

**BOARD OF DIRECTORS
OPEN SESSION MEETING MINUTES**

August 22, 2024

4:30 – 6:00 p.m.

The Board of Directors of Vaya Health conducted its regular meeting on Thursday, August 22, 2024 at the Vaya Health Regional Office, located at 2929 Crouse Lane, Suite A, Burlington, NC 27215; with PUBLIC ACCESS via electronic communication only (real-time two-way audio and/or visual communication, i.e., telephone and Microsoft Teams).

Board Members:	Attending:	Apologies:
Nancy Baker	X	
Ronnie Beale, Chair	X	
Patrick Betancourt	X	
Dan Brummitt, Vice Chair	X (Virtual)	
Ira Dove	X	
Ricky Graves	X	
Billy Kennedy	X	
William “Bill” Lapsley	X (Virtual)	
Page Lemel	X (Virtual)	
Pat McGinnis	X (Proxy to Ronnie Beale)	
Mike Norris	X	
Carson Ojamaa	X (Virtual)	
Connie Orr		X
John Paisley	X (Proxy to Ronnie Beale)	
Brandon Pittman	X (Virtual)	
Donnie Potter	X	
Mark Richardson	X	
Dakisha “DK” Wesley	X (Proxy to Billy Kennedy)	
Mary Ann Widenhouse	X (Virtual)	
Gwynneth Wildcatt	X	
Ashley Wooten	X	

Also participating in Board of Directors:

Tracy J. Hayes, Area Director & Chief Executive Officer; Steve Martin, General Counsel & Chief Compliance Officer; Larry Hill, Executive Vice President (EVP) & Chief Financial Officer; Rhonda Cox, EVP & Chief Operating Officer; Richard Zenn, Chief Medical Officer; Danielle Wittekind, Chief Human Resources Officer; JK Coward, Board Attorney; Chris Hyland, Consultant; Yvonne French, NCDHHS Liaison; Brian Shuping, Vice President (VP) of Community Relations; Jay Vora, Pharmacy Director of NC Medicaid

Managed Care; Drew Elliot, VP of Public Affairs; Cara Dohner, Community Relations Regional Director; Ashley Logan, Board Support & Administrative Professional; Christina Rose Carter, Executive Chief of Staff & Secretary to the Board; and no members of the public.

A. Call to Order and Roll Call

Mr. Ronnie Beale, Board Chair, called the meeting to order at 4:30 p.m.

Ms. Christina Rose Carter, Executive Chief of Staff & Secretary to the Board, facilitated roll call at the request of Mr. Beale, confirming a quorum of the Board of Directors.

B. Approval of Agenda and June 27, 2024 Meeting Minutes

Mr. Donnie Potter made a motion to approve the Agenda and Meeting Minutes, as presented. Mr. Mike Norris seconded the motion.

Motion unanimously approved.

C. Public Comment

No members of the public signed up for public comment at the August 22, 2024 Board of Directors meeting.

D. Conflict of Interest Disclosure

Mr. Steve Martin, General Counsel & Chief Compliance Officer, requested Board Members identify any new, actual, or potential conflicts of interest which may have arisen since completing the Conflict of Interest Disclosure Form. No new conflicts of interest were reported.

E. Report of the Chair

Mr. Ronnie Beale, Board Chair, addressed the Board Members to provide updates from the Chair including the recent NCACC 117th annual conference, upcoming events, and the December board meeting logistics. Mr. Beale requested Ms. Carter issue a poll to the Board Members for determining the December meeting date of options provided. Mr. Beale then encouraged Board Members to attend the Regional Board meetings and reinforced the importance of engaged attendance. Mr. Donnie Potter validated the concern of light attendance and engagement at the Regional Board meetings and encouraged Vaya Community Relations to reinforce a reeducation to the BOCCs to be deliberate and thoughtful of membership appointments to aid the important community feedback needed.

F. Report of the Area Director and Chief Executive Officer

Ms. Tracy Hayes, Area Director & Chief Executive Officer, began her report to the Board by sharing upcoming educational opportunities for Board Members.

Mr. William “Bill” Lapsley joined the meeting.

