

What: Board of Directors Meeting  
When: June 17, 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](mailto: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	Page		Topic/ <b>Anticipated Action (Votes are in Red)</b>	Presented by:
2:00-2:10 p.m.			1. Welcome & Introductions a. Notification of Recording b. Roll Call	C. Murphy J. Zell
2:10-2:15 p.m.	3-5	*	2. Consent Calendar Items a. <b>Board Meeting Minutes April 22, 2021</b>	C. Murphy
2:15-2:25 p.m.	6-23	*	3. Financial Update a. Financials Update b. Fiscal Year End	P. Miller/ J. Zell
2:25-2:40 p.m.			4. DOH Updates	M. Roberts
2:40-3:15 p.m.	24-33 34  35-36	* * *	5. ED Updates a. <b>Approval of Plan of Operation Changes</b> b. Proposed Mission Statement c. Compliance Update i. Provider Monitoring ii. Payer Compliance iii. Discussion d. Quarterly Goals Status	J. Zell
3:15-3:20 p.m.			6. Public Comment (if time permits)	C. Murphy
3:20-4:00 p.m.			7. Executive Session (public excluded)	

\*Indicates agenda item attached  
**Red text indicates an action item**

**June 17, 2021**

**WVA Board of Directors Meeting**

**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 April 22, 2021 meeting minutes.

[To approved April 22, 2021 meeting with the changes suggested at the meeting.]

**Items under Agenda Section 5:**

VOTED: To approve the Plan of Operation as presented at the Board meeting.

[To approve the Plan of Operation with the changes suggested at the Board meeting.]

**Items under Agenda Section 7:**

VOTED: To approve the Helms Contract Amendment as presented at the Board meeting.

[To approve the the Helms Contract Amendment with the changes suggested at the Board meeting.]

VOTED: To delegate standing authority to the WVA's Executive Committee to approve administrator contracts and amendments.

[To delegate standing authority to the WVA's Executive Committee to approve administrator contracts and amendments with the changes suggested at the Board meeting.]

**Washington Vaccine Association  
Board of Directors Meeting  
April 22, 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  
Beth Harvey, MD, Sound Pediatrics, Vice Chair  
Patricia Auerbach, MD, MBA, FACP, Treasurer,  
UnitedHealthcare  
Ed Marcuse, MD, Emeritus Professor of  
Pediatrics, University of Washington, Secretary  
John Dunn, MD, MPH, Kaiser Permanente  
Cathy Falanga, Aetna Life Insurance Company  
Jason Farber, Esq., Davis Wright Tremaine LLP  
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  
Polly Sidwell, Morgan Stanley  
Rick Hourigan, MD, MHA, Market Medical  
Executive, PNW(Seattle), Cigna  
Derek LeBrun, MBA, Coordinated Care

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

Actions Taken (votes adopted)

- i. To approve February 4, 2021 meeting minutes.
- ii. To adopt the proposed changes to the Investment Policy Statement with the changes suggested at the meeting.
- iii. To authorize the Operations Committee to finalize the 2021-22 Assessment Grid in accordance with the Board's direction.
- iv. To approve the 2021-22 Administrative Budget as presented at the 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. Ms. Zell took roll call and introduced Dr. Hourigan from Cigna who will serve as a new member of the Vaccine Committee.

Consent Calendar

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

**VOTED: To approve February 4, 2021 meeting minutes.**

Financial Update

Ms. Sidwell reviewed the WVA investment policy, investment portfolio, and the rationale for requesting approval for a modification to the WVA investment policy. The current WVA investment policy is appropriately conservative, holding fixed income securities for 0-to-5-years with only 20% in the 3-to-5-years range to ensure ample liquidity. Investments are limited to treasury securities, US agency bonds, corporate bonds, and FDIC-secured CDs.

Ms. Sidwell reviewed the WVA investment summary and noted there was a slight loss in the last year due to low interest rates. Interest rates have recently risen which has created an opportunity to invest in the 3-to-5-year range. Ms. Sidwell explained that the 0-1-year range was returning close to 0%.

Ms. Zell reviewed the proposed changes to the Investment Policy Statement (IPS). Mr. Farber suggested that the policy should give discretion to determine the timing of when a sale of a security is mandated due to a change in the credit rating. Ms. Sidwell and Dr. Auerbach agreed that the language should ensure proper due diligence prior to when a sale occurs and allow for flexibility in response to the market conditions/opportunities. It was agreed that page 2 of the policy should add this language. Ms. Zell and Ms. Sidwell confirmed that they would draft proposed language and have it reviewed by the Finance Committee members.

Upon motion duly made and seconded, it was unanimously

**VOTED: To adopt the proposed changes to the Investment Policy Statement with the changes suggested at the meeting.**

Mr. Miller provided an overview of the WVA unaudited financial statements for nine-months ending March 2021. Assessment collections in March exceeded remittances to the Department of Health (DOH) and the cash position remains strong. The administrative expenses are ahead of budget by \$153,359 and the WVA is expected to end the year ahead of budget.

Mr. Miller reviewed the projected FY2022 budget which has a reduction in total expenses compared to the FY2021 budget. The FY2022 budget has been reviewed in detail by the Finance Committee and several lines have been removed or consolidated. Dr. Auerbach confirmed that the Finance Committee worked to simplify and provide greater transparency in the FY2022 budget.

Mr. Miller reviewed the process for the development of the 2021-22 Assessment Grid (Grid). Dr. Harvey asked how pediatric COVID-19 vaccines were factored into the Grid. Mr. Miller clarified that the COVID-19 vaccine is not included in the 2021-22 Grid, but discussions have taken place regarding inclusion in the next year's Grid or at such time as the vaccine is no longer a federal asset. Ms. Zell confirmed that a portion of the WVA cash reserves are intended to offset the addition of a pediatric COVID-19 vaccine to the Grid in the future to ensure stability in the Grid pricing; the WVA is fully assuming it will be responsible for the COVID vaccine at some point. Dr. Auerbach agreed that Grid stability for payers was important and that it would lead to lower denials and administrative cost for the WVA. Dr. Marcuse requested that the Board re-evaluate the assumptions used in the creation of the Assessment Grid if cash reserves do not begin to decrease as planned.

Upon motion duly made and seconded, it was unanimously

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

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

Ms. Zell shared with the Board that the Finance Committee approved the auditor selection for the FY2021 audit which will begin shortly. The letter of agreement has been updated to avoid unanticipated expenses.

