

Idaho Immunization Assessment Board  
Board Meeting Minutes  
Friday, April 3, 2015  
Department of Insurance, 500 W. State St., Boise, ID – 3rd Floor Conference Room A

**Board Members Present:**

- Jack Myers – Blue Cross of Idaho – Chair - retiring
- Tom Donovan, Acting Director - Department of Insurance
- Richard Rainey, M.D. – Regence BlueShield of Idaho
- Chris Pickford – Boise School District
- Mike Hodge - Albertsons LLC & New Albertsons Inc.
- Christine Hahn, M.D. – Department of Health & Welfare
- Tim Callender – AmeriBen/IEC House Group
- Fred Martin – Idaho Senate
- Brian Fellner – incoming member – Blue Cross of Idaho

**Board Members Absent:**

- Ted Epperly, M.D. - Family Practice Residency – Vice Chair
- Jeff Thompson – Idaho House of Representatives

**Others Present:**

- Mitch Scoggins – Department of Health & Welfare (Proxy for Dr. Christine Hahn)
- Tamarie Olsen – Department of Health & Welfare
- Gina McBride – Department of Insurance

**Call to Order:** Chairman Myers called the meeting to order at 3:06 PM MDT.

**Approval of Minutes from February 9, 2015 meeting:**

Motion to accept minutes made by Mike Hodge; motion seconded by Tim Callender. Motion passed unanimously.

At the beginning of the meeting, Jack Myers welcomed newly appointed board members Senator Fred Martin and Brian Fellner, the new CFO at Blue Cross of Idaho who will take over from retiring Jack Myers.

**Financial Report:**

Elaine Diner gave the financial report overview (See financial report and adjustment report included as attachments to these minutes).

Adjustment report: no new adjustment since the last meeting. All quarterly payments came in. There were more expenditures from the vaccine fund. Remaining funds in the vaccine fund are \$5,754,519.61. Jack Myers summarized that there are plenty of funds available to start the next “assessment year.”

Exhibit A for the Plan of Operation was approved at the last meeting; the change incorporated wording for the revised methodology for calculating the assessment. Handed out at this meeting is the final version that will be signed off by the Acting Director; the final version will be emailed to Board Members and posted to the Department of Insurance Website, under the Idaho Immunization Program, Plan of Operation.

**Old Business:**

**Legislative Update:**

Tom Donovan reported that HB 107, the extension of the sunset clause, passed both houses and was signed by the Governor on March 16, 2015. The bill will be effective starting 7/1/15 and it extends the sunset clause to

6/30/2017. House representative John Rusche was the bill sponsor. The Department of Insurance will continue to pay the Idaho Immunization Assessment Board administrator's fees.

### **New Business:**

#### **1. Establish the Assessment:**

Mitch Scoggins reviewed the revised methodology: the ratio of 34.6% used in the assessment calculation formula represents Idaho's share of the overall annual cost, based on the methodology set at the December 2014 Assessment Board meeting to establish the "Base assessment cost" (line 2 of the attached "SYF2016 Vaccine Assessment As Proposed, April 3, 2015" – attached). This ratio was set last October. About the same time next year, after receiving the new federal numbers, the ratio will be set for the following assessment year.

The "Base assessment cost" is modified by a price variability factor, additional collections during SFY2015 and the estimated carry-over of unspent funds from SFY2015, to reach the amount of assessment that needs to be collected. The proposed per child assessment for SFY2016 would be \$55.35 (see "SYF2016 Vaccine Assessment as Proposed, April 3, 2015(1)" – attached).

Mitch added that in June there will be an Advisory Committee on Immunization Practices (ACIP) meeting. There will be additional vaccines recommended. Dr. Christine Hahn explained that these June recommendations for addition vaccines will add to the cost of the program, so we might want to make the contingency fund a bit larger. We do not know exactly which vaccines will be added, but we speculate that HPV 9 and Meningitis B vaccines will be added and the estimated costs are shown on the handout "SFY2016 Contingency Fund Considerations" (attached).