Ms. Hayes continued with news of the NCQA interim accreditation achievement, and an update regarding the successful Tailored Plan launch on July 1, 2024. The update included Vaya achieving the

best score among all four LME/MCOs for PCP Continuity of Care/ Network Adequacy with a 7.5% disruption rate/ 92.5% continuity of care rate.

Ms. Hayes continued the report of the CEO by reviewing additional Tailored Plan launch metrics including pharmacy benefits paid to date, Non-Emergency Medical Transportation grievances, personal care services provider enrollment and payment challenges, provider contracting, paper claims processing and successful claims reimbursement, stakeholder help desk tickets submitted, and the Member and Recipient Services Call Center lines demonstrating an uptick in volume as anticipated. Ms. Hayes also review Vaya's Command Center structure, approach to ensure data integrity, and the plan for prior authorization requirements to resume for physical health services on 10/1/2024, Ms. Hayes additionally shared the most recent NCDHHS Scorecard Executive Summaries for Tailored Plan and Medicaid Direct.

Ms. Hayes then reminded the Board about the need to complete authorization forms so that Vaya can complete required exclusion checks, recent CIT awards to two first responders, and Vaya's marketing efforts. Board members representing CFAC questioned the billboards used for Tailored Plan launch and indicated that they receive questions about what Vaya does. Ms. Hayes recommended Mr. Drew Elliot connecting with Mr. Brian Shuping for coordinating a Vaya presentation to stakeholder groups including CFAC about Vaya's marketing efforts.

Ms. Hayes then introduced Dr. Jay Vora, Pharmacy Director of NC Medicaid Managed Care, to the Board for the next presentation.

G. Pharmacy Benefits Management (PBM) Presentation

Dr. Jay Vora, Pharmacy Director of NC Medicaid Managed Care, offered a brief summary of his educational and professional experience. Dr. Vora began his presentation by sharing a hypothetical member story demonstrating the challenges that can arise with medication management and availability. Dr. Vora then provided an overview of Vaya's PBM provider, Navitus Health Solutions, including the purpose and core functions. The presentation additionally included the delegation model and oversight for claims processing, customer service, and utilization management. Dr. Vora shared a list of PBMs in the news, and key performance indicators. Dr. Vora responded to questions from the Board Members regarding service coverage and access to care.

Mr. Mike Norris requested regular updates from Dr. Vora to the Board regarding the development and progress of the PBM program.

In response to an inquiry from Ms. Mary Ann Widenhouse, Mr. Steve Martin spoke to the inmates and recently released inmates that have difficulty with medication management and access to care. Mr. Donnie Potter reinforced the concern around inmates and pharmacy services. Ms. Hayes advised that NCDHHS has asked CMS for a waiver of Medicaid rules that would allow Vaya and other LME/MCOs to provide services to inmates in preparation for their release from incarceration. Ms. Hayes further shared, DMHDDSUS has been working on a procurement opportunity for the justice-involved population. Once implemented, these efforts will hopefully result in improved access to care for these individuals.

H. Report of the Finance Committee and Chief Financial Officer

Mr. Larry Hill, EVP & Chief Financial Officer, presented the Fiscal Year to Date (FYTD) Financial Dashboards and Reports ending June 30, 2024, to the Board. The presentation included Financial Key Performance Indicators (KPIs), and data trends regarding Total Revenue Administrative Percent, Vaya's Fund Balance, and Full Time Employees (FTEs). Mr. Hill continued with the initial membership of Tailored Plan and Medicaid Direct to demonstrate the per member per month capitation revenue projections and actualized. Mr. Hill then advised the committee of the three audits ongoing and upcoming for Vaya. Mr. Mike Norris inquired if the audits are going to be completed virtually or onsite. Mr. Martin responded.

Mr. Hill additionally presented updated profitability and capital reserve projections and referenced Vaya's Consolidated Income Statement and Balance Sheet in the appendix attached.

Mr. Mike Norris made a motion to approve the Financial Dashboards and Reports, as presented. Ms. Nancy Baker seconded the motion.

Motion unanimously approved.

