



October 5, 2016

Assessment Rate Notice for Child Covered Lives in 2017

Last year, in an effort to further improve Maine Vaccine Board (“MVB” or “Board”) assessment processing for payers, the Board moved to a calendar year assessment cycle in which the assessment rate is set in advance of the beginning of each calendar year. That rate then applies for child covered lives administered by each payer throughout that calendar year. This letter is the annual announcement advising you of the new rate applicable for calendar year 2017. The first quarterly assessment at the new rate in this letter will be payable May 15, 2017 for child covered lives in the months of January through March, 2017. The current \$9.19 rate per child covered life per month remains in effect for the payment due dates of November 15, 2016 and February 15, 2017.

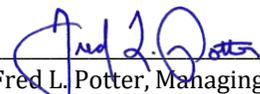
At its meeting on September 28, 2016, the MVB voted to set the 2017 calendar year assessment rate at \$3.17 per child covered life per month. This rate goes into effect with assessment payments due May 15, 2017. Notice of this assessment rate was published on the MVB website shortly thereafter.

This 2017 assessment rate has been substantially reduced. We now have several years of data on vaccine utilization under the current system, allowing us to make a much more accurate prediction of expected utilization in 2017. Maine providers and the Maine CDC have been diligent about inventory management and waste reduction, further lowering our costs. Their efforts, together with an overestimate of the 2016 vaccine purchases, means that MVB collected more in 2016 assessments than turned out to be needed. The Board has voted a sharp reduction in rates for 2017. Even though this rate is substantially below the expected cost of vaccines next year, it will provide the remaining money we need to provide vaccines for 2017.

Because the 2017 rate was substantially reduced as a consequence of the favorable factors outlined above, the Board asked us to advise you that its current best estimate of the 2018 rate is \$7.91 per child covered life per month, still below the 2016 rate, but substantially above this 2017 rate. The 2018 assessment rate will be reviewed for final determination in September 2017.

As always, feel free to call us at any time should you have any questions concerning the foregoing. Applicable rates automatically will be applied by the MVB assessment system, so no action is required on your part.

Maine Vaccine Board
By KidsVax®, LLC
Its Service Agent

By: 
Fred L. Potter, Managing Member