

STATE OF NORTH CAROLINA
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 NORTH CAROLINA MEDICAL CARE COMMISSION
 SPECIAL CALLED MEETING ON MEDICAID REFORM
 DIVISION OF HEALTH SERVICE REGULATION
 801 BIGGS DRIVE, RALEIGH NC 27603
 BROWN BUILDING CONFERENCE ROOM- 104
 February 11, 2015
 9:00 A.M.

STATE OF NORTH CAROLINA
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 NORTH CAROLINA MEDICAL CARE COMMISSION
 SPECIAL CALLED MEETING ON MEDICAID REFORM
 DIVISION OF HEALTH SERVICE REGULATION
 801 BIGGS DRIVE, RALEIGH NC 27603
 BROWN BUILDING CONFERENCE ROOM- 104
 February 12, 2015
 9:00 A.M.

MINUTES

I. MEDICAL CARE COMMISSION MEETING ON MEDICAID REFORM- February 11, 2015

| MEMBERS PRESENT | MEMBERS ABSENT |
|---|---|
| John A. Fagg, M.D., Chairperson Joseph D. Crocker, Vice-Chairperson George A. Binder, M.D. Harold Garland Charles H. Hauser Eileen C. Kugler, RN, MSN, MPH, FNP Albert F. Lockamy, Jr., RPh G. Wayne Long Paul McGill, D.D.S. Mary L. Piepenbring Carl K. Rust, M.D. Robert E. Schaaf, M.D. Henry A. Unger, M.D. Paul M. Wiles | George H.V. Cecil Charles T. Frock Elizabeth P. Kanof, M.D. |
| <p><u>DIVISION OF HEALTH SERVICE REGULATION STAFF</u></p> Drexdal Pratt, Director, DHSR/Secretary, MCC Christopher B. Taylor, CPA, Assistant Secretary, MCC Cheryl Ouimet, Chief Operating Officer, DHSR Bethany Burgon, Attorney General's Office Steven Lewis, Chief, Construction Section, DHSR Alice Creech, Executive Assistant, MCC | |

II. CHAIRPERSON'S COMMENTS – Dr. Fagg thanked everyone for coming to the meeting and told everyone that generally the Commission does not meet for three days in a row but due to inclement weather the meetings could not be avoided. Dr. Fagg then asked if anyone from the press was in the audience and

Carly Swanson of Time Warner Cable News spoke up. Dr. Fagg welcomed Ms. Swanson to the meeting and said she was welcome and welcome to film our meeting. Dr. Fagg stated that the Medical Care Commission's statutory requirement is to approve tax-exempt bonds and write rules for healthcare facilities. He said the Commission is also concerned about the financial health of our institutions in North Carolina and think it's appropriate for this Commission to look at the information and to come up with recommendations. We will look at (1) Expansion of Medicaid and whether it will be feasible for North Carolina, (2) We will look at with or without expansions, (3) Who is going to go forward in leading the transformations and (4) Finally, we will look at the recommendation of creating a separate Department for Medical Assistance outside of Department of Health and Human Services. Dr. Fagg took a few minutes going over Exhibits A through G that were in the Medicaid Reform Agenda Packet. There was no voting and Commission action taken at today's meeting.

**III. WELCOME REMARKSDr. Robin Cummings
State Medicaid Director, Department of Health and Human Services**

Dr. Cummings welcomed everyone on the behalf of Secretary Wos who had intended to be at our meeting but was called downtown on Jones Street at a last minute request. Dr. Cummings said that the Department appreciates the Medical Care Commission's intent of the Medicaid Reform Meeting and discussed what Medicaid means for North Carolina.

**IV. 9:15A.M. - 11:30 A.M.
MEDICAID EDUCATION SESSION.....Anna Dunn, Booz Allen Hamilton
(Attached as Exhibit H) Michelle Martin, Booz Allen Hamilton
Rachel Block, Booz Allen Hamilton**

**V. 11:30 A.M. – 12:00 P.M.
ACCOUNTABLE CARE ORGANIZATION.....Dr. Grace Terrell
(Attached as Exhibit I) Cornerstone Health Care**

VI. 12:00 P.M. – 1:00 P.M. - LUNCH

**VII. 1:15 P.M. – 1:45 P.M.
ADMINISTRATION PRESENTATION.....Dr. Robin Cummings
(Attached as Exhibit J)State Medicaid Director, Department of Health & Human Services**

