

**STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**MEDICAL CARE COMMISSION QUARTERLY MEETING
DIVISION OF HEALTH SERVICE REGULATION
801 BIGGS DRIVE, RALEIGH NC 27603
BROWN BUILDING CONFERENCE ROOM- 104**

November 15, 2013

9:00 A.M.

MINUTES

| MEMBERS PRESENT | MEMBERS ABSENT |
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| Lucy H. Bode, Chairperson George A. Binder, M.D. George H.V. Cecil Gerald P. Cox John Fagg, M.D. Charles T. Frock Elizabeth Kanof, M.D. Eileen Kugler, RN, MSN, MPH, FNP Albert F. Lockamy, Jr., R.Ph Paul McGill, D.D.S Mary L. Piepenbring Robert E. Schaaf, M.D. Henry A. Unger, M.D. Margaret Weller-Stargell (Via Conference Call) | Joseph D. Crocker, Vice-Chairperson Carl K. Rust, M.D. |
| <u>DIVISION OF HEALTH SERVICE REGULATION STAFF</u> | |
| Drexdal Pratt, Director, DHSR/Secretary, MCC Christopher B. Taylor, CPA, Assistant Secretary, MCC Steven Lewis, Chief, Construction Section, DHSR Megan Lamphere, Rules Coordinator, DHSR Diana Barbry, Executive Assistant, MCC/DHSR Alice Creech, Bond Program Assistant, MCC/DHSR Crystal Watson-Abbott, Auditor, MCC/DHSR Kathy Larrison, Auditor, MCC/DHSR | |

I. CHAIRPERSON'S COMMENTS

The meeting was called to order by Ms. Bode who welcomed everybody to the meeting and requested that the members of the audience introduce themselves to the Members. She then questioned the Members to see if anyone had a conflict of interest with anything coming before the Commission at the meeting. Ms. Bode reminded the Members that in accordance with Advisory Opinion dated November 19, 2010 any Commission Member with \$10,000 or more invested in a particular bank would need to abstain from voting on a project, in which the bank was involved. It was decided that the recusals would be done at the time each project was presented for a vote.

II. APPROVAL OF MINUTES from the August 9, 2013 meeting. (**Exhibit A**)

Commission Action: Motion was made by Mr. Cox seconded by Dr. McGill and unanimously approved.

III. INTRODUCTION OF DHHS SECRETARY ALDONA WOS.....Drexdal Pratt
Secretary Wos addressed the Commission and gave an overview of the planned expansion of the NC Medicaid Plan.

IV. DIVISION DIRECTOR'S REPORT - Mr. Pratt reported on matters of interest to the Commission, including an overview of House Bill 834 which is the 3 year moratorium that has been placed on Special Care Units in Adult Care Homes effective June 2013.

Other items to report on are listed below:..... **Exhibits B – B/3**

1. Quarterly Report on Bond Program.....**Exhibit B**

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

September 10, 2013 –To authorize the sale of bonds, the proceeds of which are to be loaned to The Pines at Davidson, Inc.....**Exhibit B/1**

October 11, 2013 - To authorize the sale of bonds, the proceeds of which are to be loaned to Aldersgate United Methodist Retirement Community, Inc. and to authorize and approve the distribution of a Remarketing Circular relating to and in connection with the remarketing of the North Carolina Medical Care Commission Health System Revenue Bonds, Catholic Health East Issue, Series 2008.....**Exhibit B/2**

V. Election of Three Members to the Executive Committee.....**Lucy Bode**
In accordance with 10NCAC 13A.0101 at the last meeting in an odd year the Commission elects three Commission Members to serve on the Executive Committee starting January 1st of the next year for a 2 year term.

Commission Action: Motion was made by Dr. Fagg seconded by Mr. Frock and unanimously approved to re-elect Mr. Lockamy, Ms. Piepenbring and Mr. Cecil for a 2nd term.

VI. Presentation – North Carolina Hospital Association.....**Bill Pully**
Mr. Pully discussed the issues that hospitals are having to deal with, in regards to the non expansion of the Medicaid program.

VII. Old Business

1. Update on HB 74 “Regulatory Reform.....**Megan Lamphere**

VIII. New Business

1. Resolution for Defeasance of Wilson Memorial Hospital Bonds.....Christopher Taylor (**Exhibit C**)

Statements were given by Jon Mize & Chris Taylor.

Commission Action: Resolution for Defeasance of Wilson Memorial Hospital Bonds was placed on hold for additional information and referred to the Executive Committee to act on the matter.

2. Nursing Home Rules.....Megan Lamphere (**Exhibit D**)

Commission Action: Motion was made by Mr. Cox seconded by Mr. Cecil and unanimously approved to move forward with the rule making process.

3. Construction Rules.....Megan Lamphere (**Exhibit E**)

Commission Action: No Commission action was taken, however a suggestion was made and approved to withdraw rule.

4. Hospital Transparency Rules Update.....Charles Frock

IX. Refunding of Commission Bond Issues

Resolved:.....**Chris Taylor**

Commission Action: Motion was made by Mr. Lockamy seconded by Dr. Unger and unanimously approved.

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 February 14, 2014,

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 February 14, 2014.

X. MEMBER REPORT

- XI. 2014 MCC Meeting Dates**.....**Chris Taylor**

February 13-14
May 15-16
August 7-8
November 13-14


XII. NOTE TO EXECUTIVE COMMITTEE:

We will be requesting that you meet on Tuesday, November 19, 2013 by phone to consider a request for the final approval of the sale of Bonds for Moses Cone Health System. Alice will send out a poll to determine availability.

XIII. ADJOURNMENT - A motion to adjourn is requested.

Commission Action: Motion was made by Mr. Cox seconded by Ms. Kugler and unanimously approved.

MEETING ADJOURNED AROUND 11:35A.M.



Drexal Pratt
Secretary

12-6-13

Date