

STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

MEDICAL CARE COMMISSION QUARTERLY MEETING

**DIVISION OF HEALTH SERVICE REGULATION
701 BARBOUR DRIVE
RALEIGH NC 27603**

MAY 8, 2009

9:00 A.M.

MINUTES

I. MEDICAL CARE COMMISSION QUARTERLY MEETING, MAY 8, 2009 – 9:00 a.m.

MEMBERS PRESENT	MEMBERS ABSENT
Lucy H. Bode, Chairperson Joseph D. Crocker, Vice-Chairperson George A. Binder, M.D. Gerald P. Cox Charles Frock John A. Fagg, M.D. Clifford B. Jones, Jr., D.D.S. Albert F. Lockamy, Jr., R.Ph. Mary L. Piepenbring Elizabeth Kanof, M.D. James H. Leonard Margaret Weller-Stargell	George H.V. Cecil Martha Barham Robert E. Schaaf, M.D. Carl K. Rust, II, M.D. Henry A. Unger, M.D.
<u>DIVISION OF HEALTH SERVICE REGULATION STAFF</u>	
Jeff Horton, Acting, Secretary, MCC; Acting Director, DHSR Christopher B. Taylor, CPA, Assistant Secretary, MCC William L. Warren, Chief, Construction Section Diana Barbry, Administrative Assistant, MCC/DHSR Nadine Pfeiffer, Rules Coordinator, DHSR Elizabeth Brown, Chief, Budget & Planning / DHSR	

II. CHAIRPERSON'S COMMENTS

Ms. Bode welcomed everybody to the meeting and she then questioned the members to see if anyone had a conflict of interest with anything coming before the Commission at the meeting, Mr. Cox requested to be recused from the vote regarding the Hospital Rules.

III. APPROVAL OF MINUTES from the November 8, 2008 meeting was requested (**Exhibit A**).

Commission Action: Motion made by Mr. Cox, seconded by Mr. Crocker and unanimously approved.

IV. DIVISION DIRECTOR'S REPORT

Mr. Horton reported on matters of interest to the Commission, he gave a brief overview of the current budget issues affecting DHSR, the EMS Rules that became effective March 2009. Mr. Horton also reported that the move of the Council Building staff would probably be delayed another three years, because Dix Hospital is scheduled to remain open until 2012.

Other items to report on are listed below (see **Exhibits B – B/9**):

1. The Executive Committee held telephone conference meetings on the following dates:

November 19, 2008 – To authorize the financing of certain health care equipment for the benefit of Duke University Health System and authorize the execution and delivery of a First Supplemental Trust Agreement for Randolph Hospital. To authorize the substitution of the master trustee pursuant to the Master Trust Indenture dated as November 1, 1997, between Transylvania Community Hospital, Inc. and First Union National Bank and to authorize the issuance of Variable Rate Demand Health Care Facilities Revenue Refunding Bonds for First Health of the Carolinas, Series 2008. (**attached as Exhibit B/1**).

November 20, 2008 – To consider a resolution authorizing the issuance and sale of bonds, the proceeds of which will be loaned to University Health Systems of Eastern Carolina, Inc. and Pitt County Memorial Hospital, Incorporated (abbreviate principal amount of the 2008 bonds is \$508,610,000). (**attached as Exhibit B/2**).

December 18, 2008 – To consider resolutions authorizing the sale of bonds for Hospice of Alamance-Caswell Foundation, Inc. and Hospice & Palliative Care Center of Alamance-Caswell, LLC and to authorize certain amendments to the Master Trust Indenture for Wake Forest Health Sciences Project, Series 2008. (**attached as Exhibit B/3**)

January 22, 2009 - To consider a tax-exempt operating lease program for Mission Healthcare, Inc. and to approve the sale of bonds for North Carolina Baptist Hospital. (**attached as Exhibit B/4**)

January 29, 2009 - To consider a resolution authorizing the approval of an amendment to a Remarketing Agreement for 1991-B Pool Bonds and to consider a resolution authorizing the issuance and sale of bonds, the proceeds of which will be loaned to WakeMed. (**attached as Exhibit B/5**)

February 18, 2009 - To consider Home Care/Companion Sitter Rules which are (1) Medical Care Commission Home Care Rule Resolution Summary, (2) OAH Rule 13J.1501, (3) OAH Rule 13J.1502, (4) OAH Rule 13J.1503, (5) OAH Rule 13J.1504, (6) To consider a resolution to approve the appointment of Wachovia Bank, National Association as Remarketing Agent for the North Carolina Medical Care Commission Variable Rate Demand Hospital Revenue Bonds (Iredell Memorial Hospital) Series 2007, (7) To consider the substitution of the bond trustee under the Trust Agreement for Transylvania Community Hospital, (8) To consider a resolution authorizing the issuance and sale of bonds, the proceeds of which will be loaned to WakeMed. (**attached as Exhibit B/6**)

March 5, 2009 – To authorize the sale of bonds, the proceeds of which are to be loaned to Transylvania Community Hospital, Inc. (**attached as Exhibit B/7**)

March 12, 2009 – To consider for approval the issuance of \$35,720,000 North Carolina Medical Care Commission Variable Rate Demand Hospital Revenue Refunding Bonds for Wayne Memorial Hospital and resolutions for Home Care Companion/Sitter Rules. **(attached as Exhibit B/8)**

March 26, 2009 – To authorize the sale of bonds, the proceeds of which are to be loaned to FirstHealth of the Carolinas, Inc. **(attached as Exhibit B/9)**

- 2. **Presentation** - Nursing Home Medication Error Quality Initiative-.....**Sandra B.Greene**
DrPH, Senior Research Fellow Cecil G. Sheps Center for Health Services Research

V. **OLD BUSINESS**

Hospital rule 10A NCAC 13B .3903 - Preservation of Medical Records.....**Exhibit H**
Nadine Pfeiffer

Commission Action: Motion made by Dr. Frock, seconded by Mr. Lockamy and approved with the recusal of Mr. Cox.

VI. **NEW BUSINESS**

Hospice Rules.....**Exhibit G**
Nadine Pfeiffer

Commission Action: Motion made by Mr. Cox, seconded by Dr. Jones and unanimously approved.

- 3. **Presentation** - Adult Care Home Star Rating System Presentation.....**Megan Lamphere**
Adult Care Licensure Section/DHSR

- 4. Chris Taylor reported on selected information Stats & Ratio charts from 2008 Audits for Healthcare entities with the commission.

Refunding of Commission Bond Issues

Recommended:

WHEREAS, the bond market is in a period of generally fluctuating interest rates, and

WHEREAS, in the event of decline of rates during the next quarter, refunding of certain projects could result in significant savings in interest expense thereby reducing the cost of health care to patients, and

WHEREAS, the Commission will not meet again until August 14, 2009;

THEREFORE, BE IT RESOLVED; that the Commission authorizes its Executive Committee to approve projects involving only the refunding of existing Commission debt between this date and August 14, 2009.

Commission Action: Motion made by Mr. Lockamy, seconded by Ms. Weller-Stargell and unanimously approved.

VII. MEMBER REPORT

VIII. QUESTIONS FROM THE PUBLIC - The Chairperson will receive questions from the public.

IX. ADJOURNMENT - A motion to adjourn is requested.

THE MEETING ADJOURNED AROUND 11:30 A.M.

**Jeff Horton
Acting Secretary**

Jeff Horton

May 14, 2009

Date