#### Executive Director Updates

Ms. Zell previewed the WVA brochure. It will be shared with the Operations Committee before going to print. Mr. Murphy requested consideration of an adjustment from the phrase "raised" to "collected" in one of the graphics. He encouraged all Board members to send additional comments directly to Ms. Zell. She then previewed the brand identity guide. The goal is to have a professional look through consistency across WVA communication and resources. Finally, Ms. Zell reviewed the quarterly goals. All goals are on track.

Ms. Zell reviewed the proposed changes to the Plan of Operations related to the late payment interest provision. Ms. Redman clarified for the Board that according to the statute, the WVA has authority to charge interest while the Department of Health has the authority to collect penalties. Ms. Falanga expressed a concern regarding the triggering event, the date of service. She suggested the triggering event instead be the date a payer receives a dosage-based assessment (DBA) which generated robust discussion about what data is in the WVA's possession. The Board

discussed several approaches to the triggering event as well as when interest may be applied. Mr. Murphy recommended this provision of the Plan of Operation be sent to the Operations Committee next week for further discussion before coming before the Board for a final vote.

#### Department of Health Update

Ms. Roberts delivered the DOH update on the COVID-19 vaccine rollout. Four months into vaccine availability, 25% is fully vaccinated and an additional 35% of the population is in the process of being vaccinated. She commended the work by the providers, local health departments, and others for the rapid uptake. Ms. Roberts stated that the vaccination effort is in a race against a fourth wave of infections in the state. While the fourth wave has been muted by the vaccination effort, the disease rate is high. Everyone must continue to be diligent in following prevention measures such as mask wearing, social distancing, and holding interactions outside. The DOH is focusing on reducing vaccine access inequities by race and ethnicity by ensuring that communities at risk have easy access to vaccinations through working with community-based partners and using trusted messengers to share accurate information about the COVID-19 vaccine. Ms. Rogers requested everyone's help to amplify the DOH message, to encourage individuals to get vaccinated, and to answer vaccination questions.

Ms. Jorgenson, from the DOH presented various updates regarding new vaccines and school-based immunization campaigns. Ms. Jorgenson review two vaccines that will be introduced to the grid in 2021, MenQuadfi and Vaxelis. MenQuadfi will replace Menactra and will be phased in over time. Vaxelis is a new hexavalent vaccine that will replace a combination of vaccinations. She reminded everyone that a survey is open to providers right now that will help inform the DOH decisions on vaccine purchasing of these two, new vaccines. Ms. Jorgenson shared that National Infant Immunization Week starts Saturday and that the Vax to School campaign is also in the works. Media kits are available on the DOH website. She stressed the importance of having children caught up on their immunizations before the rollout of a pediatric COVID-19 vaccine.

Mr. Murphy thanked Ms. Roberts and Ms. Jorgenson for their hard work. Mr. Murphy asked about access to the vaccine registry by payers to support targeted messaging. Ms. Roberts said that it is a matter of staffing and prioritization at the moment.

#### Vaccine Committee Update

Dr. Marcuse said that many of the items shared by the DOH were discussed at the most recent Vaccine Committee. He shared that the Committee heard from office-based providers from around the state. Key takeaways were that children under three were catching up on their immunizations but that the Committee members shared a concern for the immunization rates of adolescents as well as the buildup of more susceptible populations. Dr. Marcuse said that as we move ahead with a pediatric COVID-19 vaccine we will need to figure out how to integrate it with a catch up for measles and HPV vaccines. Dr. Harvey said that the lack of a flu season this year was making it harder to ensure infants were vaccinated.

#### **IV. Executive Session. Confidential.**

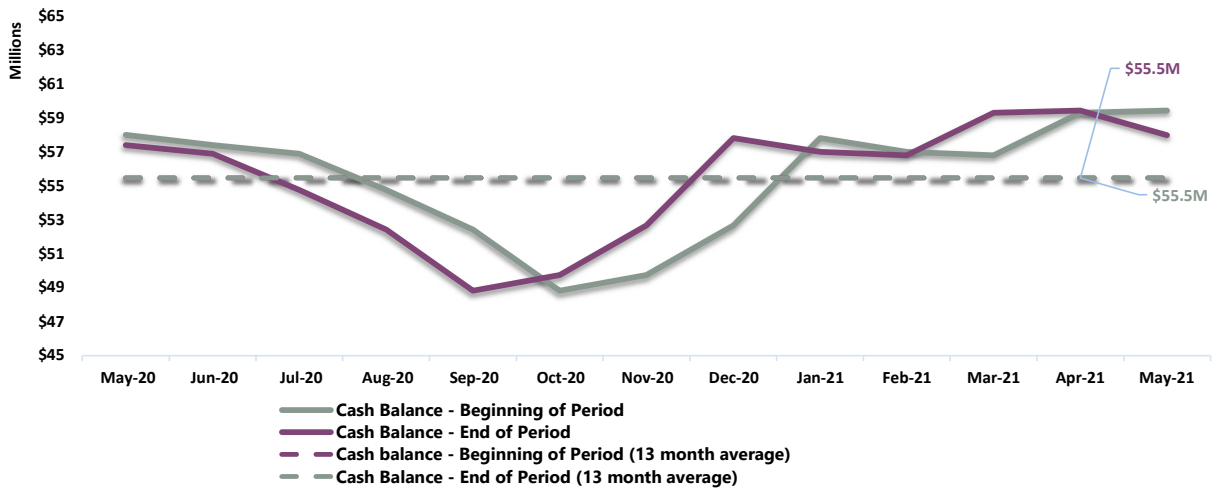
#### **V. Closing.**

With no further business before the Committee, Mr. Murphy closed the meeting at 4:02 pm PST.

