

## BOARD OF DIRECTORS ANNUAL RETREAT

The Board of Directors of Vaya Health conducted its board of director’s annual retreat on Friday, January 24, 2020 and Saturday, January 25, 2020 at the DoubleTree Biltmore Hotel at 115 Hendersonville Rd. Asheville, NC 28803.

### MEETING MINUTES January 24, 2020

<b><i>In Attendance:</i></b>	<b><i>Attending:</i></b>	<b><i>Apologies:</i></b>
<i>Billy Kennedy</i>	X	
<i>Gary Blevins</i>	X	
<i>Ira Dove</i>	X	
<i>Jeanne Duncan</i>	X	
<i>Dr. Jack Cahn</i>	X	
<i>Dr. Jeff Heck</i>	Proxy: Rick French	
<i>Marche Pittman</i>	X	
<i>Mike Norris</i>	X	
<i>Nancy Baker</i>	X	
<i>Pat McGinnis</i>	X	
<i>Rick French (Chair)</i>	X	
<i>Ronnie Beale</i>	X	
<i>Steve Smith</i>		X
<i>Patrick Betancourt</i>	X	
<i>Connie Orr</i>	X	
<i>Will Wakefield</i>	X	
<i>Ashely Wurth Bare</i>	Proxy: Pat McGinnis	
<i>Ashley Wooten</i>	Proxy: Ira Dove	
<i>Kevin King</i>	X	
<i>Page Lemel</i>	X	
<i>Dakisha “D.K.” Wesley</i>	X	

**Also attending the January 24, 2020 Board of Directors meeting:**

*Brian Ingraham, Chief Executive Officer; Larry Hill, Chief Finance Officer; Tracy Hayes, General Counsel & Chief Compliance Officer; Rhonda Cox, Chief Population Health Officer; Craig Martin, Chief Medical Officer; J.K. Coward, Board Attorney; Patrick McCoy, Human Resources Director; Jennifer Ternay, Finance Consultant; Yvonne French, DHHS Liaison; Donald Reuss, Sr. Director Provider Network Operations; Jesse Smathers, Community Relations Representative; Josh Kennedy, Polk County Health and Human Services Director; Mark Evans, Alleghany County Manager; Allison Inman, Director, Office of Communications; Melissa Brown, Executive Assistant; and Christina Rose Carter, Executive Legal Assistant & Clerk to the Board.*

**A. Call to Order and Roll Call:**

Mr. Gary Blevins, Vice Chairman of the Board, called the meeting to order at 4:33 p.m. while the Chair was briefly unavailable.

**B. Review and Approval of 2020 Retreat Agenda, and December 12, 2019 Meeting Minutes:**

Mr. Patrick Betancourt made a motion to approve the Board of Directors annual retreat agenda and December 12, 2019 meeting minutes. Mr. Pat McGinnis seconded the motion.

Motion unanimously approved.

**C. Public Comment:**

No members from the public offered public comment at the January 24, 2020 Board Retreat Meeting.

**D. Conflict of Interest Disclosure**

There were no conflicts of interest disclosed during the January 24, 2020 Board Retreat meeting.

**E. Report of the Chair – Rick French, Chair**

Mr. Rick French provided the report of the Chair to the Board of Directors, which included the following items:

1. Introduction of the new Chief Financial Officer Larry Hill. Mr. Hill previously served as Vice President of Finance at Mission Health for 27 years and is a native to the Asheville area.
2. An award ceremony was held for departing board members, Dr. Jack Cahn and Mr. Marche Pittman.
3. Introductions for potential new board members, Mr. Josh Kennedy, Polk County Health and Human Services Director and Mr. Mark Evans, Alleghany County Commissioner, as recommended by the Bylaws and Nominating committee.

Ms. Pat McGinnis motioned to appoint Mr. Kennedy and Mr. Evans to the board as recommended by the Bylaws and Nominating committee. Mr. Ira Dove seconded the motion.

Motion unanimously approved.

The new members shared a few words with their fellow board members and executive staff. Mr. Mark Evans has served as Alleghany County Commissioner for five years and is currently in his second term. Mr. Josh Kennedy currently serves as Polk County Health and Human Services Director, and has worked with Vaya Health and Smoky Mountain Center for a number of years on various initiatives. Mr. Rick French led the swearing in of the new board members.