Mitch explained the estimated implementation of the vaccines (age groups, genders, number of vaccines per child). The ACIP recommendation for implementation will be established at the June meeting, so we can only give our best estimate of the cost impact (see SFY2015 Vaccine Assessment As Proposed, April 3, 2015 (2) attached) which shows a change of the per child assessment to \$69.78 with the difference being the amount of contingency fund.

Dr. Hahn said that considering the two SFY 2016 Vaccine Assessment proposals, proposal (2) is admittedly at the high end. The assessment number would need to be higher than \$55.35 (proposal 1) because we know there will be new recommendations from ACIP, but the \$69.78 (proposal 2) is assuming a wide-ranging recommendation. Also, we do continue to see Meningococcal B infections, although less than we did 20 years ago.

Mike Hodge suggested that an assessment of \$65.00 would provide a good contingency fund and would be less than last year's \$79.00 assessment. Jack Myers added that we have typically had about \$1 million for a carry-over; this year we have about \$2.2 million in carry-over for the 2017 year. Jack thought that Mike's suggestion of \$65.00 assessment would give us enough contingency fund to get some experience with the utilization of the new vaccines and the transition to the new methodology of calculating the assessment.

Mitch pointed out that if the anticipated ACIP recommendations are not made, the contingency funds do not go away; they stay in the Vaccine Fund and will offset some of the assessment in the following year.

Brian Fellner asked about the possible insolvency of the Vaccine Fund. Mitch answered that there is no mechanism to go back to the carriers for additional assessments; that is why there is some "contingency fund" built in to the assessment.

Mike Hodge moved that the assessment be set at \$65.00 per child; Tim Callender seconded the motion. Motion passed unanimously. Quorum was present for the vote.

## **2. Approve Educational Materials:**

A draft of the proposed educational materials (explaining the process of assessment and brief history of the assessment fund) was reviewed by the board members and they made additions and corrections. The board added a date to the document and replaced the word "carrier" with "carrier/plan sponsor/TPA." Tim Callender offered to make the changes to the document; Elaine will circulate the final document to the board members. The educational material will be included with the assessment billing.

Dr. Richard Rainey made a motion to accept the changes to the educational materials; Dr. Christine Hahn seconded the motion. Motion passed unanimously. A quorum was present for the vote.

In addition, the educational document will be put on Department of Insurance letterhead and posted to the DOI website, under "Idaho Immunization Assessment Information for Carriers, Plan Sponsors and TPAs."

### **Next meeting:**

TBD – most likely in July

### **Agenda Topics for next meeting:**

Possible schedule of definite dates for IIAB meetings (Monday or Friday afternoons work well when the Legislature is in session).

At the end of the meeting Jack Myers transferred the Chair to Dr. Ted Epperly (new Chair) and the Vice-Chair to Dr. Chris Pickford (new Vice-Chair) as voted in the last meeting.

The board also thanked Jack Myers for his service on the board and wished him well in retirement from Blue Cross of Idaho.

### **Adjournment:**

Motion to adjourn made by Mike Hodge; motion seconded by Tim Callender. Board voted unanimously to adjourn. Meeting adjourned at 4:27 PM MDT.

Minutes by Elaine Diner, Administrator for the Idaho Immunization Assessment Board.

### **Attachments presented at meeting:**

- (1) Financial Report/Adjustment Report
- (2) Revised Plan of Operation – Exhibit A
- (3) SYF2016 Vaccine Assessment As Proposed, April 3, 2015 (1)
- (4) SFY2016 Contingency Fund Considerations
- (5) SFY2015 Vaccine Assessment As Proposed, April 3, 2015 (2)
- (6) Revised Educational Materials

## EXHIBIT A ASSESSMENTS

Carriers providing and/or administering health insurance or health benefit coverage in Idaho are required to report numbers of all covered individuals for the purpose of evaluating the number of program-eligible children in Idaho. A carrier administering health insurance or health benefit coverage for another entity, such as a self-funded plan, may omit reporting numbers of individuals covered by that entity ONLY if the carrier reports the name and current, complete contact information for the entity for which it is not reporting numbers of covered lives.

