No provider financing costs or risk of loss

Instead of fronting significant dollars to purchase vaccines from the private market, providers receive pediatric vaccines from the DOH and use their existing billing system to trigger WVA's collection of funding from payers.

Consolidated ordering, delivery, and storage

The DOH provides support for one vaccine ordering process regardless of patient insurance status. This avoids providers having to navigate complex ordering systems and from keeping separate vaccine storage inventories.

WVA HAS FUNDED



12.24
MILLION
DOSES OF
VACCINE



SAVED BY WVA
IN VACCINE COSTS

Stable vaccine supply

Providers can focus on patient needs and have the full complement of recommended vaccines on hand without bearing financial risk.

Healthcare savings

The DOH bulk purchases all pediatric vaccines at federal contract rates, which are typically 15-60% lower than private purchasing alternatives, thus, WVA assessments save in costs.

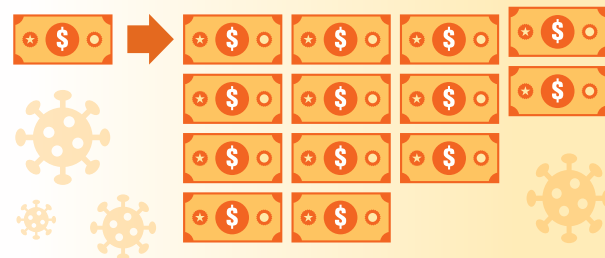
Centralized vaccine management

The DOH manages the vaccine supply, ensuring the most vulnerable populations have access to vaccine material during outbreaks or shortages.

Reducing barriers to immunizations

By making it easier for providers to obtain vaccines, universal purchase can increase immunization rates.

\$1 spent on vaccines = **\$13** saved in direct health costs



ALL INFOGRAPHICS REFLECT DATA COMPILED FROM 2010-2020.



BRAND IDENTITY GUIDE 2021

This guide is designed to reinforce the WVA brand and set the standards for our communications. Consistency in how we present ourselves visually builds “stickiness” for our brand over time. This should make our communications easily recognizable and support us in reaching our intended audiences.

MISSION STATEMENT

To ensure the stable and equitable funding of vaccines for all Washington State children under age 19.

KEY MESSAGING

The Washington Vaccine Association (WVA) is the essential funding arm of Washington’s universal Childhood Vaccine Program, ensuring the stable and equitable funding of vaccines for all Washington State children under age 19. For 10 years, the cost-effective, public-private partnership has enabled favorable vaccine pricing and increased vaccine access for providers and children. For more information, visit wavaccine.org.

BRAND PERSONALITY

A set of human characteristics that are attributed to the brand; expressed as adjectives that convey how you want people to perceive the organization.

Professional & formal
Advocate, and if needed, forcefully
Trustworthy
Dependable & stable
Financially disciplined
Caring
Credible

BRAND STYLE AND TONE

Describes how your brand communicates with the audience. It’s the words you use to communicate.

Transparent
Accountable
Trusted partner
Experienced
Caring
Dependable
Measured

LOGO, TYPOGRAPHY, PAPER, AND COLOR

LOGO VERSIONS

Use the color logo whenever possible. Always use in color for digital communication. The black and white logo may be used in one-color print documents.

White background
(preferred)

Purple background

Black & white applications



TYPOGRAPHY

Font: Segoe UI

PAPER

Folder: 130# Cougar
Letterhead & Blank Letterhead Stock: 80# Text Cougar
Envelopes: 80# Text Cougar
Notepads: 60# Husky
#10 Peel & Stick Address Labels: 80# Text Cougar, Avery #6874

