

January 6, 2016

TO: All Licensed Maine Health Maintenance Organizations, Third Party Administrators (“TPAs”), Registered Administrative Services Providers with Respect to Health Insurance, Insurance Companies, and Health Service Corporations (together “Assessable Entities”)

You are receiving this mailing because the records of either the Maine Vaccine Board (“MVB”) or the Maine Department of Health and Human Services (“ME DHHS”) reflect that you likely are an “Assessable Entity” under 22 M.R.S.A. § 1066, the statute which established and governs MVB. All Assessable Entities are required to report to the MVB on a quarterly basis all “Assessable Lives.” Assessable Lives are defined by statute to be “all children under 19 years of age residing in the state who have assessable coverage written or administered by an Assessable Entity.”

The MVB, working with KidsVax® as service agent, facilitates universal purchase of vaccines for Maine children. By collecting payments from Assessable Entities and remitting funds to the State of Maine it is possible for:

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

At its meeting on September 15, 2015, the MVB (“Board”) voted to set the 2016 calendar year assessment rate at \$9.19 commencing with assessment payments due on February 15, 2016. Notice of this assessment rate was published on the MVB website shortly thereafter.

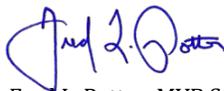
The MVB self-reporting assessment system automatically will apply the correct rate for each quarter in the invoice it produces.

We are grateful to the payer community of insurers, TPAs, ERISA plans, government entities, and others for their timely reports throughout 2015 via MVB’s quarterly child covered lives assessment system. We invite you to review MVB’s [Audited Financial Statements](#) that are available on MVB’s website. Also available there is the [annual cost savings analysis](#), which documents savings of slightly over 26% in FYE 6/30/2015 vaccine costs as a result of this program. Also available on the website is [VaxFactsSM, ME 2014-15](#) which overviews operations of MVB’s last fiscal year.

At its December 1, 2015 meeting, the Board authorized KidsVax® to proceed with establishing a lockbox for the purpose of collecting and processing payer assessment payments. KidsVax® is currently working with TD Bank’s Lewiston, Maine office to prepare the lockbox for use which will be available shortly. Once the set-up has been finalized, the self-reporting assessment system will begin generating remittance forms that contain all of the necessary information for processing payments going forward. This new payment system will provide for optional ACH processing of MVB assessment payments as well. However, if you have already filed and submitted your 2/15/16 payment, KidsVax® will continue to process the payments as it has done in the past. Once the lockbox information is available, please update the information in your internal systems so that all future payments will be processed in a timely manner.

As always, please do not hesitate to call or e-mail at any time if we can offer further assistance. We desire to facilitate your efforts to maintain compliance in this important program which benefits Maine children while also mitigating the rising costs of health care.

Very truly yours,



Fred L. Potter, MVB Service Agent

Attachment: VaxFactsSM, ME 2014-15



VaxFactsSM



Timeline

2009

Seeking to protect Maine's children from disease and to lower health care costs, the Maine Legislature passed a bill establishing a universal childhood immunization program.

2010

The Maine Vaccine Board (MVB) was created, and MVB hired KidsVax[®] to administer the program. MVB was given rulemaking authority to select the list of vaccines and to set the assessment rate. With the help of the Maine Attorney General's Office, MVB established initial emergency and technical rules. KidsVax[®] and the Maine Bureau of Insurance began informing insurers and other payers in Maine about the new program and gathering data about the number of child covered lives.

2012

State vaccine purchases with MVB funds and distribution to providers began in January. Initial reports confirmed that the program reduced costs. Additionally, the program assisted Maine CDC in raising childhood immunization rates.

2013

MVB simplified the process for setting the vaccine list. KidsVax[®], the Maine Bureau of Insurance, and the Attorney General's Office worked to narrow the gap between projected and reported child covered lives and to ensure that assessments are allocated equitably. Maine's universal vaccination program is recognized nationally for its success in improving statewide healthcare.

2015

Maine is recognized by the U.S. CDC as having the highest percentage of vaccinated children in the country, as well as its first place ranking in the series of seven vaccines that prevent 11 common diseases. Maine achieved an 84.7% vaccination rate for its children, compared to the national average of 71.6%.