For this purpose, health insurance or health benefit coverage includes all health coverage except for the following limited coverage:

- coverage limited to a specific disease
- hospital confinement indemnity
- accident only
- credit
- dental
- vision
- Medicare supplement
- long term care
- disability income insurance
- student health benefits only coverage issued as a supplement to liability insurance
- worker's compensation
- automobile medical payment insurance
- nonrenewable short term coverage issued for a period of twelve (12) months or less

Entities are required to report covered lives as specified below. Entities are encouraged to further specify the numbers of these identified subscribers and dependents having and not having coverage for childhood vaccines. Assessments will be based on identified subscribers and dependents having coverage for childhood vaccines if that number is provided. If an entity does not provide the numbers having coverage for childhood vaccines, that entity will be assessed on all covered lives as specified below.

**FOR 2010:** Entities are required to report their "Covered Idaho Children," defined as the number of all subscribers and dependents:

- Who have health coverage (whether primary or non-primary) as of February 28, 2010, AND
- With the subscriber having a mailing address within the state of Idaho (the subscriber's mailing address applies to the subscriber and all of his or her dependents), AND
- With a date of birth after (less than) December 31, 1991.

**FOR 2011 AND SUBSEQUENT YEARS:** Entities are required to report in an annual assessment survey their "Covered Idaho Children," defined as the number of all subscribers and dependents:

- Who have health coverage (whether primary or non-primary) as of January 31 of the same year the survey is sent, AND
- With the subscriber having a mailing address within the state of Idaho (the subscriber's mailing address applies to the subscriber and all of his or her dependents), AND
- Who are under nineteen (19) years of age. Individuals who have a date of birth on or after January 1 of the year 19 years prior to the assessment year are considered to be under nineteen (19) years of age. Examples: Birth year of 1992 for assessment year 2011  
Birth year of 1993 for assessment year 2012

Birth year of 1994 for assessment year 2013

As noted above, entities are encouraged to further specify the numbers of these identified subscribers and dependents having and not having coverage for childhood vaccines. "Covered Idaho Children" who have benefits for childhood vaccines are "Program-eligible Children."

The Board shall determine the total annual program cost estimate for each year that at a minimum, is expected to be sufficient to cover the administrative costs of the board and fund the purchase of vaccines for "Program-eligible Children" that have in effect a recommendation from the advisory committee on immunization practices of the centers for disease control and prevention on the date the Board makes its assessment determination. The percentage of the total cost that is to be funded by carriers shall recognize the cost differences by age cohort and be weighted by the age distribution differences between VFC (Federal Vaccines for Children) and program-eligible children, using a methodology established agreed upon by the Board, and the IIP (Idaho Immunization Program). The age distributions shall be evaluated at least every three years. The Board shall further calculate the estimated total statewide number of "Program-eligible Children." This estimate shall be made by adding the numbers of "Program-eligible Children" reported by all entities reporting "Program-eligible Children" plus the numbers of "Covered Idaho Children" reported by all entities NOT reporting "Program-eligible Children." The "Assessment per Child" shall be the total cost for program-eligible children annual program cost estimate for the year divided by the estimated total statewide number of "Program-eligible Children."

For an entity reporting "Program-eligible Children," the entity's assessment shall be calculated by multiplying the "Assessment per Child" by that entity's number of "Program-eligible Children." For an entity NOT reporting "Program-eligible Children," the entity's assessment shall be calculated by multiplying the "Assessment per Child" by that entity's number of "Covered Idaho Children."