COLORS



Font

RGB
0-0-0

HEX
000000



**Header &
accent**

RGB
136-152-142

HEX
88988E



**Header &
accent**

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accent**

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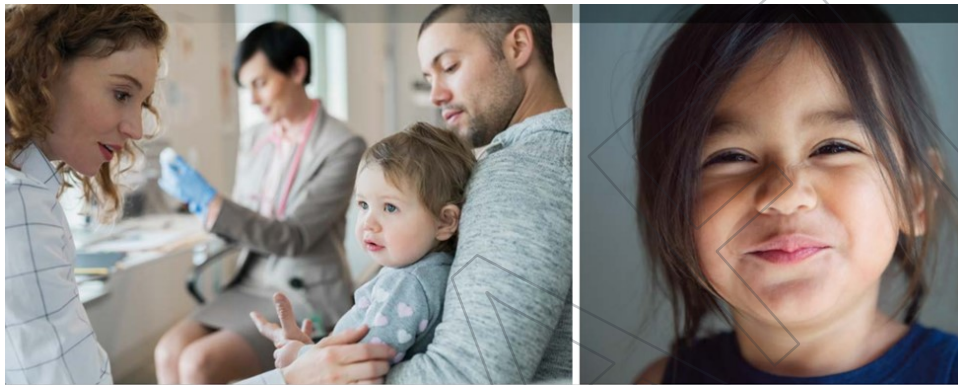


Accent

RGB
197-52-60

HEX
C5343C

BRAND IMAGES - Library Samples



| WORKSTREAM | Q1 CY2021 | Q2 CY2021 | Q3 CY2021 | Q4 CY2021 |
|----------------------------------|---|--|---|---|
| GOVERNANCE | <ul style="list-style-type: none"> ✓ Plan of Operation Changes Approved ✓ Public Comment Procedure Approved ✓ DOH Common Interest Agreement Signed | <ul style="list-style-type: none"> • Board Governance Survey • Redesign Board Member Guidebook | <ul style="list-style-type: none"> • Review Board Policies | <ul style="list-style-type: none"> • Election of Officers and Committee Chairs • Set CY2022 Meeting Schedule • Release Annual Report |
| AUTOMATION AND DATA BUILD | <ul style="list-style-type: none"> ✓ Maintain ERA and ACH Volumes = 95% of Receipts [Actual 93% ERA and 94% ACH] ✓ Payer DB Modifications to Include Compliance Contacts | <ul style="list-style-type: none"> • Maintain ERA and ACH Volumes = 95% of Receipts • Design the TPA Database Updates to Support Plan of Operation Changes & All Payer Registration Functionality • Payer Settlement File Ingestion within Payer DB | <ul style="list-style-type: none"> • Maintain ERA and ACH Volumes = 95% of Receipts • TPA Database IT Development Phase 1 | <ul style="list-style-type: none"> • Maintain ERA and ACH Volumes = 95% of Receipts • TPA Database IT Development Phase 2 |
| ANALYTICS AND COMPLIANCE | <ul style="list-style-type: none"> ✓ Top Tier Payer Compliance Reviews ✓ Enhanced Financial KPI Reporting ✓ Re-Design Payer Settlement Report Process | <ul style="list-style-type: none"> • Top Tier Payer Compliance Reviews • Enhanced Financial KPI Reporting (Cont.) • Begin Design of Payer Certificate of Compliance Program • Approve and Launch Re-Designed Payer Settlement Process | <ul style="list-style-type: none"> • Top Tier Payer Compliance Reviews • Approve Payer Certificate of Compliance Program | <ul style="list-style-type: none"> • Roll Out Payer Certificate of Compliance Program |
| COMMUNICATIONS - GENERAL | <ul style="list-style-type: none"> ✓ Communications Plan Adopted ✓ Finalize and Implement Style Guide ✓ Update FAQs ✓ Finalize and Publish Brochure ✓ Draft History Document | <ul style="list-style-type: none"> • Monitor and Update Web and Print Content as Needed • Finalize and Publish History Document | <ul style="list-style-type: none"> • Monitor and Update Web and Print Content as Needed | <ul style="list-style-type: none"> • Monitor and Update Web and Print Content as Needed |
| COMMUNICATIONS - PAYER | <ul style="list-style-type: none"> ✓ Ad Hoc | <ul style="list-style-type: none"> • Statutory Letter / Vaccine Grid Mailing • Ad Hoc | <ul style="list-style-type: none"> • See Compliance Workstream | <ul style="list-style-type: none"> • See Compliance Workstream |