Continuing, Mr. Hill then presented FY24-25 Budget Revision No. 1 to the Board. The budget revision reflects additional allocation to reflects allocation from the Money Follows the Person (MFP) Grant Award, an increase in 3-Way Contracts, reinstatement of single stream for services, and a single stream administrative allocation, totaling \$9,771,886.00.

Mr. Mike Norris made a motion to approve the FY24-25 Budget Revision No. 1, as presented. Mr. Ricky Graves seconded the motion.

Motion unanimously approved.

Ms. Mary Ann Widenhouse asked if individuals lose their Medicaid eligibility when they are admitted to a state. Ms. Hayes and Mr. Martin responded. Ms. Widenhouse further asked clarification to which Mr. Beale offered that Vaya provide a written response to Ms. Widenhouse for a detailed summary. Ms. Hayes affirmed Mr. Steve Martin will email Ms. Widenhouse information regarding her concern.

I. Regulatory Compliance and Quality Committee (RCQC) Report

Mr. Billy Kennedy, RCQC Chair, shared updates received from Vaya staff during the committee meeting, which now include pharmacy benefits. Mr. Kennedy shared that Vaya's performance metrics are positive and staff are closely monitoring service level agreements to mitigate poor performance prior to liquidated damages.

Mr. Kennedy additionally shared that the committee reviewed results from the recent Provider Satisfaction Survey. Ms. Nancy Baker asked for detail about areas where the results demonstrated opportunity for improvement. Mr. Kennedy responded.

Mr. Ronnie Beale then called for the Report of the Consumer and Family Advisory Committee (CFAC) in advance of the Report of the Provider Advisory Council (PAC).

J. Report of the Consumer and Family Advisory Committee (CFAC)

Ms. Nancy Baker, CFAC Representative, directed the Board Members to the CFAC Annual Report included in the Board packet. Additionally, Ms. Baker extended an invitation from CFAC to the Board of Directors to attend the 2024 CFAC Annual Retreat scheduled to occur in November at the Great Wolf Lodge in Concord, NC.

K. Report of the Provider Advisory Council (PAC)

Ms. Carson Ojamaa, PAC President, provided the Board with an update regarding recent and upcoming PAC activities. Ms. Ojamaa first shared regarding the last PAC meeting held on August 21, 2024, as a rescheduled meeting due to technical difficulties on July 17, 2024 impacting the functionality of the virtual meeting. Ms. Ojamaa advised the Board, Joe Yurchak, PAC voting member and MAHEC representative, was voted in as Chair of the Workforce Committee. Ms. Ojamaa highlighted the hard work by Mr. Donald Reuss, VP of Behavioral Health and I/DD Provider Network Operations, and his team for successfully securing a grant award by Dogwood Health Trust to fund a position that will work with this committee on implementation of the Vaya PAC workforce development plan goals and objectives. Ms. Ojamaa additionally shared updates from the IDD Committee and the EOR Committee. Ms. Ojamaa extended a special thank you to Ms. Kate Glance, Regulatory Reporting Director, for doing a great job presenting the EOR provider satisfaction data to the EOR Committee. The PAC additionally received updates from Vaya staff. Dr. Richard Zenn, Chief Medical Officer, presented Vaya's accreditation process with NCQA and the need to add new provider type members to Vaya's Clinical Advisory Committee. The PAC has been asked to identify staff from primary care, family practices, pharmacy associations, hospitals, CINs, etc. Our goal is that by January, the PAC will nominate and vote on 2 or 3 additions for Vaya's CAC. Mr. Kurt Boldt, Assistant Vice President of Provider Network Operations, provided an update to the council about Tailored Plan launch. Mr. Boldt and Mr. George Ingram, VP of Physical Health Provider Network Operations, both emphasized their open-door policy and invited any provider to contact them directly about issues members are experiencing as a consequence of Tailored Plan launch. Mr. Reuss, additionally shared information regarding the process by which Vaya has been resolving identified issues. Ms. Ojamaa concluded her report with upcoming items including PAC officer nominations and appointments, the annual retreat to be scheduled with a focus on engaging new provider types and incorporating their voice. The next PAC meeting is September 18, 2024.

Mr. Ronnie Beale called a brief recess at 6:35 p.m. for attendees to gather dinner. Mr. Beale called for the meeting to resume at 6:55 p.m.

