

October 12, 2018

TO: All Licensed Alaska 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")

RE: 2019 Alaska Vaccine Assessment Program (AVAP) Child and Adult Rates

At its annual rate-setting meeting on September 20, 2018, the Alaska Vaccine Assessment Program's Advisory Council voted to recommend the child and adult per person monthly assessment rates to the Alaska Department of Health and Social Services (DHSS). After careful review of fiscal control points, consideration of the impact of current supply shortage nationwide in one relatively new vaccine, further modest reduction in operational costs, the successful conclusion of funding of AVAP's targeted reserves, and confirmation of participation by TRICARE in making regular quarterly assessment payments, the Council unanimously agreed that the recommended child rate for 2019 should be \$7.44 per child per month and the adult rate should be 53 cents per adult per month. The Council was pleased with the ability to meaningfully lower the assessment from prior years. It was appreciative of the cost-effective and highly professional oversight by DHHS and careful vaccine management by providers which supported AVAP's underlying cost reductions. In setting the amount of this year's reduction, the Council sought to provide as much assessment rate stability as is reasonably possible for the next two years. A copy of the assessment workbook can be found on www.AKvaccine.org.

We are pleased to advise that the DHSS accepted the Council's recommended rates for assessments falling due in 2019. Please note, these new lower rates will first become effective with the assessment payments due on February 15, 2019. The current assessment rates will remain in effect through the November 15, 2018 assessment payment due date. KidsVax®'s assessment system will automatically apply the correct rate for all timely filed payer assessment reports.

Thank you for your continued support of Alaska's universal vaccine purchase program.

Sincerely,

Fred L. Potter, managing member of KidsVax, LLC serving via contract with DHHS as the

Executive Director of the

Alaska Vaccine Assessment Program