

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

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**MEDICAL CARE COMMISSION QUARTERLY MEETING  
NORTH CAROLINA MEDICAL SOCIETY  
222 NORTH PERSON STREET #200  
RALEIGH, NORTH CAROLINA 27601**

**May 20, 2016  
9:00 A.M.**

**AGENDA**

- I. Meeting Opens**
- II. Chairperson’s Comments -** Dr. John A. Fagg will comment on matters of importance to the Commission. Question: Does anyone have any conflict of interest with any agenda item before the Commission today?
- III. Introduction of New Commission Members.....**Dr. John A. Fagg
- Vickie L. Beaver
  - Dr. Devdutta G. Sangvai
- IV. Letters from the North Carolina Board of Ethics for the following New Members .....**Dr. John A. Fagg
- Dr. Robert S. Alphin (attached as Exhibit A)
  - Vickie L. Beaver (attached as Exhibit A-1)
  - Dr. Devdutta G. Sangvai (attached as Exhibit A-2)
- V. Resolution of Appreciation for Drexdal R. Pratt.....**Dr. John A. Fagg  
(attached as Exhibit A-3)
- VI. Approval of Minutes** from the February 12, 2016 Medical Care Commission Quarterly Meeting Conference Call is requested (attached as Exhibit A-4)
- VII. The Assistant Secretary for Audit and Health Service Regulation.....** S. Mark Payne  
Mr. Payne will report on matters of interest to the Commission.

Other items to report on are listed below (see Exhibits B-B/2):

1. Quarterly Report on Bond Program (attached as Exhibit B).....Christopher B. Taylor
2. The Executive Committee held a telephone conference meeting on the following date:

**March 22, 2016 - (1)** To consider a resolution approving the appointment of Wells Fargo Bank, National Association as Successor Remarketing Agent for Moses Cone Health System, Series 2001A Bonds and Series 2001B Bonds, **(2)** Resolution granting preliminary approval to a project for Duke University Health System, and **(3)** Resolution granting preliminary approval to a project for United Methodist Retirement Homes. (attached as Exhibit B/1)

**April 19, 2016 – (1)** To authorize the sale of bonds, the proceeds of which are to be loaned to The Presbyterian Homes, Inc. and Glenaire, Inc. and **(2)** To correct and amend the amortization schedule for the North Carolina Medical Care Commission Health Care Facilities First Mortgage Revenue Refunding Bonds (The Presbyterian Homes Obligated Group), Series 2015, **(3)** To rescind a preliminary approval for a transaction for Duke University Health System, Inc. dated March 22, 2016 and to consider preliminary approval to refund the outstanding balance of the North Carolina Medical Care Commission \$180,000,000 Health Care Facilities Revenue Refunding Bonds for Duke University Health System, Inc. Series 2005, outstanding in the amount of \$322,140,000 and **(4)** Resolution authorizing the sale of bonds, the proceeds of which are to be loaned to United Methodist Retirement Homes (UMRH) with a copy of the pricing summary. **(attached as Exhibit B/2)**

**VIII. Presentations:**

- A. Origin of Medicare**.....Robert W. Seligson, MA, MBA, Executive Vice President, CEO, NC Medical Society
- B. Compliance Deficiencies**.....Crystal Watson-Abbott & Kathy C. Larrison  
**Exhibit C**

**IX. Old Business:**

- A. Rules for Final Adoption**
  - Nursing Home Rules.....Beverly A. Speroff & Nadine A. Pfeiffer  
**Exhibit D**
  - Readoption of 6 rules following Periodic Review: 10A NCAC 13D .2001, .2210, .2303, .2402, .2503 and .3201.

**X. New Business:**

- A. Rules for Initiating Rulemaking Approval - (Rules)**
  - (1) Health Care Cost Reduction & Transparency Permanent Rules - Azzie Y. Conley & Nadine A. Pfeiffer  
**Exhibit E-E/3**
    - (a) Licensing of Hospitals, 10A NCAC 13B .2102
    - (b) Licensing of Ambulatory Surgical Facilities, 10A NCAC 13C .0206
  - (2) Emergency Medical Services and Trauma Rules..... Thomas E. Mitchell & Nadine A. Pfeiffer  
**Exhibits E/4-E/6**
    - (a) Readoption of 29 rules following Periodic Review (10A NCAC 13P)
    - (b) Amendment and Adoption of 18 rules (10A NCAC 13P)
  - (3) Adult Care Home Licensure Rules.....Megan B. Lamphere & Nadine A. Pfeiffer  
**Exhibits E/7- E/9**
    - (a) Licensing of Homes for the Aged and Infirm (Adoptions)  
10A NCAC 13F .1702, .1703
    - (b) Licensing of Family Care Homes (Adoptions and Repeal)  
10A NCAC 13G .0401, .1501 - .1503

**B. Periodic Review of Existing Rules (HB 74) – Initial Category Determination Report**

- 10A NCAC 13B, Licensing of Hospitals .....Nadine A. Pfeiffer  
**Exhibits F-F/1**

**XI. Refunding of Commission Bond Issues.....Christopher B. Taylor**

**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 12, 2016 in Raleigh, North Carolina;

**THEREFORE, BE IT RESOLVED**; that the Commission authorize its Executive Committee to approve projects involving the refunding of existing Commission debt between this date and August 12, 2016.

**XII. Meeting Adjourn**