

Introduction & Notes re: MVB Annual Assessment Setting Workbook

MVB Calendar Year 2020

[Note: This is a Working Version as of 9/5/2019.]

01. This workbook follows the past naming conventions with each sheet beginning with a letter (i.e., "a." through "d."), and each cell within each sheet being identified by a 2-digit row number (e.g., "01.") and column letter (e.g., "A"). So, to facilitate reference while collaborating via conference phone, users can refer to any single number, for example the new assessment rate, by a combination of the above. For that key number, the new monthly assessment rate, the reference is "a.26.C".
02. Since the first measurement period is for the month of January and assessments are due forty-five (45) days after the end of each quarter, the first assessment payment with the new rate will be May 15, 2020 for the months of Jan-Mar, 2020.
03. The primary spreadsheet for the work is the assessment calculation worksheet, worksheet a. The other sheets are intended to be reference or to develop background data in specific areas for the work. Key data for developing the primary funding target is on spreadsheet b. which contains data supplied by the Maine CDC for the vaccine funding needs. Key numbers from a subsidiary sheet rolled into the main assessment sheet generally are shaded in yellow.
04. These spreadsheets have Board controls. This is intended to help users test various assumptions and control points which may be adjusted by the MVB in setting the final new rate. Those cells in which entries normally would be made are shaded in green. For example, a user can adjust utilization assumptions for increases over prior years by entering percent's either by vaccine on sheet b. or overall on sheet a (a.3.D). The vaccine funding target takes the number as adjusted by those two factors and then applies the assumed cost increase (a.4.D). The cost increase is applied for 9/12 of the year since it typically becomes effective as of April 1 each year.
05. Because the first collections of the year (due February 15) will still be at the old rate and based upon covered lives reported for Oct-Dec 2019, this spreadsheet first deducts that quarterly collection and then calculates the new rate based upon what is needed to hit the funding target over the remaining 9 months.
06. It is anticipated that the MVB will, as part of its deliberations and upon considering the input of any public members or others at its meeting(s), adjust the assumptions which guide the assessment level. Of course, the MVB may also determine to adjust the assessment setting process itself or this workbook structure at any time.

