



November 15, 2018

Assessment Rate Notice for Child Covered Lives in 2019

This letter is the annual announcement advising you of the new assessment rate for calendar year 2019. The first quarterly assessment at the new rate in this letter will be payable May 15, 2019 for child covered lives in the months of January through March 2019. The current \$8.29 rate per child covered life per month remains in effect for the payment due dates of November 15, 2018 and February 15, 2019.

At its meeting on October 26, 2018, the MVB voted to set the 2019 calendar year assessment rate at \$4.56 per child covered life per month. This rate goes into effect with the assessment payments due May 15, 2019. Notice of this assessment rate will be published on the MVB website.

As advised when the 2018 rate was set last year, there is a decrease in the 2019 assessment rate. This decrease is greater than expected due to a number of factors: including a settlement of significant TRICARE arrears, additional covered lives due to TRICARE's current participation in the immunization program as well as a decrease in projected vaccine costs. Recognizing the importance of stability and predictability to the payer community, the Board set an assessment rate that allows for greater consistency in rates over the next 3 years rather than a sharp reduction this year, a huge increase next year followed by a reduction in 2021.

The current best estimate of the 2020 rate is \$6.33 per child covered life per month, which is a 39% increase in next year's assessment rate rather than estimated increases of more than 300% that would have occurred if the Board had set the rate without recognizing the importance of managing rate volatility. The 2020 assessment rate will be reviewed for final determination in September 2019.

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

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