Per Idaho Code § 41-6006 (4) assessments are due 60 days after notice of the annual assessment. The Board will bill all assessments at or above a \$50,000 annual threshold in quarterly installments, if requested by the carrier. Assessment reporting and billing schedule:

	Date
Immunization Assessment Survey	Sent Early January
Immunization Assessment Survey	Due March 15
Annual Assessment Notice	Sent by April 15
Annual Assessment or First Quarterly Installment	Due June 15
Second Quarterly Installment	Due September 15
Third Quarterly Installment	Due December 15
Fourth Quarterly Installment	Due March 15

Each assessment year's first due date will be June 15 and consequently, any request for reconsideration or refund must be filed within six months of June 15. Any underpayment due to late payments or underreporting of covered lives shall be made by the carrier at the earliest possible date with interest and administrative charge as set forth in Article 8.

SFY2016 Vaccine Assessment As Proposed  
April 3, 2015

	A	B	C
1	<b>SFY 2016 Vaccine Assessment Calculations</b>		
2	Base assessment cost <sup>1</sup>	\$14,084,206	=((34880393*0.364)*1.005)+1317912
3	Vaccine price/recommendation variability adjustment factor (10%)	\$1,408,421	=B2*0.1
4	Total SFY2016 Funding Need	\$15,492,626	=B2+B3
5	Additional collections during SFY2015 <sup>2</sup>	(\$327,885)	
6	Estimated carryover of unspent funds from SFY2015	(\$2,200,000)	
7	Total adjustment from 2015 to be deducted from 2016 assessment	(\$2,527,885)	=B5+B6
8	<b>State Fiscal Year 2016 Assessment</b>	<b>\$12,964,741</b>	=B4+B7
9			
10			
11	SFY2016 Assessment Survey, covered Idaho children <sup>3</sup>	234,237	
12			
13			
14	<b>Per child assessment for SFY2016</b>	<b>\$55.35</b>	=B8/B13
15			
16			
17			
18			
19	<sup>1</sup> This amount includes actual 2015 federal vaccine contract pricing, 1/4 of the 2015 contract increase to account for one quarter 2016 contract increase, and actual prebook costs for flu vaccine for insured children for the 2015-2016 flu season.		
20	<sup>2</sup> Includes 2012 and 2013 payments from United Healthcare, and payments from newly-identified insurers in Idaho.		
21	<sup>3</sup> Provided by the Idaho Dept. of Insurance. Includes 831 insured Washington children who receive vaccines in Idaho.		

## SFY2016 Contingency Fund Considerations

### Meningitis B Vaccine

In June, ACIP *may* make a general recommendation for Mening B vaccination for first year college students who are going to live in a dormitory

	68,395	Idahoans ages 16 - 18 years
	35,565	+ 52% the percentage of Idaho HS graduates who enroll in college
	12,946	+ 36.4% - Assessment ratio
\$	266.58	Average cost of vaccine series by federal contract rates (2 vaccines, Trumenba and Bexsaro)
\$	3,451,093	Total high-estimate impact to assessment if ACIP makes this recommendation

### HPV9 Vaccine

In June, ACIP may make a recommendation for girls who have completed their HPV series with either HPV2 or HPV4, to get one dose of HPV9

	90,866	Idaho girls ages 11 - 18 (within ACIP recommendations for HPV vaccination)
	28,441	* 31.3% - approximate percentage of cohort who have 3+ doses of HPV
	10,353	+ 36.4% - Assessment ratio
\$	134.26	Cost of one booster dose of HPV9 by federal contract rates
\$	1,389,933	Total high-estimate impact to assessment if ACIP makes this recommendation

\$ 4,841,026 Total high-estimate impact if both recommendations are made

SFY2016 Vaccine Assessment As Proposed  
 April 3, 2015 (a)