Ms. Tracy Hayes, General Counsel & CCO, presented the proposed Board of Directors Bylaws revisions as recommended by the Bylaws and Nominating Committee, including the clarifying revisions requested by Mr. Ira Dove.

Ms. Page Lemel motioned to approve the Board of Directors Bylaws revisions as recommended by the Bylaws and Nominating committee, including the clarifying revisions requested by Mr. Ira Dove. Mr. Billy Kennedy seconded the motion.

Motion unanimously approved.

Mr. Rick French reported on behalf of the Bylaws and Nominating committee. Board Member reappointments include Mr. Ronnie Beale, Ms. Pat McGinnis, Mr. Rick French, Mr. Billy Kennedy, and Mr. Gary Blevins. Ms. Connie Orr is nominated for the vacant seat on Executive Committee, and Mr. Josh Kennedy is nominated for the vacant seat as Vice Chair on Regulatory Compliance and Quality Committee. Mr. French and Mr. Blevins are recommended as Chair and Vice Chair respectively.

Ms. Page Lemel motioned to approve reappointments, committee nominations, and Chair/ Vice Chair appointments, as presented. Mr. Patrick Betancourt seconded the motion.

Motion unanimously approved.

**F. Report of the Provider Advisory Council:**

Ms. Jeanne Duncan updated the board on the provider participation at the January Provider Advisory Council meeting. The meeting space and technology available by hosting the meeting at Vaya Health's Ridgefield administrative office has allowed providers and licensed practitioners to participate remotely. Vaya staff has been assisting to develop the meeting documents and organization prior to the meeting.

**G. Report of the Consumer & Family Advisory Committee:**

Ms. Pat McGinnis updated the Board on recent activity of the Consumer and Family Advisory Committee including all regional meetings in Sylva, Lenoir, and Asheville. CFAC is continuing to working with Vaya Community Relations and Office of Communications staff to present film showings of *Suicide: The Ripple Effect* in the community.

**H. Report of the Finance Committee and Finance Officer:**

Ms. Jennifer Ternay, Financial Consultant and outgoing Interim CFO, reviewed December 2019 Financial Dashboards and Reports, which included a detailed explanation of the changes in the cash balance sheet, the cash flow statement, Income statement summary, medical loss ratio. The board engaged in discussion around the medical loss ratio, 1915(b/c) waiver services, and (b)(3) services. Dr. Martin and Mr. Donald Reuss explained how the transfer of members to lower levels of care impacts the cash flow for services to members per month.

Ms. Connie Orr made a motion to approve the December 2019 Financial Dashboards and Reports, as presented. Mr. Mike Norris seconded the motion.

Motion unanimously approved.

Ms. Jennifer Ternay presented the cash comparison for LME/MCOs to the board, and then presented FY20 proposed budget revision No.4, which included General Fund Revenue increases to Administration, State/ Federal Services, and Fund Balance for Services, along with General Fund Expenditure increases to Administration and State/ Federal Services.

Mr. Billy Kennedy made a motion to approve the proposed FY2020 budget revision No.4, as presented; Mr. Ira Dove seconded the motion.

Motion unanimously approved.

**I. Supported Living Initiative:**

Mr. Jesse Smathers introduced to the board a Vaya Health plan member who is an employee of the Biltmore DoubleTree Hotel and participates in Vaya Health’s Supported Living Initiative, along with her two guests. Two supported living initiative videos were then presented to all attendees.

**J. Vaya Health 2019 Year in Review:**

Ms. Allison Inman presented a video review of Vaya Health accomplishments in 2019. The presentation included highlights of the effort to address the Opioid Epidemic including MAHEC’s musical production “It’s Just a Pill”, NARCAN distribution as part of the NC Harm Reduction Coalition, training programs such as Peer Supports and Wellness Recovery Action Plan, and maintaining the highest penetration rate among all LME/MCOs in the State of North Carolina.