Legend: Gray = Complete; Purple = In progress; Orange = On hold; Red = Behind schedule

| | | | | | | | | |
|--------------------------------------|---|---|---|---|---|--|---|---|
| COMMUNICATIONS - PROVIDER | ✓ | Direct Practice Research | • | Vaccine Grid Mailing | • | Partner with DOH on | • | Partner with DOH on |
| | ✓ | Partner with DOH on Provider Communications | • | Partner with DOH on Provider Communications | • | Provider Communications | • | Provider Communications |
| | ✓ | Ad Hoc | • | Ad Hoc | • | Ad Hoc | • | Ad Hoc |
| OPERATIONS | ✓ | Quarterly Policies and Procedures Maintenance Updates | • | Quarterly Policies and Procedures Maintenance Updates | • | Quarterly Policies and Procedures Maintenance Updates | • | Quarterly Policies and Procedures Maintenance Updates |
| | ✓ | Ongoing Payer Database Maintenance | • | Ongoing Payer Database Maintenance | • | Ongoing Payer Database Maintenance Annual Contractor Performance Review | • | Ongoing Payer Database Maintenance |
| FINANCE | ✓ | Review and Revise Cash Management Strategy (Cont.) | • | Annual Audit Preparation | • | Annual Audit Performed | | |
| | ✓ | FY2022 Grid and FY2022 Budget Development | • | FY2022 Grid and FY2022 Budget Approval | • | Annual Review of Banking Account Authorizations / Access Privileges | | |
| | ✓ | Review and Revise Investment Policy Statement | | | | | | |

Updated 04.15.2021

Legend: Gray = Complete; Purple = In progress; Orange = On hold; Red = Behind schedule

WASHINGTON VACCINE ASSOCIATION

AMENDED AND RESTATED PLAN OF OPERATION

WHEREAS, the Washington State Universal Childhood Vaccine Program operated by the Washington State Department of Health provides vaccines to children less than 19 years of age resident in Washington (the "Program");

WHEREAS, the Washington legislature has enacted SSHB 2551, Ch. 174, 61st Leg., 2010 Reg. Sess. (Wash. 2010) (the "Act"), now codified as Chapter 70.290 RCW, establishing a mechanism to assess insurers and third-party administrators for the costs of vaccines provided to certain children in Washington in support of the Program;

WHEREAS, the Act authorizes the formation of a not-for-profit corporation known as the Washington Vaccine Association (the "Association");

WHEREAS, the Association is governed by a Board of Directors (the "Board");

WHEREAS, as required by the Act, the Board has adopted a plan of operation dated May 10, 2010, which plan has been amended and restated in form approved by the Secretary of the Department of Health (the "Secretary") on April 11, 2013, and again on February 21, 2019;

WHEREAS, the Association desires to amend and restate the plan, subject to approval by the Secretary;

WHEREAS, the Association has members ("Members") consisting of (i) all health carriers issuing or renewing health benefit plans in Washington state; and (ii) all third-party administrators as defined in the Act ("TPAs") conducting business on behalf of residents of Washington state or Washington health care providers and facilities (collectively the "Payers");

RESOLVED that the Board hereby adopts the following Plan as required by the Act.

ARTICLE I

Effective Date; Amendment

This amended and restated plan and any amendments to same as may be approved from time to time by the Board (the "Plan") shall become effective upon the approval of the Secretary. Amendments may include a retroactive effective date if such date is proposed in the amendments and approved by the Secretary. The completion of any blanks in the exhibits will not constitute an amendment to this Plan, but the change in the structure or substance of any exhibit will be considered an amendment requiring approval.

ARTICLE II

Conformity to Act, Articles and Bylaws; Limitation of Liability; Priority of Documents

The Association shall perform its functions under this Plan and in accordance with the Act, which is hereby incorporated as part of this Plan. The provisions of the Articles of Incorporation and the Bylaws of the Association, as amended from time to time, are incorporated in this Plan of Operation by reference.

The liability of the Association, its members, directors, officers, employees and agents, and of health care providers arising from the lawful performance of their duties or required activities under the Act shall be limited as provided in the Act,¹ and further limited as provided in the Articles of Incorporation and Bylaws of the Association, as amended from time to time. The Association is governed by the above referenced documents together with the Policies as described in Article IX. In the event of any conflict between these documents, the order of priority of authority shall be as follows: The Act, Articles of Incorporation, Bylaws, this Plan, and the Policies.

ARTICLE III

Management of the Association and its Assets

A. The Board may select and employ an Executive Director to be responsible for the administration and conduct of the business and affairs of the corporation pursuant to guidance established by the Board, from time to time. The Executive Director shall have the full authority necessary for direction and conduct of the affairs of the Association. The Association may have such additional employees as the Board of Directors shall approve.

B. The Board may select and contract with one or more third parties for services needed to administer the affairs of the Association and to implement the functions contemplated by this Plan of Operation.