Maine Vaccine Board

2020 Calendar Year Assessment Calculation

Column →	A	B	C	D	E
Line ↓	2019		2020		
A. Preliminary Vaccine Cost, Projection Parameters, & Population Estimates					
01.	\$11,324,363		\$13,627,265		State Fiscal Year Vaccine Estimate (from tab b.)
02.	140,088		139,739		Estimate of Covered Lives including Tricare(Covered Lives tab c.)
03.	\$113,244	1.0%	\$136,273	1.0%	Provision for Vaccine Utilization increase
04.	\$403,176	4.7%	\$227,098	2.2%	Vaccine cost inflation factor (prices change each April 1st)
05.	\$11,840,782		\$13,990,636		¹ Calendar Year Vaccine Funding Estimate
B. Budget Estimates					
06.	\$149,040		\$149,040		³ Servicing Agent Contract for Administrative Services
07.	\$6,000		\$6,000		Audit Fee (Move to paid public auditor & 2 years catch up fees)
08.	\$6,000		\$7,000		Bank Fees (adding TD Bank Lockbox including setup expenses)
09.	\$5,500		\$10,500		Legal (services of AG's office only estimated)
10.	\$166,540		\$172,540		Total Operating Costs Projected
C. Financial Carry Forwards					
11.	\$9,830,939		\$6,647,318		Estimated Starting Balance January 1
12.	\$5,749,100	6.4	\$3,284,574	3.00	Amount Retained for Liquidity Reserve - 3.0 months of non flu
13.	\$1,061,220		\$852,342		Amount Retained for Liquidity Reserve - full annual flu cost
14.	\$3,020,620		\$2,510,402		Carryforward used to reduce current assessment calculation
D. Aggregate Annual Assessment Calculation					
15.	\$11,840,782		\$13,990,636		Costs of Vaccines Provided
16.	\$166,540		\$172,540		Total Operating Costs
17.	\$0		\$0		Other (as approved by board -- see statute section 2.M)
18.	\$12,007,322		\$14,163,176		"Total Costs of the Fund" per statute section 2.M.
19.	\$42,026	0.35%	\$49,571	0.35%	Collection Losses (i.e. assumed "bad debt expense")
20.	-\$68,235		-\$104,845		² Interest Income
21.	-\$3,020,620	-25.2%	-\$2,510,402	-17.7%	(excess) or shortfall of cash from prior operating year
22.	\$270,165	2.25%	\$318,671	2.25%	add reserve up to 10% per statute section 5.A.(3).
23.	\$9,230,658		\$11,916,171		Total Assessments Needed
24.	-\$3,484,950		-\$1,910,462		Projected assessments February 15 at old rate
25.	\$5,745,708		\$10,005,709		Total Assessments Needed at new rate
E. Per Covered Life Assessment Calculation					
26.	\$54.69		\$95.47		Annual Assessment per Covered Life
27.	\$4.56		\$7.96		Monthly Assessment per Covered Life
28.	-5.6%		20.3%		% Change in Vaccine Costs
29.	-45.04%		74.6%		% Change in Assessment
F. Note: Total Assessed as % of Hard Vaccine Costs					
30.	-22.04%		-14.8%		All-in costs % above vaccine costs
G. Indicated Monthly Assessment Level next year apart from reserve / cash changes					
31.	\$6.33		\$8.93		⁴ Preliminary Assessment projection
Notes			12.3%		Increase in preliminary assessment projection
¹ Maine CDC + per vaccine adjustments + utilization increase with inflation factor.					
² Used the average of the five most recent year's Investment Income from audited financials.					
³ Fixed price contract all inclusive of expenses.					
⁴ Projection: annual amounts w/ carryforward cash, reserve changes, and 1 more year of inflation & utilization changes.					