MVB funds Maine's award-winning universal childhood vaccine purchasing and distribution program. The program produces over \$34.13 in savings per child per year. That adds up to over \$4.26MM in annual health care cost savings each year.

This year, Maine Vaccine Board (MVB) is proud to report that the state of Maine has achieved the admirable distinction of having the highest percentage of vaccinated children in the United States, according to the U.S. Centers for Disease Control and Prevention.

In an incredible turnaround, the state of Maine has progressed to having the highest childhood vaccination rates in the nation in 2014. The Center for Disease Control (CDC) released statistics showing that Maine's vaccination rate for the series of seven vaccines protecting against 11 diseases was 84.7%. This is an incredible achievement, especially when considering that the national average for this series of seven vaccines is 71.6%.

MaineHealth's Health Index website highlighted this improvement in the childhood vaccination coverage, particularly lauding the efforts of Maine's provider community in achieving this milestone.



MVB has reduced administrative and financial burdens on health care providers. Instead of having to purchase vaccines up front and await repayment from insurance companies, provider offices now receive vaccines from the state free of charge.

MVB is a joint public and private effort in collaboration with the Maine CDC to improve immunization rates while lowering the costs of health care. The universal childhood vaccine purchasing program administered by the MVB allows the state to purchase vaccines for all Maine's children at substantially discounted rates. Funds from private insurers are pooled with VFC funds to fund the program and pay for the vaccines administered to their beneficiaries—at a much lower cost than they could secure on the private market.





Maine: Advocating to Improve Public Health

A key goal of Maine's vaccine purchasing program is to reduce administrative and financial burden on providers and offices that provide immunization services. In the past, providers had to pre-pay for costly vaccines out of their own pockets and finance their vaccine inventories. Physicians also had to spend precious time ordering and managing vaccine inventories, a process that required them to keep multiple inventories and refrigerators to separate the vaccines for publicly and privately insured patients. For some providers, especially those in small, rural practices, these burdens made it difficult for them to offer immunization services.

Maine's universal vaccine purchasing program reduced these obstacles by establishing a mechanism for the state to purchase all childhood vaccines and distribute them to providers free of charge. The program also made the ordering process and inventory control procedures much simpler.

Maine not only upholds an excellent standard of child vaccinations through the work of the Maine Vaccine Board, but it has now taken the lead in this regard on a national scale. The state of Maine recently received the honor of being recognized as the state with the highest percentage of vaccinated children in the country. The MVB does this in partnership with the Maine Immunization Program and the Maine CDC, as well as the state and local health departments, the pharmaceutical industry, and the physicians, nurses, hospitals, health systems, and families of the state of Maine.

Through the work of the MVB, the state of Maine continues to be a national leader in children's health.

MVB Board of Directors

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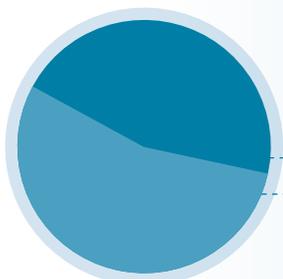
Katherine Pelletreau, MPH
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Director, Division of Infectious Disease
Maine CDC

FINANCIALS

July 1, 2014 - June 30, 2015

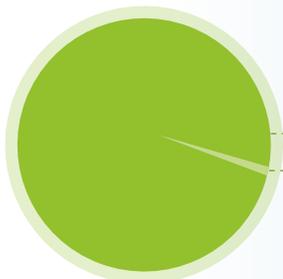


Vaccine Funding Sources

Total: \$25,517,715

46.8% | MVB Funds (from private insurers)

53.4% | Federal Contribution (VFC Funds)



MVB Program Expenditures*

Total: \$12,026,722

98.8% | Remittance to ME for Vaccine Costs

1.2% | Operating Costs

**This chart reflects funding operations for MVB-funded vaccines. The overall success of Maine's universal vaccine program is a result of the contributions of the Maine CDC, providers, payers, and others not reflected in this chart.*

WWW.MEVACCINE.ORG

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