ARTICLE IV

Public Awareness

The Board may establish and maintain public awareness of the Association through development of a website containing basic descriptive data and downloadable copies of the Association's Articles and Bylaws, together with this Plan and such other information as the Board or the Executive Director may determine to be helpful or necessary from time to time. If, in the judgment of the Board, additional efforts are required to establish and maintain public awareness of the Association and understanding of its purpose and functions, the Board shall be authorized to undertake such additional efforts.

¹ See, for example, Sec. 8 of the Act.

ARTICLE V**Administrative Expenses; Accounting; Financial Reporting**

A. Financial and Other Records. Monthly, quarterly, and annual financial records shall be maintained and distributed by the Executive Director in accordance with the schedule set forth in **Exhibit A**. The quarterly report information shall include rolling forward-looking cash flow projections suitable to assist the Board in assuring adequacy of funds for future vaccine purchases and revising its assessment levels from time to time.

B. Annual Association Audit. The Association shall retain an independent certified public accounting ("CPA") firm to conduct an annual audit of the financial statements of the Association. The audit shall be conducted in accordance with generally accepted auditing standards, and an opinion shall be rendered by the CPA firm as to whether the Association's financial statements are fairly stated in accordance with generally accepted accounting principles. In conjunction with the annual audit, the CPA firm shall produce a management letter for the benefit of the Board. The results of the annual audit, together with the management letter, shall be presented to the Board's audit committee and forwarded to the entire Board. The CPA firm selected by the Association must be authorized to provide accounting services in the State of Washington.

C. Budgeting. The Executive Director shall draft an annual expense budget for review, modification as deemed necessary or appropriate, and approval by the Board prior to the commencement of each fiscal year. The Board shall assure that adequate internal control policies and procedures with respect to the handling of Association assets and liabilities by the Executive Director including but not limited to, cash, cash receipts, cash disbursements, assessments, investments, accounts payable, and administrative expenses, are in place, and may, in its discretion, at any time, engage the CPA firm to review such policies and procedures.

D. Bank Accounts. Money and marketable securities shall be kept in bank accounts and investment accounts as approved by the Board. The Association shall deposit receipts and make disbursements from these accounts. All bank accounts/checking accounts shall be established in the name of the Association and shall be approved by the Board members. Authorized check signers shall be approved by the Board.

E. Examination and Annual Report. The Association shall be subject to examination by the Secretary. The Board shall submit to the Secretary each year, not later than 120 days after the Association's fiscal year, a financial report and a report of its activities during the preceding fiscal year as required by the Act.

ARTICLE VI**Assessment Plan**

A. Dosage-Based Assessment. Because the Act contemplates an assessment methodology based on each Payer's actual use of vaccines (RCW 70.290.040(3)) and a payment plan (RCW 70.290.030(5)(n)), the Association has adopted a dosage-based assessment methodology ("DBA") further described on **Exhibit B**. Following Board vote of approval of DBA amounts as described in Section B of this Article, all Payers shall timely pay the Association all such assessments in accordance with the DBA amounts

in effect, unless the Association has specifically agreed in advance with a Payer to an alternative payment method. The DBA is not a medical claim. Payment of any DBA within the timeframe applicable under Washington State law to a medical claim will be deemed timely payment.

B. Assessment Grid. The Association shall post to its public website a grid of assessment amounts ("Assessment Grid"), by vaccine, to be applied to DBA transactions. From time to time, the Association will update the Assessment Grid as needed to assure that adequate funds, in aggregate, are available each month for transfer to the State's universal payment vaccination account for timely payment of invoices arising from the State's purchase of vaccines for which the Association is charged to provide funding under the Act. The Association will provide notice to its known Members of any revision to the assessment amounts. Such assessment revisions will be posted to the Association's website at least sixty (60) days prior to the effective date of the revisions.

ARTICLE VII

Member Audits; Interest and Late Assessments; Calculation of Penalty; Collection

A. Member Audits. An audit of a Member's compliance with obligations under the Act requires a majority vote of the Board or a request of the Secretary. The Association may audit compliance when a Member (i) fails to respond fully to any written request authorized by the Board for information concerning such Member's reporting for assessment purposes; a response is timely if made within forty-five (45) days after the date the request is mailed, postage pre-paid; or (ii) refuses to comply with the DBA without prior written approval by the Board of an alternative payment method. Any Member so audited shall reimburse the costs of such audit as required by the Act and this Plan of Operation within forty-five (45) days of the Board mailing, postage pre-paid, the Member notice that the Board has certified the audit costs. Upon failure of any such Member that has been audited to reimburse the costs of such audit, the Association shall provide notification to the Secretary of the unpaid costs due.