**K. Report of the Chief Executive Officer – Brian Ingraham:**

Mr. Brian Ingraham’s Report of the CEO included the following items:

1. Brief organizational culture update, including progress with the all-staff employee engagement survey.
2. Budget presentation including single stream funding update, based on sixth version of single stream cuts received from DHHS for the current fiscal year. The Board then engaged in discussion: Ms. Jeanne Duncan provided a summary to the board regarding Behavioral Health Urgent Care (BHUC) services provided to the community. Mr. Ronnie Beale expressed concern regarding a potential reduction in funding for the Balsam Center. Ms. Nancy Baker and Ms. Page Lemel asked what the long-term impact would be on financial stability if there was to be a loan from the fund balance. Ms. Jennifer Ternay responded to this question by explaining Vaya’s current financial position and projections through the end of the fiscal year. The board engaged in discussion regarding service and funding options to compensate for a reduction of BHUC services. Ms. Jeanne Duncan updated the board on discussions that have happened with the Standard Plan Prepaid Health Plans (PHPs); the PHPs have agreed to match the rates that behavioral health providers are receiving from the LME/MCOs.

**L. Closed Session pursuant to N.C. Gen. Stat. § 143-318.11(a)(1) in order to prevent the disclosure of competitive health care information that is privileged or confidential pursuant to N.C. Gen. Stat. § 122C-126.1; or not considered a public record within the meaning of Chapter 132 of the General Statutes; to consult with attorneys pursuant to N.C. Gen. Stat. § 143-318.11(a)(3).**

Mr. Ronnie Beale made a motion for the Board of Directors to enter closed session. Ms. Page Lemel seconded the motion.

Motion unanimously approved.

The Board of Directors entered closed session at 8:22 pm.

Mr. Ronnie Beale made a motion for the Board of Directors to resume open session. Mr. Ira Dove seconded the motion.

Motion unanimously approved.

Board resumed open session at 9:15 pm.

Mr. Ira Dove motioned that the LME/MCO General Counsel and Chief Executive Officer at their discretion may execute potential legal action in reference to the topics discussed in closed session. Ms. Dakisha “DK” Wesley seconded the motion.

Motion unanimously approved.

**M. Other Business:**

There was no other business discussed.

The board entered into recess at 9:19 pm on January 24, 2020.

**MEETING MINUTES**

**January 25, 2020**

<b><i>In Attendance:</i></b>	<b><i>Attending:</i></b>	<b><i>Apologies:</i></b>
<i>Billy Kennedy</i>	X	
<i>Gary Blevins</i>	X	
<i>Ira Dove</i>	X	
<i>Jeanne Duncan</i>	X	
<i>Dr. Jeff Heck</i>	<i>Proxy: Rick French</i>	
<i>Mike Norris</i>	X	
<i>Nancy Baker</i>	X	
<i>Pat McGinnis</i>	X	
<i>Rick French (Chair)</i>	X	
<i>Ronnie Beale</i>	X	
<i>Steve Smith</i>		X
<i>Patrick Betancourt</i>	X	
<i>Connie Orr</i>	X	
<i>Will Wakefield</i>	X	
<i>Ashely Wurth Bare</i>	<i>Proxy: Pat McGinnis</i>	
<i>Ashley Wooten</i>	X	
<i>Kevin King</i>	X	
<i>Page Lemel</i>	X	
<i>Dakisha “D.K.” Wesley</i>	X	
<i>Mark Evans</i>	X	
<i>Josh Kennedy</i>	<i>Proxy: Ira Dove</i>	

***Also attending the January 25, 2020 Board of Directors meeting:***

*Brian Ingraham, Chief Executive Officer; Larry Hill, Chief Finance Officer; Tracy Hayes, General Counsel & Chief Compliance Officer; Rhonda Cox, Chief Population Health Officer; Craig Martin, Chief Medical Officer; J.K. Coward, Board Attorney; Jennifer Ternay, Finance Consultant; Yvonne French, DHHS Liaison; Dave Richard,*

*Deputy Secretary for NC Medicaid; Tommy Tucker, Senior Policy Consultant; Melissa Brown, Executive Assistant; and Christina Rose Carter, Executive Legal Assistant & Clerk to the Board.*

The board resumed at 8:37 AM on January 25, 2020

**A. Annual Board Training:**

Ms. Tracy Hayes and Ms. Jennifer Ternay presented the annual board of directors' compliance, board responsibilities and financial training to the Vaya Health Board of Directors, in accordance with N.C.G.S. § 122C-119.1.