	A	B	C
1	<b>SFY 2016 Vaccine Assessment Calculations</b>		
2	Base assessment cost <sup>1</sup>	\$14,084,206	=((34880393*0.364)*1.005)+1317912
3	Vaccine price/recommendation variability adjustment factor (34%)	\$4,788,630	=B2*0.34
4	Total SFY2016 Funding Need	\$18,872,836	=B2+B3
5	Additional collections during SFY2015 <sup>2</sup>	(\$327,885)	
6	Estimated carryover of unspent funds from SFY2015	(\$2,200,000)	
7	Total adjustment from 2015 to be deducted from 2016 assessment	(\$2,527,885)	=B5+B6
8	State Fiscal Year 2016 Assessment	\$16,344,951	=B4+B7
9			
10			
11	SFY2016 Assessment Survey, covered Idaho children <sup>3</sup>	234,237	
12			
13			
14			
15			
16			
17			
18			
19	<b>Per child assessment for SFY2016</b>		
20		\$69.78	=B8/B13
21			

<sup>1</sup> This amount includes actual 2015 federal vaccine contract pricing, 1/4 of the 2015 contract increase to account for one quarter 2016 contract increase, and actual prebook costs for flu vaccine for insured children for the 2015-2016 flu season.

<sup>2</sup> Includes 2012 and 2013 payments from United Healthcare, and payments from newly-identified insurers in Idaho.

<sup>3</sup> Provided by the Idaho Dept. of Insurance. Includes 831 insured Washington children who receive vaccines in Idaho.

C.L. "BUTCH" OTTER  
Governor

*State of Idaho*  
**DEPARTMENT OF INSURANCE**

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THOMAS A. DONOVAN  
Acting Director

April, 2015

## **Idaho Immunization Assessment**

### **Information for Carriers, Plan Sponsors and TPAs**

#### **Why was the Idaho Immunization Assessment established?**

The 2010 Idaho Legislature adopted Title 41 Chapter 60, Immunization Assessment. The Idaho Immunization Assessment funds vaccines to be used for immunizing insured children provided by the Idaho Immunization Program (IIP) of the Idaho Department of Health and Welfare. By utilizing this mechanism Idaho can purchase the vaccine at low cost through the CDC and distribute it to physicians at no cost. The physicians and their practices can then administer the vaccine with no additional cost to the insurance companies and/or plan sponsors except for the cost of administering the vaccine. By utilizing the CDC purchasing pool, the cost to vaccinate children is lowered, which creates an effective distribution system to physician practices. The aim is to achieve higher rates of childhood vaccination across the State of Idaho. These savings are then passed along to employers and individuals thru lower insurance premiums.

**Under this program, the Idaho Department of Health and Welfare purchases vaccines for insured children at significant discounts.** Specifically, vaccines are purchased at the "CDC Cost / Dose" detailed in the "Pediatric / VFC Vaccine Price List" published at <http://www.cdc.gov/vaccines/programs/vfc/awardees/vaccine-management/price-list/index.html>. Providers using state-supplied vaccine cannot bill carriers and/or health plans for that state-supplied vaccine, though the provider may still charge a fee for administering the vaccine.

#### **What is the role of the Idaho Immunization Assessment Board?**

The legislation also created the independent Idaho Immunization Assessment Board to assess mandatory fees from all carriers and plan sponsors covering children in the state of Idaho to fund this program. "Carrier" is defined by the statute as *"any entity subject to regulation by the department that provides or is authorized to provide health insurance or health benefit plans, or that administers health insurance or health benefit coverage or that otherwise provides a plan of health insurance or health benefits; or a foreign insurer who provides health insurance coverage or benefits to residents of this state as certificate holders under a group policy issued or delivered outside of this state."* Further clarification of this definition is in 41-6002 (2) published at

<http://legislature.idaho.gov/idstat/Title41/T41CH60SECT41-6002.htm>

## **How is the assessment calculated?**

Under the [Plan of Operation](#) , carriers, TPA and/or plan sponsors report to the Idaho Department of Insurance the numbers of program-eligible children they cover as of January 31 of each year on or before March 15 of that year. The expected cost of vaccines to be purchased from the CDC by Idaho Department of Health and Welfare is then divided by the number of program-eligible children to generate the amount per eligible child. The annual assessment fee notice is sent to all carriers, TPAs and/or plan sponsors no later than April 15 with a due date of June 15. If the billing is greater than \$50,000, the responsible party may request a quarterly installment plan.