**VIII. 1:45 P.M. – 2:15 P.M.
NORTH CAROLINA ASSOCIATION, LONG TERM CARE FACILITIES.....Hugh Campbell
(Attached as Exhibit K).....Vice- President, North Carolina Association, Long Term Care Facilities**

**IX. 2:15 P.M. – 2:45 P.M.
COMMUNITY CARE OF NORTH CAROLINA, INC.....Mark Benton
(Attached as Exhibit L) Chief Operating Officer, Community Care of North Carolina, Inc.**

**X. 2:45 – 3:15 P.M.
UNITED HEALTHCARE.....Jennifer Tracey
UnitedHealthcare Community and State, Medicare - Medicaid Federal Policy Director
Dr. Lewis Sandy**

**Executive Vice-President, Clinical Advancement UnitedHealth Group
(Attached as Exhibit M)**

- XI. 3:15 P.M. – 3:45 P.M.**
NORTH CAROLINA MEDICAL SOCIETY.....Dr. Jeff Runge
(Attached as Exhibit N) President, Biologue, Inc.
- XII. 3:45 P.M. – 4:15 P.M.**
NORTH CAROLINA HEALTH CARE FACILITIES ASSOCIATION.....David Kidder
President & Chief Executive Officer, Carolina Adventist Retirement Systems, Inc.
(Attached as Exhibit P)
- XIII. 4:15 P.M. – 4:45 P.M.**
NORTH CAROLINA HOSPITAL ASSOCIATION.....Jeffery Lindsay
Executive Vice-President/Chief Operating Officer, Novant Health
(Attached as Exhibit O)
- XIV. MEDICAL CARE COMMISSION MEETING ON MEDICAID REFORM – February 12, 2015**

| MEMBERS PRESENT | MEMBERS ABSENT |
|--|---|
| John A. Fagg, M.D., Chairperson Joseph D. Crocker, Vice-Chairperson George A. Binder, M.D. George H.V. Cecil Harold Garland Charles H. Hauser Eileen C. Kugler, RN, MSN, MPH, FNP Albert F. Lockamy, Jr., RPh G. Wayne Long Paul McGill, D.D.S. Mary L. Piepenbring Carl K. Rust, M.D. Robert E. Schaaf, M.D. Henry A. Unger, M.D. | Charles T. Frock Elizabeth P. Kanof, M.D. Paul M. Wiles |
| <u>DIVISION OF HEALTH SERVICE REGULATION STAFF</u> | |
| Drexdal Pratt, Director, DHSR/Secretary, MCC Christopher B. Taylor, CPA, Assistant Secretary, MCC Cheryl Ouimet, Chief Operating Officer, DHSR Bethany Burgon, Attorney's General's Office Patsy Christian, PhD, RN, Asst. Director/Healthcare Quality and Safety, Steven Lewis, Chief, Construction Section, DHSR Azzie Conley, Chief, Acute and Home Care, DHSR Nadine Pfeiffer, Rules Coordinator, DHSR Megan Lamphere, Chief, Adult Care Licensure Section, DHSR Jan Brickley, RPh, Adult Care Licensure Section, DHSR Diana Barbry, Executive Assistant/DHSR Alice Creech, Executive Assistant/MCC | |

XV. CHAIRPERSON'S COMMENTS

Dr. Fagg welcomed everyone to the meeting. He said the North Carolina Medical Care Commission is going to undertake to see if we can make some common sense out of the intelligence we gathered from yesterday's meeting on Medicaid and where Medicaid should go. The reason the North Carolina Medical Care Commission is doing this is because we issue tax-exempt bonds for these healthcare facilities and we have approximately 7 billion in bonds outstanding. We also propagate the rules for the operations of these healthcare facilities. A preamble of recommendations made today will be submitted tomorrow and will be voted on at tomorrow's meeting. The Members of the Commission discussed the issue of Medicaid Reform and the issue of adoption of a position on Medicaid Reform by the Commission.

XVI. ADJOURNMENT

There being no further business, the meeting was adjourned at 11:00 A.M.

Respectfully Submitted,



Drexdal R. Pratt, Secretary

April 21, 2015