B. Interest and Late Assessments. Assessments shall be due and deemed late if not paid within ninety (90) days following the date of service of the vaccine. The Association may charge interest on assessments (or portion thereof) not paid when due after providing notice to the carrier or third-party administrator liable for payment of such delinquent assessment(s) that interest will be charged on delinquent assessments. The notice shall identify the delinquent assessments by reference to the applicable date or dates of service or by other reasonable method. Interest on delinquent assessments shall be charged from the date of such notice to the payor on the total of delinquent assessments at the rate of twelve percent (12%) per annum. Upon failure of a Member to make payment within ninety (90) days of the date of such notice, the Association shall send notification to the Secretary of the total unpaid assessment amount, the notice date for interest accrual, and the accruing interest amount.

C. Calculation of Civil Penalties. Upon receipt of notification from the Association pursuant to this Article, the Secretary shall calculate the civil penalty amount and assess a civil penalty against any Member as required by RCW 70.290.060.

D. Collection. The Association may separately pursue collection of amounts past due as may be authorized by the Board.

ARTICLE VIII

Remittance to Universal Vaccine Purchase Account

The Association shall remit its assessment receipts, less the Association's administrative costs and any reserves set by the Board from time to time, to the credit of the universal vaccine purchase account ("UVPA") established pursuant to RCW 43.70.720. Funds transferred to the UVPA shall be delivered on a "just-in-time" basis, in order to support the assessment collection process and to enable the Association to gain as much interest income as reasonably possible through its collection process to help offset its costs of administration. The Association shall promptly respond to any inquiry of the Secretary concerning the availability and timely transfer of funds, enabling the Secretary to make payment of the Association's share under the Act for vaccine purchases made by the State of Washington.

ARTICLE IX

Disputes

A. Member Appeal of Disputes to Board. Members may request permission to appear before the Board at any time in connection with any dispute with the Association relating to an assessment or assessment reconciliation. No such request or appeal relating to assessments shall be heard until the protesting party has paid the assessment in full.

B. Arbitration. All disputes and differences that cannot be agreed upon by the parties will be decided by arbitration. The arbitrator(s) will have the authority to interpret this Plan and, in doing so, shall consider the customs and practices of the insurance industry. The arbitration shall be conducted under the auspices of the American Arbitration Association in accordance with its commercial arbitration rules. Such arbitration shall be held in Seattle, Washington. This agreement to arbitrate shall be enforceable and judgment upon any award may be entered in any court having jurisdiction, which the parties hereby stipulate and agree, will include any court of appropriate subject matter jurisdiction located within the state of Washington. Reasonable costs of arbitration shall be borne equally by the parties and each party shall pay the cost of its own personnel and counsel involved in such proceedings.

ARTICLE X

Board Policies

The Board may from time to time adopt and post to the Association website one or more policies ("Policies"). Such Policies shall govern the operation of the Association from and after the date of such posting, subject to further amendment by the Board from time to time.

ARTICLE XI

Health Information

A. Authority of WVA. The Association, including its authorized subcontractors, will receive and use certain health information of individuals to whom a vaccine is administered and for which an assessment is collected by the Association as provided by the Act and this Plan of Operation. The Association receives and collects such information pursuant to the grant of authority and direction of the Act as part of the public health activities constituting the Program and solely for such purpose. For clarity, no personal or health information of individuals (including "protected health information" as defined by the HIPAA

administrative simplification rules) is or shall be obtained from or disclosed to the Department of Health in connection with the activities of the Association and operation of the Program.

B. Compliance with Health Information Privacy and Security Laws. As required by applicable federal and state law, including the Act, the Association will preserve and protect the privacy and security of individual health information that the Association receives and uses in the course of carrying out its statutory purpose, including without limitation maintaining appropriate privacy and security policies and procedures, and agreements with the Association's contractors, subcontractors and associates to preserve the privacy and security of the health information of individuals.