Maine CDC Vaccine Projection Data

Column →
Line ↓

	A	B	C	D	E	F	G	H	I	J	K
	Vaccine	Brand Name	NDC	Prior Year Actuals			Federal FY 20 Estimates			Vaccine Level Adjustments	Vaccine Funding Target
				Cost Per Dose	Doses	Cost	Cost Per Dose	Doses	Cost		
01.	DAPTACEL	Sanofi Pastuer	49281-0286-10	\$ 17.61	4018	\$ 70,756.98	\$18.07	6,765	\$122,244	0.00%	\$122,244
1.b				\$ 18.07	1141	\$ 20,617.87					
02.	PENTACEL	Sanofi Pastuer	49281-0510-05	\$ 58.33	7652	\$ 446,341.16	\$59.42	9,940	\$590,635	0.00%	\$590,635
2.b				\$ 59.42	2626	\$ 156,036.92					
03.	QUADRACEL	Sanofi Pastuer	49281-0562-10	\$ 39.57	1581	\$ 62,560.17	\$40.67	1,858	\$75,565		\$75,565
3.b				\$ 40.67	823	\$ 33,471.41					
04.	IPOL (EIPV)	Sanofi Pastuer	49281-0860-10	\$ 13.30	1690	\$ 22,477.00	\$13.55	4,118	\$55,799	0.00%	\$55,799
4.b				\$ 13.55	684	\$ 9,268.20					
05.	Menactra (MCV4)	Sanofi Pastuer	49281-0589-05	\$ 91.81	9056	\$ 831,431.36	\$93.45	19,822	\$1,852,366	0.00%	\$1,852,366
5.b				\$ 93.45	2536	\$ 236,989.20					
06.	ACTHIB (HIB)	Sanofi Pastuer	49281-0545-03	\$ 9.23	4177	\$ 38,553.71	\$9.48	6,577	\$62,350	0.00%	\$62,350
				\$ 9.48	1557	\$ 14,760.36					
07.	ADACEL (Tdap)	Sanofi Pastuer	49281-0400-10	\$ 30.89	1569	\$ 48,466.41	\$31.75	4,826	\$153,226	0.00%	\$153,226
7.b				\$ 31.75	646	\$ 20,510.50					
08.	TENIVAC	Sanofi Pastuer	49281-0215-15	\$ -	0	\$ -	\$20.61	500	\$10,305		\$10,305
8.b				\$ -	0	\$ -					
09.	TRUMENBA (Menb)	Pfizer	00005-0100-10	\$ 104.79	137	\$ 14,356.23	\$108.95	342	\$37,261	\$0.00	\$37,261
9.b				\$ 108.95	51	\$ 5,556.45					
10.	Prevnar 13 (PCV 13)	Pfizer	00005-1971-02	\$ 131.77	15452	\$ 2,036,110.04	\$137.01	16,280	\$2,230,523	\$0.00	\$2,230,523
10.b				\$ 137.01	5268	\$ 721,768.68					
11.	Bexsero (Menb)	GlaxoSmithKline	58160-0976-06	\$ 129.06	184	\$ 23,747.04	\$108.53	2,500	\$271,325	0.00%	\$271,325
11.b				\$ 103.40	757	\$ 78,274					
11.c				\$ 102.33	434	\$ 44,411					
12.	MENVEO (MCV4)	GlaxoSmithKline	58160-0955-09	\$ 92.10	316	\$ 29,104	\$76.00	5,058	\$384,408		\$384,408
12.b				\$ 73.83	1903	\$ 140,498					
12.c				\$ 94.84	759	\$ 71,984					
13.	Infanrix (DTaP)	GlaxoSmithKline	58160-0810-11	\$ 18.19	461	\$ 8,386	\$18.67	499	\$9,316	0.00%	\$9,316
13.b				\$ 18.67	55	\$ 1,027					
14.	Pediarix (DTaP/Hep B/IPV)	GlaxoSmithKline	58160-0811-52	\$ 57.97	4827	\$ 279,821	\$59.05	5,027	\$296,844	0.00%	\$296,844
15.	Kinrix (DTaP/IPV)	GlaxoSmithKline	58160-0812-52	\$ 40.19	2181	\$ 87,654	\$41.31	2,778	\$114,759	0.00%	\$114,759
15.b				\$ 41.31	1088	\$ 44,945					
15.c			58160-0812-11	\$ 41.31	327	\$ 13,508					
16.	Havrix (Hep A)	GlaxoSmithKline	58160-0825-11	\$ 19.58	4953	\$ 96,980	\$20.52	11,407	\$234,072	0.00%	\$234,072
16.b			58160-0825-52	\$ 19.58	4835	\$ 94,669					
16.c			58160-0825-52	\$ 20.52	3151	\$ 64,659					
17.	Engerix-B (Hep B)	GlaxoSmithKline	58160-0820-52	\$ 14.03	2006	\$ 28,144	\$16.02	4,066	\$65,137	0.00%	\$65,137
17.b				\$ 16.02	3212	\$ 51,456					
18.	Rotarix (Rota)	GlaxoSmithKline	58160-0854-52	\$ 92.85	2653	\$ 246,331	\$94.69	3,096	\$293,160	0.00%	\$293,160