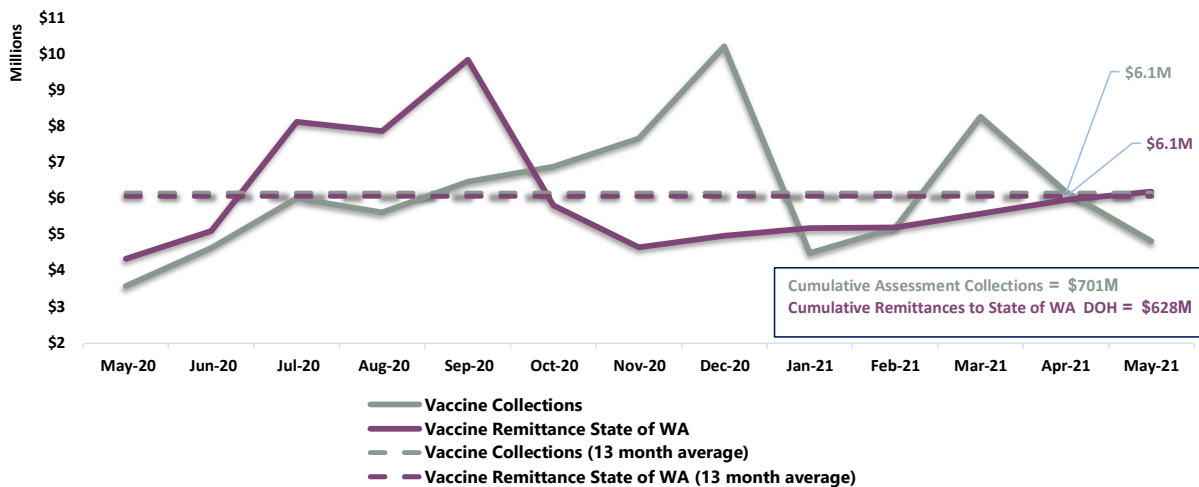
WASHINGTON VACCINE ASSOCIATION  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE ELEVEN MONTHS ENDED  
MAY 31, 2021  
With Supplemental Informational Reporting

Prepared by  
Helms & Company, Inc., Administrator

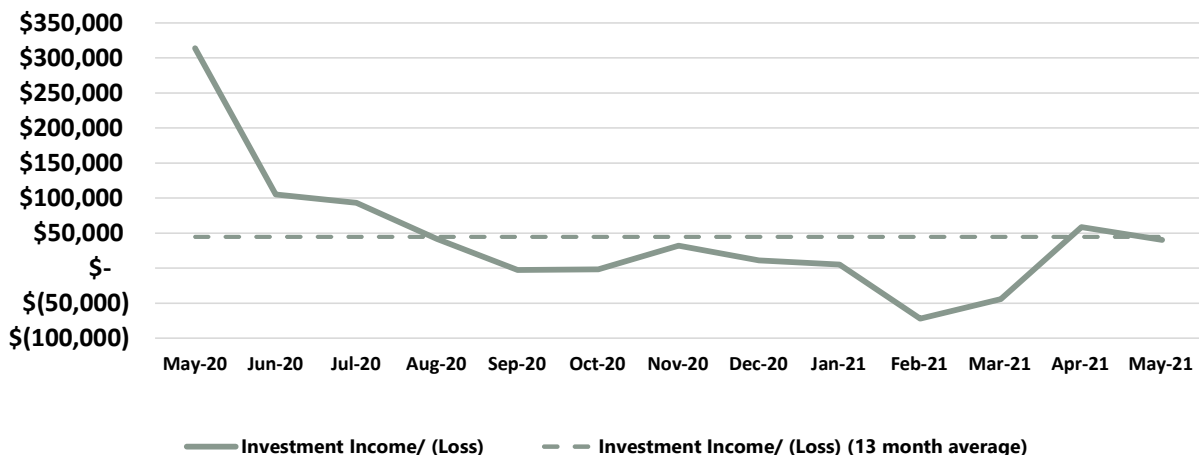
### Cash Balances Beginning and End of Period May 2020 - May 2021



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



### Investment Income / (Loss) May 2020 - May 2021



Washington Vaccine Association  
Statement of Cash Flows  
For the Periods Ended

	M	M	O	P	Q	R	S	T	U	V	W	X	Y	Z	Q
	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	Month 4/30/2021	Month 5/31/2021	13 Month Average
1 Cash balance - beginning	\$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	\$ 59,424,668	\$ 55,582,727
<b>Inflows:</b>															
2 Vaccine collections	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	6,176,261	4,815,842	6,032,685
3 Interest income - payers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Investment income/ (loss)	423,706	313,654	104,782	93,280	41,498	(2,857)	(1,665)	31,728	10,991	4,909	(72,190)	(44,049)	58,685	40,240	62,794
5 Total inflows	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	6,234,946	4,856,082	\$ 6,095,478
<b>Outflows:</b>															
<b>Program</b>															
6 Vaccine remittance State of WA	(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)	(5,957,838)	(6,192,181)	(5,960,053)
<b>Administration</b>															
7 Direct Processing Costs	(65,432)	(65,432)	(66,479)	(7,015)	(65,432)	(134,939)	(70,542)	(66,475)	(3,250)	(87,605)	(75,106)	(74,230)	(78,889)	(83,857)	(64,781)
8 Executive Director Costs and Support Fees	(28,841)	(43,093)	(20,417)	(18,673)	(21,723)	(17,762)	(22,370)	(20,953)	(17,762)	(19,093)	(20,231)	(19,275)	(23,346)	(22,105)	(22,199)
9 Provider and Payer Education and Outreach	-	-	-	-	(5,125)	-	(10,501)	(11,717)	(3,861)	(775)	(2,653)	-	(110)	(4,418)	(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)	(6,980)	(717)	(39,211)
11 Other Discretionary Expenditures	(91,900)	(3,000)	-	-	-	-	-	-	(16,500)	-	(7,000)	(7,000)	(23,480)	(7,000)	(23,179)
12 Total Administration	(202,846)	(174,684)	(127,335)	(117,109)	(135,092)	(223,444)	(146,031)	(125,028)	(92,933)	(126,059)	(112,221)	(139,122)	(132,805)	(118,097)	(152,034)
13 Net all other outflows	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Total outflows	(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)	(6,090,643)	(6,310,278)	(6,112,087)
15 Net Cash Incr (decr) for period	(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	144,303	(1,454,196)	(16,609)
16 Cash balance - end of period	\$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	\$59,424,668	\$ 57,970,472	\$55,566,118

Note: Cash balance includes amounts in KeyBank and Morgan Stanley



**Washington Vaccine Association**  
**Statement of Financial Position**  
**As of May 31, 2021**

**ASSETS**

1	Current Assets		
2	Cash and Cash Equivalents	\$	2,141,512
3	Accounts Receivable		-
4	Investments		55,828,960
5	Members Estimated Collectible Assessments		7,137,768
6	Prepaid Vaccine		6,115,534
7	Prepaid Administrative Services		-
8	Total Current Assets		<u>71,223,774</u>
9	Total Assets	\$	<u><u>71,223,774</u></u>