**B. DHHS Medicaid Transformation Update**

Mr. Dave Richard, Deputy Secretary for DHHS, and Senator Tommy Tucker addressed the Vaya Health Board of Directors with an update regarding the financial status of the LME/MCOs. Mr. Ira Dove asked Senator Tucker and Mr. Richard what DHHS can do to help Vaya's financial position and current impact of the single stream funding cuts. Mr. Richard advised the department is restricted by CMS (federal) limitations and must act within the DHHS budget approved by the General Assembly, which was vetoed by Governor Cooper and has negatively impacted the ability of DHHS to accomplish its objectives. Ms. Nancy Baker asked several questions regarding the impact of DHHS policy decisions on member care, particularly with respect to the Department's plan to move toward provider-based care management through AMH+/CIN providers. Ms. Rhonda Cox followed up on Ms. Baker's questions with detailed concerns about the Department's proposed care management plan. Mr. Richard responded that he was willing to meet with Vaya leadership to further understand the organization's concerns. Senator Tucker encouraged the board to be the boots on the ground with local stakeholders educating them of the current position of the State and LME/MCOs. Ms. Page Lemel questioned Mr. Tucker about the pros and cons of working with other LME/MCOs in light of the negative reputation of other organizations.

**C. Closed Session pursuant to N.C. Gen. Stat. § 143-318.11(a)(1) in order to prevent the disclosure of competitive health care information that is privileged or confidential pursuant to N.C. Gen. Stat. § 122C-126.1; or not considered a public record within the meaning of Chapter 132 of the General Statutes; to consult with attorneys pursuant to N.C. Gen. Stat. § 143-318.11(a)(3).**

Mr. Ronnie Beale made a motion for the Board of Directors to enter closed session. Mr. Mark Evans seconded the motion.

Motion unanimously approved.

The Board of Directors entered closed session at 11:29 am.

Mr. Ronnie Beale made a motion for the Board of Directors to resume open session. Ms. Pat McGinnis seconded the motion.

Motion unanimously approved.

Board resumed open session at 12:18 pm.

Mr. Ronnie Beale made a motion for the Board of Directors to approve Budget Revision Number 5 based on Scenario 1. Ms. Dakisha Wesley seconded the motion.

Mr. Mark Evans addressed the board encouraging the board to come together, emphasizing Raleigh does understand the implications to the community resulting from the single stream funding cuts they are making. Mr. Ronnie Beale advocated providing the community stakeholders with every opportunity to find a solution that allows for no reduction in services. Mr. Brian Ingraham clarified to the board this alteration to the BHUC model is not a one-time action for the current fiscal year, it is a permanent change to the model.

The vote was counted for Mr. Beale's proposed motion.

- Voting in favor of the motion were Mr. Ronnie Beale, Ms. Dakisha Wesley, Mr. Kevin King, Ms. Page Lemel, Ms. Connie Orr, Mr. Patrick Betancourt, Mr. Ira Dove, Mr. Josh Kennedy (by proxy to Mr. Dove), Ms. Pat McGinnis, Ms. Ashley Wurth Bare (by proxy to Ms. McGinnis)
- Mr. Gary Blevins, Mr. Billy Kennedy, Mr. Will Wakefield, Mr. Ashley Wooten, Ms. Nancy Baker, Mr. Mark Evans, Mr. Rick French, Mr. Jeff Heck (by proxy to Mr. French), and Mr. Mike Norris opposed the motion.

Motion carries.

**D. Other Business:**

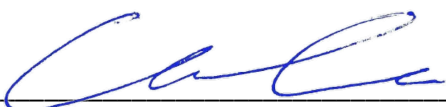
Mr. Gary Blevins addressed the board in light of the split vote resulting from differing viewpoints of the best approach for non-Medicaid services based on the diminished State funding. Mr. Blevins encouraged Board members to come together as a team and support the LME/MCO management, but expressed gratitude that the board was able to respect and honor differences of opinions.

**E. Adjournment:**

Mr. Ronnie Beale made a motion to adjourn. Mr. Gary Blevins seconded the motion.

Motion unanimously approved.

Meeting adjourned at 12:36 pm.

  
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Christina Rose Carter  
Executive Legal Assistant and Clerk to the Board