Maine CDC Vaccine Projection Data

18.b			\$ 94.69	1015	\$ 96,110						
19.	Boostrix (TDaP)	GlaxoSmithKline	58160-0842-11	\$ 31.37	4070	\$ 127,676	\$32.24	8,428	\$271,719	0.00%	\$271,719
19.b			\$ 32.24	494	\$ 15,927						
19.c			58160-0842-51	\$ 32.24	987	\$ 31,821					
20.	HIBERIX	GlaxoSmithKline	58160-0818-11	\$ 9.65	34	\$ 328	\$9.46	32	\$303	0.00%	\$303
20.b			\$ 9.46	15	\$ 142						
21.	VAQTA (Hep A)	Merck Sharp & Dohme Corp.	00006-4831-41	\$ 19.29	2953	\$ 56,963	\$19.66	3,054	\$60,042	0.00%	\$60,042
21.b			00006-4095-02	\$ 19.66	511	\$ 10,046					
22.	RECOMBIVAX (Hep B)	Merck Sharp & Dohme Corp.	00006-4981-00	\$ 12.30	3543	\$ 43,579	\$12.30	7,522	\$92,521	0.00%	\$92,521
22.b			00006-4903-02	\$ 12.30	1873	\$ 23,038					
23.	PedvaxHib (Hib)	Merck Sharp & Dohme Corp.	00006-4897-00	\$ 13.09	2928	\$ 38,328	\$13.21	3,605	\$47,622	0.00%	\$47,622
23.b			\$ 13.21	1023	\$ 13,514						
24.	Gardasil (HPV9)	Merck Sharp & Dohme Corp.	00006-4119-03	\$ 168.10	2709	\$ 455,383	\$178.14	17,158	\$3,056,526	0.00%	\$3,056,526
24.b			00006-4121-02	\$ 168.10	7194	\$ 1,209,311					
24.c			\$ 158.06	795	\$ 125,658						
24.d			\$ 178.14	3678	\$ 655,199						
25.	ROTATEQ (Rota)	Merck Sharp & Dohme Corp.	00006-4047-41	\$ 70.49	8767	\$ 617,986	\$70.49	6,337	\$446,695	0.00%	\$446,695
26.	MMR II	Merck Sharp & Dohme Corp.	00006-4681-00	\$ 21.05	4862	\$ 102,345	\$21.22	5,931	\$125,856	0.00%	\$125,856
26.b			\$ 21.22	2323	\$ 49,294						
27.	Proquad (MMRV)	Merck Sharp & Dohme Corp.	00006-4171-00	\$ 125.11	4850	\$ 606,784	\$131.40	8,578	\$1,127,149	0.00%	\$1,127,149
27.b			\$ 131.40	1930	\$ 253,602						
28.	Pneumovax23 (Pedi)	Merck Sharp & Dohme Corp.	00006-4943-00	\$ 53.11	22	\$ 1,168	\$56.14	113	\$6,344	0.00%	\$6,344
28.b			\$ 56.14	12	\$ 674						
29.	Varivax	Merck Sharp & Dohme Corp.	00006-4827-00	\$ 98.24	3640	\$ 357,594	\$104.09	6,541	\$680,853	0.00%	\$680,853
29.b			\$ 104.09	230	\$ 23,941						
30.	Fluzone PF 0.5ml (>3 yrs)	Sanofi Pasteur	49281-0419-50	\$ 15.11	12830	\$ 193,861	\$13.76	3,000	\$41,271	0.00%	\$41,271
31.	Fluzone PF 0.25ml (<3 yrs)	Sanofi Pasteur	49281-0519-25	\$ 15.11	8970	\$ 135,537	\$13.76	25,700	\$353,555	0.00%	\$353,555
32.	FluMist Sprayer, 10-pack (2-18)	Astra Zeneca	66019-0306-10	\$ 18.88	2600	\$ 49,088	\$18.88	1,280	\$24,166	0.00%	\$24,166
33.	Flulaval PF 0.5ml (6mth+)	GlaxoSmithKline	19515-0906-52	\$ 13.50	48330	\$ 652,455	\$13.50	32,100	\$433,350	0.00%	\$433,350
34.					\$ 12,244,553			\$13,627,265	0.00%	\$13,627,265	
35.	TOTAL			229,763	\$ 12,244,553			234,838	\$13,627,265		\$13,627,265
36.									Adjusted for overall utilization increase		\$13,763,538
37.									Adjusted for price increase		\$13,990,636

**Maine Vaccine Board
 Estimated Covered Lives
 2020 Calendar Year Assessment Calculation**

Covered lives reported to KV for historical quarters:

	<u>Quarter</u>	<u>Monthly Average</u>	<u>Quarterly Change</u>	<u>12 Month Average</u>	
				<u>Lives</u>	<u>R12 Trend</u>
Q1 ending 9/30/2015	408,454	136,151			
Q2 ending 12/31/2015	407,423	135,808	-0.25%		
Q3 ending 3/31/2016	411,378	137,126	0.97%		
Q4 ending 6/30/2016	409,107	136,369	-0.55%	136,363	
Q1 ending 9/30/2016	407,124	135,708	-0.48%	136,253	
Q2 ending 12/31/2016	406,709	135,570	-0.10%	136,193	
Q3 ending 3/31/2017	408,914	136,305	0.54%	135,988	
Q4 ending 6/30/2017	406,098	135,366	-0.69%	135,737	-0.46%
Q1 ending 9/30/2017	405,700	135,233	-0.10%	135,618	-0.47%
Q2 ending 12/31/2017	411,017	137,006	1.31%	135,977	-0.16%
Q3 ending 3/31/2018	411,861	137,287	0.21%	136,223	0.17%
Q4 ending 6/30/2018	420,263	140,088	2.04%	137,403	1.23%
Q1 ending 9/30/2018	416,686	138,895	-0.85%	138,319	1.99%
Q2 ending 12/31/2018	417,763	139,254	0.26%	138,881	2.14%
Q3 ending 3/31/2019	422,914	140,971	1.23%	139,802	2.63%
Q4 ending 6/30/2019	419,499	139,833	-0.81%	139,739	1.70%
Best Current Estimate				139,739	

Liquidity and Reserve Calculations

Column →	A	B	C
Line ↓			
Starting Balances			
01.	Cash Balance as of	3-Sep-2018	\$12,760,692
02.			
03.			
04.			\$12,760,692
Estimated Revenues			
05.	Final Quarterly Assessment (same as most recent collection)		\$1,912,949
06.			
07.			
08.			
09.			\$1,912,949
Expenditures / Allowances			
10.	¹ 1/3 of Annual Vaccine Cost Estimate		\$4,258,308
11.	¹ 1/3 of Annual Operating Budget Estimate		\$55,513
12.	Accounts Payables in Process per Maine CDC		\$3,689,924
13.	Pending Journal transfer per Maine CDC		\$22,579
14.	WVA TRICARE Collection Project-Cost Contribution Request		\$0
15.			
16.			
17.			
18.			\$8,026,323
19.	Estimated Starting Balance January 1		\$6,647,318
20.	Target Months Cash (Non-Flu)	3.0	\$3,284,574
21.	Target Cash for Flu		\$852,342
22.	Target Cash Reserve (Line 20 + Line 21)		\$4,136,916
23.	Excess Cash Balance Above Cash target		\$2,510,402

Notes:

¹ This is 1/3 not 1/4 because September bills have not yet been paid.

**Maine Vaccine Board
Vaccine Assessment Change Walk Down**

Column → Line ↓	A	B	C	D	E	F	G
2020 Calendar Year Assessment Calculation							
		<u>Prior Year</u>	<u>2,020</u>	<u>Change from Prior Year</u>			<u>Walk</u>
				<u>Aggregate \$</u>	<u>Distribution</u>	<u>Per Enrollee</u>	<u>Down</u>
01. Estimated vaccine costs		\$11,840,782	\$13,990,636	\$2,149,854	50.5%	\$1.71	37.5%
02. Total operational costs		\$166,540	\$172,540	\$6,000	0.1%	\$0.00	0.1%
03. Bad debt and investment income		-\$26,209	-\$55,274	-\$29,065	-0.7%	-\$0.02	-0.5%
04. Net working capital reserve/carry forward		-\$2,750,455	-\$2,191,731	\$558,724	13.1%	\$0.44	9.7%
05. Projected assessment at old rate		<u>-\$3,484,950</u>	<u>-\$1,910,462</u>	<u>\$1,574,488</u>	<u>37.0%</u>	<u>\$1.25</u>	<u>27.5%</u>
06. Total		\$5,745,708	\$10,005,709	\$4,260,001	100.0%	\$3.39	74.3%
07. Covered Lives		140,088	139,739	-349			0.2%
08. Total							74.6%
09. Assessment		\$4.56	\$7.96			\$3.40	74.6%