**LIABILITIES AND NET ASSETS**

10	Current Liabilities		
11	Accounts Payable	\$	85,790
12	Other Accruals		249,770
13	Total Current Liabilities		<u>335,560</u>
14	Assessments Collected in Excess of Vaccine Funding and Administrative Activities		<u>70,888,213</u>
15	Total Liabilities		<u>71,223,774</u>
16	Total Liabilities and Net Assets	\$	<u><u>71,223,774</u></u>

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

	A	B	C	D	E	F
	Month Ended May 31, 2021			Month Ended May 31, 2020		
	Administrative	Vaccine	Total	Administrative	Vaccine	Total
	Revenues / Vaccine Expenses					
1 <b>Assessment Activity:</b>						
2 <b>Assessments</b>	\$ 100,217	\$ 4,007,819	\$ 4,108,036	\$ 660,404	\$ 4,719,070	\$ 5,379,474
3 <b>Recoveries</b>	-	757,964	757,964	-	-	-
4 <b>Estimated Over (Under) Collections</b>	-	-	-	-	-	-
5 <b>Refunds</b>	(31,244)	-	(31,244)	(22,362)	-	(22,362)
6 <b>Estimated 2% Waste</b>	(117,299)	-	(117,299)	(109,114)	-	(109,114)
7 <b>Estimated Price Variance and Denial</b>	(18,877)	-	(18,877)	(720,994)	-	(720,994)
8 <b>DOH Replenishment</b>	-	(3,306,297)	(3,306,297)	-	(3,472,455)	(3,472,455)
9 <b>Adjustment to Correct Inventory</b>	-	-	-	-	-	-
10 <b>DOH Cost Recovery Admin Charge</b>	(84,934)	-	(84,934)	(93,114)	-	(93,114)
11 <b>Interest Income on Assessments</b>	-	-	-	-	-	-
12 <b>Net Assessment Activity</b>	(152,136)	1,459,486	1,307,350	(285,180)	1,246,616	961,436
13 <b>Investment Activity:</b>						
14 <b>Interest and Dividend Income - Morgan Stanley</b>	91,939	-	91,939	145,627	-	145,627
15 <b>Realized Gain/(Loss) on Investments - Morgan Stanley</b>	5,826	-	5,826	1,649	-	1,649
16 <b>Unrealized Gain/(Loss) on Investments - Morgan Stanley</b>	(46,353)	-	(46,353)	154,449	-	154,449
17 <b>Investment Management Expenses</b>	(11,289)	-	(11,289)	(11,880)	-	(11,880)
18 <b>Interest Income - KeyBank</b>	117	-	117	48	-	48
19 <b>Net Investment Activity</b>	40,240	-	40,240	289,894	-	289,894
20 <b>Net Revenues</b>	(111,896)	1,459,486	1,347,590	4,714	1,246,616	1,251,330

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

	A	B	C	D	E	F
	Month Ended May 31, 2021			Month Ended May 31, 2020		
	Administrative	Vaccine	Total	Administrative	Vaccine	Total
	Other Expenses					
21 Administrative Expenses:						
22 Direct Processing Costs						
23 Helms & Company (Previously KidsVax)	65,432	-	65,432	131,576	-	131,576
24 Lockbox Image Conversion and Clearinghouse Intake (OrboGraph)	6,328	-	6,328	5,630	-	5,630
25 Clearinghouse Intake Processing (Avality, Zelis)	6,921	-	6,921	327	-	327
26 Lockbox Fees	4,983	-	4,983	3,845	-	3,845
27 CollaborateMD	194	-	194	-	-	-
28 Total Direct Processing Costs	83,857	-	83,857	141,378	-	141,378
29						
30 Executive Director Costs and Related Support Fees						
31 Executive Director Salary	17,510	-	17,510	-	-	-
32 Payroll Taxes	1,494	-	1,494	-	-	-
33 Leased Employee per Check Fee	195	-	195	44,684	-	44,684
34 Executive Director Travel and Lodging, Education, and Other	2,499	-	2,499	-	-	-
35 Technology Support (Desktop and Telephony)	335	-	335	494	-	494
36 Total Executive Director Costs and Related Support Fees	22,033	-	22,033	45,178	-	45,178
37						
38 Provider and Payer Education and Outreach						
39 Provider Education Materials, Development and Printing	5,438	-	5,438	5,250	-	5,250
40 Postage	-	-	-	-	-	-
41 Website and Information Technology	-	-	-	335	-	335
42 Technical Consultant - Margaret Lane	1,628	-	1,628	-	-	-
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	7,066	-	7,066	5,585	-	5,585
49						
50 Administrative Costs						
51 Legal Counsel	6,920	-	6,920	35,184	-	35,184
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	407	-	407	189	-	189
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 May 31, 2021			Month Ended May 31, 2020		
		Administrative	Vaccine	Total	Administrative	Vaccine	Total
64	General Liability	-	-	-	-	-	-
65	Total Administrative Costs	7,327	-	7,327	35,373	-	35,373
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	127,283	-	127,283	230,513	-	230,513
75	Total Change in Unrestricted Net Assets	\$ (239,179)	\$ 1,459,486	\$ 1,220,307	\$ (225,799)	\$ 1,246,616	\$ 1,020,816

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

		A	B	C	D	E	F
		Month Ended May 31, 2021			For Eleven Months Ended May 31, 2021		
		Administrative	Vaccine	Total	Administrative	Vaccine	Total
		<b>Revenues / Vaccine Expenses</b>					
1	Assessment Activity:						
2	Assessments	\$ 100,217	\$ 4,007,819	\$ 4,108,036	\$ (1,112,862)	\$ 67,815,724	\$ 66,702,862
3	Recoveries	-	757,964	757,964	-	5,551,100	5,551,100
4	Estimated Over (Under) Collections	-	-	-	-	-	-
5	Refunds	(31,244)	-	(31,244)	(346,444)	-	(346,444)
6	Estimated 2% Waste	(117,299)	-	(117,299)	(1,216,305)	-	(1,216,305)
7	Estimated Price Variance and 3% Denial	(18,877)	-	(18,877)	(262,695)	-	(262,695)
8	DOH Replenishment	-	(3,306,297)	(3,306,297)	-	(63,632,067)	(63,632,067)
9	Adjustment to Correct Inventory	-	-	-	1,034,189	(8,860,993)	(7,826,804)
10	DOH Cost Recovery Admin Charge	(84,934)	-	(84,934)	(963,262)	-	(963,262)
11	Interest Income on Assessments	-	-	-	-	-	-
12	Net Assessment Activity	(152,136)	1,459,486	1,307,350	(2,867,379)	873,763	(1,993,616)
13	Investment Activity:						
14	Interest and Dividend Income - Morgan Stanley	91,939	-	91,939	1,033,404	-	1,033,404
15	Realized Gain/(Loss) on Investments - Morgan Stanley	5,826	-	5,826	137,193	-	137,193
16	Unrealized Gain/(Loss) on Investments - Morgan Stanley	(46,353)	-	(46,353)	(935,963)	-	(935,963)
17	Investment Management Expenses	(11,289)	-	(11,289)	(119,130)	-	(119,130)
18	Interest Income - KeyBank	117	-	117	597	-	597
19	Net Investment Activity	40,240	-	40,240	116,101	-	116,101
20	Net Revenues	(111,896)	1,459,486	1,347,590	(2,751,278)	873,763	(1,877,515)