L. Closed Session

Mr. Ronnie Beale, Board Chair, called for a motion for the Board of Directors to enter closed session pursuant to N.C. Gen. Stat. §143-318.11(a)(1) 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; or to consult with attorneys pursuant to N.C. Gen. Stat. §143-318.11(a)(3); or to consider the qualifications, competence,

performance, character, fitness, or conditions of appointment, of an individual public officer or employee pursuant to N.C. Gen. Stat. §143-318.11(a)(6).

Mr. Mark Richardson made a motion for the Board of Directors to enter closed session. Mr. Ira Dove seconded the motion.

Motion unanimously approved.

The Board of Directors entered closed session at 6:58 p.m.

Mr. Mark Richardson made a motion for the Board of Directors to resume open session. Mr. Billy Kennedy seconded the motion.

Motion unanimously approved.

The Board of Directors resumed open session at 7:54 p.m.

Mr. Ronnie Beale opened the floor to the Board for entertaining a motion to increase the Area Director and Chief Executive Officer's base salary by 5% being an increase of \$17,750.00, bringing Ms. Hayes' base salary to \$372,750.10 with a performance bonus of 18% (\$63,900.01) based on the FY23-24 base salary compensation. Mr. Mike Norris made the motion. Mr. Donnie Potter seconded the motion.

Motion unanimously approved.

Mr. Ira Dove made a motion for the Board of Directors to enter closed session. Mr. Mike Norris seconded the motion.

Motion unanimously approved.

The Board of Directors entered closed session at 7:56 p.m.

Mr. Mike Norris made a motion for the Board of Directors to resume open session. Ms. Nancy Baker seconded the motion.

Motion unanimously approved.

The Board of Directors resumed open session at 8:09 p.m.

At the request of the Chair, Mr. Martin, Mr. Hill, Ms. Cox, Ms. Wittekind, Ms. Carter, and Dr. Zenn left the meeting.

Chairman Beale addressed Ms. Hayes and expressed the Board's deep appreciation for her stellar first year performance and stated that the Board was recommending a 5% salary increase for FY24-25, which would bring her new salary to \$372,750.10, as well as an 18% performance bonus on her FY23-24 salary, totaling \$63,900.01, in accordance with the terms of Ms. Hayes' executive employment agreement. Mr. Beale stated that the Board felt this would allow for future salary increases within the current approved OSHR salary range, that they hoped this offer would be acceptable, and that the Board did have a concern that a commercial plan might try to recruit Ms. Hayes. Ms. Hayes expressed her sincere gratitude for the Board's support and generosity and reiterated her loyalty and commitment to Vaya Health. Ms. Hayes also referenced a recent statutory change regarding "key personnel" that necessitated a clarifying revision to her contract.

Mr. Billy Kennedy ratified the earlier motion approving the 5% salary increase for Ms. Hayes retroactive to July 1, 2024, which would bring her new salary to \$372,750.10, as well as an 18% performance bonus on Ms. Hayes' FY24 salary, totaling \$63,900.01, and further moved that the Board authorize the Board Chair, Mr. Ronnie Beale, and the Board Attorney, Mr. Jay Coward, to draft, negotiate, and execute an amendment to Ms. Hayes' executive employment agreement to reflect this salary change and to further make any revisions to the agreement deemed necessary by the Board Chair and Board Attorney.

The Chair called for discussion on the motion. Mr. Mike Norris inquired about the "key personnel" change to the relevant statute, and Ms. Hayes explained that it impacted the termination/ dispute resolution section of her contract and did not impact compensation.

No further discussion was held. Mr. Mark Richardson seconded the motion.

Motion unanimously approved.

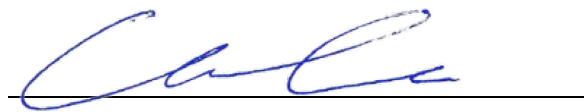
M. Other Business

No other business was discussed.

N. Adjournment

The Board gave Ms. Hayes a standing ovation, and the Chair declared the meeting adjourned.

The Board of Directors adjourned at 8:19 p.m.



Christina Rose Carter, MPA

Executive Chief of Staff & Secretary to the Board