The State Fiscal Year (SFY) 2016 (July 1, 2015 – June 30, 2016) assessment is \$65.00 per program-eligible child. The SFY2016 assessment is less than the previous year's due to a refinement in the vaccine assessment calculation methodology made during the previous year.

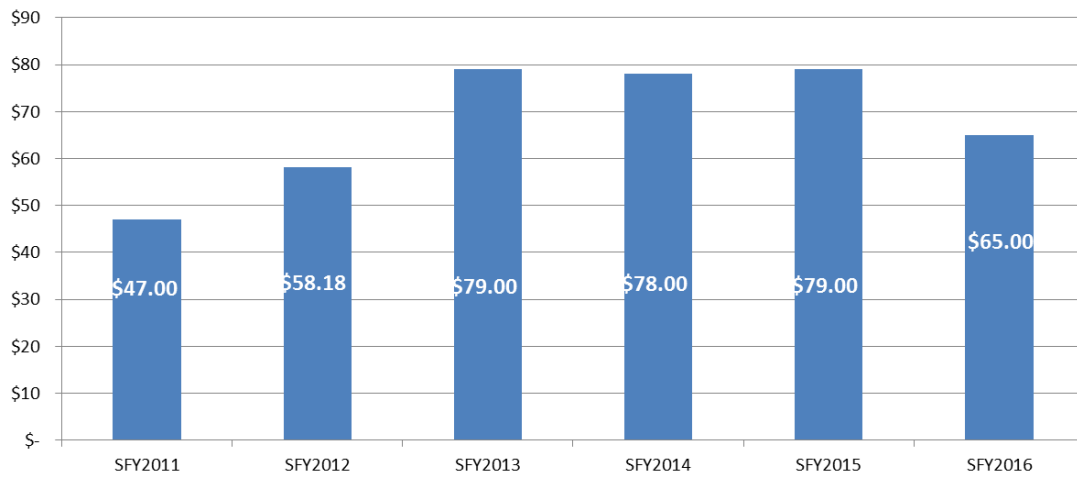
## **What has been the cost / insured child of the program? And what vaccines are covered?**

The graph on the next page shows the history of the Idaho Immunization Assessment since State Fiscal Year 2011, its first year of operation.

### **Additional Information**

Title 41 Chapter 60 is published at <http://legislature.idaho.gov/idstat/Title41/T41CH60.htm>, and additional information regarding the board is published at [http://www.doi.idaho.gov/company/immuneassess/immunization\\_assessment.aspx](http://www.doi.idaho.gov/company/immuneassess/immunization_assessment.aspx) . Further information regarding the program may be obtained by contacting Elaine Diner at the Assessment Board ([ImmuneAssess@doi.idaho.gov](mailto:ImmuneAssess@doi.idaho.gov) or 208-794-8702). Idaho-based carriers are represented by members on the Assessment Board, and are very familiar with the Idaho Immunization Assessment. Representatives from these carriers also may be contacted through the Assessment Board.

## Idaho Vaccine Assessment - Annual Cost Per Child 2011 - 2016



2011 Vaccine Types	Additional Vaccines for 2012	Additional Vaccines for 2013	Additional Vaccines for 2014	Additional Vaccines for 2015	Additional Vaccines for 2016
DTaP, Hib, Polio	HPV - Females only	HPV - Everyone	No Additional	MenHibRix	Meningitis B
Hepatitis A & B	Flu - (partial)	Flu - Everyone			
Meningococcal					
MMR, Tdap					
Pnumococcal					
Rotavirus, Varicella					

Idaho Immunization Assessment Board, April 2015