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

	A	B	C	D	E	F
	Month Ended May 31, 2021			For Eleven Months Ended May 31, 2021		
	Administrative	Vaccine	Total	Administrative	Vaccine	Total
	Other Expenses					
21 Administrative Expenses:						
22   Direct Processing Costs						
23     Helms & Company (Previously KidsVax)	65,432	-	65,432	719,752	-	719,752
24     Lockbox Image Conversion and Clearinghouse Intake (OrboGraph)	6,328	-	6,328	93,726	-	93,726
25     Clearinghouse Intake Processing (Avality, Zelis)	6,921	-	6,921	48,448	-	48,448
26     Lockbox Fees	4,983	-	4,983	48,787	-	48,787
27     CollaborateMD	194	-	194	1,223	-	1,223
28   Total Direct Processing Costs	83,857	-	83,857	911,937	-	911,937
29						
30   Executive Director Costs and Related Support Fees						
31     Executive Director Salary	17,510	-	17,510	189,816	-	189,816
32     Payroll Taxes	1,494	-	1,494	12,594	-	12,594
33     Leased Employee per Check Fee	195	-	195	2,535	-	2,535
34     Executive Director Travel and Lodging, Education, and Other	2,499	-	2,499	13,756	-	13,756
35     Technology Support (Desktop and Telephony)	335	-	335	4,255	-	4,255
36   Total Executive Director Costs and Related Support Fees	22,033	-	22,033	222,957	-	222,957
37						
38   Provider and Payer Education and Outreach						
39     Provider Education Materials, Development and Printing	5,438	-	5,438	37,098	-	37,098
40     Postage	-	-	-	304	-	304
41     Website and Information Technology	-	-	-	4,085	-	4,085
42     Technical Consultant - Margaret Lane	1,628	-	1,628	4,681	-	4,681
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	7,066	-	7,066	48,370	-	48,370
49						
50   Administrative Costs						
51     Legal Counsel	6,920	-	6,920	107,603	-	107,603
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	407	-	407	7,397	-	7,397
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	7,327	-	7,327	180,258	-	180,258
66						
67   Other Discretionary Expenditures						
68     Conversion/Implementation Cost	-	-	-	16,500	-	16,500
69     Tricare Legislative & Administrative Services	-	-	-	-	-	-

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

		A	B	C	D	E	F
		Month Ended May 31, 2021			For Eleven Months Ended May 31, 2021		
		Administrative	Vaccine	Total	Administrative	Vaccine	Total
70	Executive Director and Other Contractor Bonus	-	-	-	16,480	-	-
71	Denied Claims Recovery Expenses	5,250	-	5,250	36,750	-	36,750
72	Direct Healthcare Practices Operations	-	-	-	-	-	-
73	Covid-19 Expenses	1,750	-	1,750	19,250	-	19,250
	Total Other Discretionary Expenditures	7,000	-	7,000	88,980	-	88,980
74	Total Administrative Expenses	127,283	-	127,283	1,452,501	-	1,452,501
75	Total Change in Unrestricted Net Assets	\$ (239,179)	\$ 1,459,486	\$ 1,220,307	\$ (4,203,779)	\$ 873,763	\$ (3,330,017)

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

		For Eleven Months Ended May 31, 2021			For Eleven Months Ended May 31, 2020		
		A	B	C	D	E	F
		Administrative	Vaccine	Total	Administrative	Vaccine	Total
		Revenues / Vaccine Expenses					
1	Assessment Activity:						
2	Assessments	\$ (1,112,862)	\$ 67,815,724	\$ 66,702,862	\$ 7,037,349	\$ 66,054,010	\$ 73,091,359
3	Recoveries	-	5,551,100	5,551,100	-	-	-
4	Estimated Over (Under) Collections	-	-	-	364,472	2,230,634	2,595,106
5	Refunds	(346,444)	-	(346,444)	(452,428)	-	(452,428)
6	Estimated 2% Waste	(1,216,305)	-	(1,216,305)	(1,407,388)	-	(1,407,388)
7	Estimated Price Variance and 3% Denial	(262,695)	-	(262,695)	(4,287,782)	-	(4,287,782)
8	DOH Replenishment	-	(63,632,067)	(63,632,067)	-	(57,977,751)	(57,977,751)
9	Adjustment to Correct Inventory	1,034,189	(8,860,993)	(7,826,804)	-	-	-
10	DOH Cost Recovery Admin Charge	(963,262)	-	(963,262)	(370,232)	-	(370,232)
11	Interest Income on Assessments	-	-	-	-	-	-
12	Net Assessment Activity	(2,867,379)	873,763	(1,993,616)	883,990	10,306,893	11,190,883
13	Investment Activity:						
14	Interest and Dividend Income - Morgan Stanley	1,033,404	-	1,033,404	1,273,309	-	1,273,309
15	Realized Gain/(Loss) on Investments - Morgan Stanley	137,193	-	137,193	38,207	-	38,207
16	Unrealized Gain/(Loss) on Investments - Morgan Stanley	(935,963)	-	(935,963)	350,283	-	350,283
17	Investment Management Expenses	(119,130)	-	(119,130)	(118,814)	-	(118,814)
18	Interest Income - KeyBank	597	-	597	79,888	-	79,888
19	Net Investment Activity	116,101	-	116,101	1,622,873	-	1,622,873
20	Net Revenues	(2,751,278)	(8,039,606)	(1,877,515)	2,506,863	10,306,893	12,813,756