ARTICLE XII Agreements with Other States

Subject to approvals of the Secretary and the Board, the Association may from time to time (a) enter into one or more agreements with states other than Washington or vaccine funding organizations in such other states to address the needs of Washington resident children who receive vaccines in such other states and/or (b) make payments for vaccines for such children as requested by the Secretary. Such agreements may also address assessment equity and seek to minimize the risk of duplicate assessments for childhood vaccines. Payments under this Article or pursuant to agreements it authorizes shall be considered as vaccine costs in determining the assessments needed by the Association.

ARTICLE XIII TPA Registration

Each TPA Member shall provide the data elements identified in Exhibit C to the Association by making an initial filing when first becoming a Member, using such web-based tools as shall be offered by the Association, and, thereafter, review and update any information so filed with the Association within ten (10) days of the date of a change in the data previously filed by the Member. Exhibit C may be modified from time to time by the Association but not more frequently than annually. The Association shall undertake reasonable efforts to make available, generally 24/7 apart from periodic maintenance and backup, a web-based tool which enables TPAs to check and update their Exhibit C information on file with the Association.

In accordance with the Act, the foregoing Plan of Operation, as amended, is approved by the Secretary.

By:

Dated:

Umair A. Shah, MD, MPH
Washington Department of Health

Exhibit A
Schedule of Financial and Investment Statements

Financial Statement. Financial Statements will be released on the following schedule:

1. Monthly Statements: To the Treasurer and the Chairman of the Board fifteen (15) business days after the close of each month.
2. Quarterly Statements: To the full Board twenty-five (25) business days after the close of each quarter.
3. Annual Statements: Management's statements will be ready for internal review sixty (60) business days after the close of the year; full statements will be released to the public as soon as the audit is completed, and the audit report accepted by the Board.

Bank and Investment Statements. Reconciled bank statements will be sent to the Finance Committee fifteen (15) business days after the close of each month. Investment statements will be sent to the Finance Committee within fifteen (15) business days after the close of each quarter. Both the reconciled bank statements and the investment statements shall be made available upon request to all Board members.

Exhibit B**Washington Vaccine Association Dosage-Based Assessment Methodology**

Pursuant to Chapter 70.290 RCW, the Association collects and remits funds from health carriers and third-party administrators (collectively, the “Payers”) for the cost of vaccines provided to covered children in Washington state. The Association has developed a dosage-based assessment (“DBA”) method that uses a process similar to medical claims submissions to assess Payers for vaccines administered by providers to children who are Covered Lives of the Payers. “Covered Lives” has the meaning defined in Chapter 70.290.010 RCW. Providers administering vaccines to Covered Lives are required to submit a claim to the applicable Payer for administration of the vaccine and to submit separately a form (in claims format) complete with the billing code(s) for the vaccine(s) administered, the current vaccine assessment amount, the Association’s federal tax identifier and NPI (national provider identification) number, and other typical claim form information (date, patient, payer and provider information, etc.)

The provider is paid by the applicable Payer for the claim for vaccine administration.

Each DBA form sent by providers generates payment by the applicable Payer to the Association in the amount of the DBA assessment. Per-vaccine DBA assessment amounts are established and published from time to time by the Association as referenced in Article VI Section B.

Exhibit C
TPA Data Elements
for
Web-based TPA Registration with the Washington Vaccine Association

Pursuant to this Plan of Operation, TPAs are required to maintain current information with the WVA on the following data elements:

A. TPA name and address

(to identify the entity and provide basic corporate or other business contact information)

1. TPA legal name.
2. Alternative or d/b/a name(s), if any.
3. Mailing Address:
 - a. Address line 1
 - b. Address line 2
 - c. City
 - d. State
 - e. Zip
4. NAIC and Group #s, if any.
5. Federal Tax ID number.
6. State or jurisdiction of legal formation/ incorporation.

B. Primary Regulatory/Compliance Contact

(contact information for individual primarily responsible for day-to-day WVA compliance)

1. First Name
2. Last Name
3. Position
4. Phone
5. Fax
6. Email
7. Mailing Address
 - a. Address line 1
 - b. Address line 2
 - c. City
 - d. State
 - e. Zip

C. Secondary Regulatory/Compliance Contact

(contact information for executive primarily responsible for overall WVA compliance and/or policy communications)

1. First Name
2. Last Name
3. Position
4. Phone
5. Fax
6. Email
7. Mailing Address
 - a. Address line 1

- b. Address line 2
- c. City
- d. State
- e. Zip

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