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

	A	B	C	D	E	F
	For Eleven Months Ended May 31, 2021			For Eleven Months Ended May 31, 2020		
	Administrative	Vaccine Other Expenses	Total	Administrative	Vaccine	Total
21 Administrative Expenses:						
22 Direct Processing Costs						
23 Helms & Company (Previously KidsVax)	719,752	-	719,752	846,196	-	846,196
24 Lockbox Image Conversion and Clearinghouse Intake	93,726	-	93,726	74,674	-	74,674
25 Clearinghouse Intake Processing (Availability, Zelis)	48,448	-	48,448	223,117	-	223,117
26 Lockbox Fees	48,787	-	48,787	53,156	-	53,156
27 CollaborateMD	1,223	-	1,223	-	-	-
28 Total Direct Processing Costs	911,937	-	911,937	1,197,143	-	1,197,143
29						
30 Executive Director Costs and Related Support Fees						
31 Executive Director Salary	189,816	-	189,816	155,437	-	155,437
32 Payroll Taxes	12,594	-	12,594	-	-	-
33 Leased Employee per Check Fee	2,535	-	2,535	68,457	-	68,457
34 Executive Director Travel and Lodging, Education, and	13,756	-	13,756	58,938	-	58,938
35 Technology Support (Desktop and Telephony)	4,255	-	4,255	10,322	-	10,322
36 Total Executive Director Costs and Related Support Fees	222,957	-	222,957	293,155	-	293,155
37						
38 Provider and Payer Education and Outreach						
39 Provider Education Materials, Development and Printing	37,098	-	37,098	21,974	-	21,974
40 Postage	304	-	304	-	-	-
41 Website and Information Technology	4,085	-	4,085	37,760	-	37,760
42 Technical Consultant - Margaret Lane	4,681	-	4,681	-	-	-
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	48,370	-	48,370	59,734	-	59,734
49						
50 Administrative Costs						
51 Legal Counsel	107,603	-	107,603	135,087	-	135,087
52 Audit Fees	15,467	-	15,467	14,700	-	14,700
53 Government Relations, Including Travel, Meals, and	-	-	-	-	-	-
54 Registered Agent Fee	-	-	-	-	-	-
55 Bank Fees	-	-	-	7,508	-	7,508
56 Office Supplies and Equipment	7,397	-	7,397	12,160	-	12,160
57 Rent, ELM and Storage Facility	252	-	252	453	-	453
58 Other Admin Support Provided by Lessor	-	-	-	-	-	-
59 Board Retreat and Meetings	-	-	-	-	-	-
60 Insurance	-	-	-	-	-	-

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

		A	B	C	D	E	F
		For Eleven Months Ended May 31, 2021			For Eleven Months Ended May 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	180,258	-	180,258	212,489	-	212,489
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	16,480	-	-	-	-	-
70	Denied Claims Recovery Expenses	36,750	-	36,750	27,000	-	27,000
71	Direct Healthcare Practices Operations	-	-	-	-	-	-
72	Covid-19 Expenses	19,250	-	19,250			
	Total Other Discretionary Expenditures	88,980	-	88,980	(46,271)	-	(46,271)
74	Total Administrative Expenses	1,310,997	-	1,452,501	1,716,249	-	1,716,249
75	Total Change in Unrestricted Net Assets	\$ (4,062,275)	\$ (8,039,606)	\$ (3,330,017)	\$ 790,614	\$ 10,306,893	\$ 11,097,507

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

	A Approved Budget	B Actual May 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	6,328	9,927
4 Clearinghouse Intake Processing (Avality, Zelis)	1,350	6,921	(5,571)
5 Lockbox Fees	3,650	4,983	(1,333)
6 CollaborateMD	189	194	(5)
7 Total Direct Processing Costs	86,876	83,857	3,018
8 Executive Director Costs and Related Support Fees			
9 Executive Director Salary	17,424	17,510	(86)
10 Payroll Taxes	1,767	1,494	273
11 Leased Employee per Check Fee	195	195	-
12 Executive Director Travel and Lodging, Education, and Other	8,000	2,499	5,501
13 Technology Support (Desktop and Telephony)	335	335	-
14 Total Executive Director Costs and Related Support Fees	27,721	22,033	5,688
15 Provider and Payer Education and Outreach			
16 Provider Education Materials, Development and Printing	6,250	5,438	812
17 Postage	1,000	-	1,000
18 Website and Information Technology	1,250	-	1,250
19 Technical Consultant - Margaret Lane	1,000	1,628	(628)
20 Conferences and Education Sessions, Including Travel and Meals	2,000	-	2,000
21 Provider Office Training Sessions, Including Travel and Meals	1,000	-	1,000
22 Advertising and Sponsorships	1,000	-	1,000
23 Hospitality	333	-	333
24 Subcontractor Assistance	6,500	-	6,500
25 Total Provider and Payer Education and Outreach	20,333	7,066	13,267
26 Administrative Costs			
27 Legal Counsel	5,000	6,920	(1,920)
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	11,289	(1,956)
33 Office Supplies and Equipment	450	407	43
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	18,616	1,250
42 Other Discretionary Expenditures			
43 Conversion/Implementation Cost	-	-	-
44 Executive Director and Other Contractor Bonus	100,000	-	100,000
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	105,500	7,000	98,500
49 Total Budget	260,296	138,572	121,724

Washington Vaccine Association  
Administrative Budget Status  
For the Quarter Ending June 30, 2021

	A Approved Budget	B Actual May 31, 2021	C Budget Variance
1 Direct Processing Costs			
2 Helms & Company (Previously KidsVax)	\$ 130,864	\$ 130,864	\$ -
3 Lockbox Image Conversion and Clearinghouse Intake (OrboGraph)	32,509	11,978	\$ 20,531
4 Clearinghouse Intake Processing (Availity, Zelis)	2,700	14,727	\$ (12,027)
5 Lockbox Fees	7,500	11,685	\$ (4,185)
6 CollaborateMD	378	388	\$ (10)
7 Total Direct Processing Costs	173,951	169,643	\$ 4,308
8 Executive Director Costs and Related Support Fees			
9 Executive Director Salary	34,848	35,707	(859)
10 Payroll Taxes	3,534	4,347	(813)
11 Leased Employee per Check Fee	780	780	-
12 Executive Director Travel and Lodging, Education, and Other	14,000	3,874	10,126
13 Technology Support (Desktop and Telephony)	670	670	-
14 Total Executive Director Costs and Related Support Fees	53,832	45,378	8,454
15 Provider and Payer Education and Outreach			
16 Provider Education Materials, Development and Printing	12,500	5,438	7,062
17 Postage	2,000	110	1,890
18 Website and Information Technology	2,500	-	2,500
19 Technical Consultant - Margaret Lane	2,000	1,628	373
20 Conferences and Education Sessions, Including Travel and Meals	2,000	-	2,000
21 Provider Office Training Sessions, Including Travel and Meals	2,000	-	2,000
22 Advertising and Sponsorships	1,000	-	1,000
23 Hospitality	666	-	666
24 Subcontractor Assistance	13,000	-	13,000
25 Total Provider and Payer Education and Outreach	37,666	7,176	30,490
26 Administrative Costs			
27 Legal Counsel	10,000	19,111	(9,111)
28 Audit Fees	-	-	-
29 Government Relations, Including Travel, Meals, and Consultants	5,000	-	5,000
30 Registered Agent Fee	-	-	-
31 Bank Fees	3,000	-	3,000
32 Investment Management Fees	18,666	22,150	(3,484)
33 Office Supplies and Equipment	900	677	223
34 Rent, ELM and Storage Facility	300	-	300
35 Other Admin Support Provided by Lessor	200	-	200
36 Board Retreat and Meetings	6,666	-	6,666
37 Insurance			
38 Cyber Liability	-	-	-
39 Directors and Officers	-	-	-
40 General Liability	-	-	-
41 Total Administrative Costs	44,732	41,939	2,793
42 Other Discretionary Expenditures			
43 Conversion/Implementation Cost	-	-	-
44 Executive Director and Other Contractor Bonus	100,000	16,480	83,520
45 Denied Claims Recovery Expenses	7,000	10,500	(3,500)
46 Direct Healthcare Practices Operations	4,000	-	4,000
47 Covid-19 Expenses	-	3,500	(3,500)
48 Total Other Discretionary Expenditures	111,000	30,480	80,520
49 Total Budget	421,181	294,615	126,566

**Washington Vaccine Association  
Administrative Budget Status  
For Eleven Months Ended May 31, 2021**

	A Approved Budget	B Actual May 31, 2021	C Budget Variance
1 Direct Processing Costs			
2 Helms & Company (Previously KidsVax)	\$ 719,752	\$ 719,752	\$ -
3 Lockbox Image Conversion and Clearinghouse Intake (OrboGraph)	178,800	93,726	85,073
4 Clearinghouse Intake Processing (Avality, Zelis)	14,850	48,448	(33,598)
5 Lockbox Fees	44,950	48,787	(3,837)
6 CollaborateMD	2,079	1,223	856
7 Total Direct Processing Costs	960,431	911,937	48,494
8 Executive Director Costs and Related Support Fees			
9 Executive Director Salary	188,622	189,816	(1,194)
10 Payroll Taxes	19,131	12,594	6,537
11 Leased Employee per Check Fee	2,535	2,535	-
12 Executive Director Travel and Lodging, Education, and Other	63,000	13,756	49,244
13 Technology Support (Desktop and Telephony)	3,685	4,255	(570)
14 Total Executive Director Costs and Related Support Fees	276,973	222,957	54,016
15 Provider and Payer Education and Outreach			
16 Provider Education Materials, Development and Printing	68,750	37,098	31,652
17 Postage	15,000	304	14,696
18 Website and Information Technology	13,750	4,085	9,665
19 Technical Consultant - Margaret Lane	11,000	4,681	6,319
20 Conferences and Education Sessions, Including Travel and Meals	7,000	-	7,000
21 Provider Office Training Sessions, Including Travel and Meals	11,000	-	11,000
22 Advertising and Sponsorships	2,000	1,590	410
23 Hospitality	3,663	613	3,050
24 Subcontractor Assistance	45,500	-	45,500
25 Total Provider and Payer Education and Outreach	177,663	48,370	129,293
26 Administrative Costs			
27 Legal Counsel	55,000	107,603	(52,603)
28 Audit Fees	18,000	15,467	2,534
29 Government Relations, Including Travel, Meals, and Consultants	12,500	-	12,500
30 Registered Agent Fee	150	-	150
31 Bank Fees	16,500	-	16,500
32 Investment Management Fees	102,667	119,130	(16,463)
33 Office Supplies and Equipment	4,950	7,397	(2,447)
34 Rent, ELM and Storage Facility	1,650	252	1,398
35 Other Admin Support Provided by Lessor	1,100	-	1,100
36 Board Retreat and Meetings	16,665	-	16,665
37 Insurance			
38 Cyber Liability	24,000	10,786	13,214
39 Directors and Officers	32,000	-	32,000
40 General Liability	650	38,753	(38,103)
41 Total Administrative Costs	285,832	299,388	(13,556)
42 Other Discretionary Expenditures			
43 Conversion/Implementation Cost	-	16,500	(16,500)
44 Executive Director and Other Contractor Bonus	100,000	16,480	83,520
45 Denied Claims Recovery Expenses	38,500	36,750	1,750
46 Direct Healthcare Practices Operations	22,000	-	22,000
47 Covid-19 Expenses	-	19,250	(19,250)
48 Total Other Discretionary Expenditures	160,500	88,980	71,520
49 Total Budget	1,861,399	1,571,631	289,767

Washington Vaccine Association  
Notes to Financial Statements  
For the Month Ended May 31, 2021

Balance Sheet

Lines 2 and 4. Cash decreased in May by approximately \$1,454,000. Total cash and investments at month end are approximately \$58 million as compared to the budgeted cash position of \$49 million. The primary factor contributing to the variance from the budgeted reduction is the receipt of payer recovery payments. 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 June 2021 replenishment of vaccines. The amount includes the Agency fee of 1.4%. The DOH cost recovery charge included with this request was \$84,934 for April 2021.

Line 5. The Members Estimated Collectible Assessments amount 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 May. The assessments are tracked in the accounting system using the procedure code and date of service supplied by the provider's remittance advice. While it is assumed that the 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 reported as Recoveries reflects payment received by the WVA resulting from grid adherence and other payer compliance initiatives. Work continues to accurately separate recoveries from assessments when recoveries are received as reprocessed assessments.

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 May as Price Variance and Denials is the actual total of variances and denials identified through the lockbox transactions processed through OrboGraph.

Line 8. The amount reported as DOH Replenishment is the actual "cost" of the vaccines that are associated with the Assessments received in May.

#### 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.

**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 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 of Operation 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**

**A.** 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 by reference.

**B.** 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,<sup>1</sup> 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 X. 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.

## **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.

## **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.

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<sup>1</sup> See, for example, Sec. 8 of the Act.

**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 has posted 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 and 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 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 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 ~~one hundred and eighty (180) 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 ~~Member 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 methods. Interest on delinquent assessments shall be charged from the date of such notice to the ~~payer~~ Member on the total of delinquent assessments at the rate of twelve percent (12%) per annum. Provided further that if the Member has not received the assessment or assessments at issue during the one hundred and eighty (180) day period following the date of service and so informs the Association within thirty (30) days of receipt of the Association's notice of interest to be charged, the Association shall delay charging interest from the date of notice until such time as the Member has received the assessment or assessments and can make payment ("the Delayed Interest Accrual Date"). Upon failure of a Member to make payment within ninety (90) days of the date of such notice, or the Delayed Interest Accrual Date, the Association shall send notification to the Secretary of the total unpaid assessment amount, the notice date for interest accrual, the Delayed Interest Accrual Date if applicable, and the amount 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 Secretary or the Secretary's designee can request and the Association shall promptly provide information on the Association's accounts balances at any time. 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 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 the Association.** 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. 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 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, as amended, is approved by the Secretary.

By:

Dated:

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

**Exhibit A**  
**Schedule of Financial Statements**

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 to the Association as referenced in Article V1 Section B.



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

Pursuant to this Plan, TPAs are required to maintain current information with the Washington Vaccine Association ("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

DRAFT—June 17, 2021

## **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

WORKSTREAM	Q1 CY2021	Q2 CY2021	Q3 CY2021	Q4 CY2021
<b>GOVERNANCE</b>	<ul style="list-style-type: none"> <li>✓ Plan of Operation Changes Approved</li> <li>✓ Public Comment Procedure Approved</li> <li>✓ DOH Common Interest Agreement Signed</li> </ul>	<ul style="list-style-type: none"> <li>• Board Governance Survey</li> <li>• Redesign Board Member Handbook</li> </ul>	<ul style="list-style-type: none"> <li>• Review Board Policies</li> <li>• Review/Update BAAs w/ Contractors</li> </ul>	<ul style="list-style-type: none"> <li>• Election of Officers and Committee Chairs</li> <li>• Set CY2022 Meeting Schedule</li> <li>• Publish Annual Report</li> <li>• Set CY2022 Annual Goals</li> </ul>
<b>AUTOMATION AND DATA BUILD</b>	<ul style="list-style-type: none"> <li>✓ Maintain ERA and ACH Volumes = 95% of Receipts [Actual 93% ERA and 94% ACH]</li> <li>✓ Payer DB Modifications to Include Compliance Contacts</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain ERA and ACH Volumes = 95% of Receipts [Actual to date 87% ERA and 93% ACH]</li> <li>• Design the TPA Database Updates to Support Plan of Operation Changes &amp; All Payer Registration Functionality</li> <li>• Payer Settlement File Ingestion within Payer DB<sup>1</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Maintain ERA and ACH Volumes = 95% of Receipts</li> <li>• Payer Database IT Development Phase 1</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain ERA and ACH Volumes = 95% of Receipts</li> <li>• Payer Database IT Development Phase 2</li> </ul>
<b>ANALYTICS AND COMPLIANCE</b>	<ul style="list-style-type: none"> <li>✓ Top Tier Payer Compliance Reviews</li> <li>✓ Enhanced Financial KPI Reporting</li> <li>✓ Re-Design Payer Settlement Report Process</li> <li>✓ Continue Ad Hoc Provider DBA Reviews</li> </ul>	<ul style="list-style-type: none"> <li>• Top Tier Payer Compliance Reviews</li> <li>✓ Enhanced Financial KPI Reporting (Cont.)</li> <li>• Begin Design of Payer Certificate of Compliance Program</li> <li>✓ Approve and Launch Re-Designed Payer Settlement Reporting Process</li> <li>✓ Continue Ad Hoc Provider DBA Reviews</li> </ul>	<ul style="list-style-type: none"> <li>• Top Tier Payer Compliance Reviews</li> <li>• Approve Payer Certificate of Compliance Program</li> <li>• Continue Ad Hoc Provider DBA Reviews</li> </ul>	<ul style="list-style-type: none"> <li>• Roll Out Payer Certificate of Compliance Program</li> <li>• Complete Top 8 Payer Compliance Reviews</li> </ul>
<b>COMMUNICATIONS - GENERAL</b>	<ul style="list-style-type: none"> <li>✓ Communications Plan Adopted</li> <li>✓ Finalize and Implement Style Guide</li> <li>✓ Update FAQs</li> </ul>	<ul style="list-style-type: none"> <li>• Monitor and Update Web and Print Content as Needed</li> <li>• Finalize and Publish History Document</li> </ul>	<ul style="list-style-type: none"> <li>• Monitor and Update Web and Print Content as Needed</li> </ul>	<ul style="list-style-type: none"> <li>• Monitor and Update Web and Print Content as Needed</li> </ul>

<sup>1</sup> Each payer settlement to date as resulted in varying file formats and files are being stored outside of the Payer DB application currently. This will be revisited.

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

COMMUNICATIONS - PAYER	✓ Finalize and Publish Brochure			
	✓ Draft History Document			
COMMUNICATIONS - PROVIDER	✓ Ad Hoc	✓ Statutory Letter <sup>2</sup> / Vaccine Grid Mailing	• See Compliance Workstream	• See Compliance Workstream
		✓ Ad Hoc		
OPERATIONS	✓ Direct Practice Research	✓ Vaccine Grid Mailing	• Partner with DOH on Provider Communications	• Partner with DOH on Provider Communications
	✓ Partner with DOH on Provider Communications	✓ Partner with DOH on Provider Communications	• Ad Hoc	• Ad Hoc
FINANCE	✓ Ad Hoc	✓ Ad Hoc		
		✓ Developed and Sent Provider Check List		
FINANCE	✓ 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	• Ongoing Payer Database Maintenance
FINANCE			• Annual Contractor Performance Review	
	✓ Review and Revise Cash Management Strategy (Cont.)	• Annual Audit Preparation	• Annual Audit Performed	•
FINANCE	✓ 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		• Review Cash/Reserves Position	

Updated 06.08.2021

<sup>2</sup> New format replaced former sent in the fall.

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