

**Board of Trustees Regular Meeting  
In-Person/Webinar  
December 5, 2025  
Minutes**

## **Convene Meeting**

### Welcome

The meeting of the Board of Trustees for the North Carolina State Health Plan for Teachers and State Employees (Plan) was called to order by Chair Bradford B. Briner at 9:30 a.m. on Friday, December 5, 2025.

### Roll Call for Attendance

**Present:** Melanie Bush; Russell “Rusty” Duke; Kimberly Jones; Brian Miller, M.D.; Joe Slater; Mike Stevenson; Cyrus Vernon; Samuel Watts; Kristin Walker; Bradford B. Briner

Chair Briner confirmed that a quorum was present.

### Conflict of Interest

Chair Briner reminded all Board members of their responsibility to avoid conflicts of interest and appearances of conflict. No conflicts were reported.

### Reading of SEI Statements into Minutes Pursuant to the Ethics Act § 138A-15(c)

No Statements of Economic Interest were read into the minutes.

## **Consent Agenda (Requires Vote)**

**Board Vote:** Motion by Ms. Bush to approve the minutes for August 15, 2025, and September 26, 2025, Board of Trustee meetings; second by Mr. Watts; voice vote: passed unanimously; motion was approved

## **Public Comments**

Public comment period was held, with two individuals providing comments.

## **A Year in Review**

Thomas Friedman, Executive Administrator, Caroline Smart, Deputy Executive Administrator, and Beth Horner, Chief of Staff and Director of Communications, provided a summary of Plan activities in 2025, including the following:

- Ending the Clear Pricing Project on December 31, 2025
- The return of Population Health, focusing on heart health, diabetes, and orthopedics.
- The formation of a medical advisory group, chaired by Brian Miller, MD

## Plan Staff

Staffing changes were made throughout 2025, including:

- Ten full-time vacant positions filled, and several contractors added in Plan Operations
- The departure or retirement of 2 Plan employees
- Restructuring staff to align with overall Plan business needs

## Open Enrollment Recap

The results of the Open Enrollment period in October were provided, including:

- Pre-Open Enrollment outreach events conducted for members and Plan stakeholder groups
- Tobacco attestation removed and salary-based premiums introduced
- 2026 total Plan membership is 751,657 compared to 749,830 in 2025
- Proposed benefit changes for 2027 to be presented for Board vote at March 2026 meeting

## Preferred Providers

The preferred provider strategy was presented, including:

- Goal of increasing number of OB/GYN preferred providers in the state
- Improving maternal health is one of Plan's goals in 2026
- Increasing specialty preferred provider network across North Carolina

## Hinge Health

- More than 1,200 members engaged with Hinge Health, with 96% on a path to address chronic pain, primarily related to back, knee and neck
- Majority of enrolled members are female

## Ventricle Health

- Value-based cardiology provider network increases access to care; treats members with heart failure and other cardiac conditions to improve outcomes and reduce member costs

## Lantern Surgical Benefit

- High-quality surgeon network for members with non-urgent, planned surgeries
- Members who qualify and use a Lantern provider have \$0 copay

## Hello Heart

- More than 80% of people living in NC rural counties experience poor access to medical care
- Plan members in 37 rural counties in certain employing units are eligible for the program
- Heart health is the top medical condition among Plan members

## **Local Government Discussion**

Cindy Avrett, Assistant General Counsel, summarized the Plan's primary funding model and changes that occurred in 2025 to Local Government rates.

## **2024 Population Risk Report**

Jason Jossie, Vice-President and Consulting Actuary, and Ken Vieira, Sr. Vice President and the Plan's Account Manager, both from Segal Consulting, provided a high-level summary from the 2025 Population Risk Report.

## **Financial Reports**

Emma Turner, Director, Analysis, Economics & Finance, presented the financial reports, including:

- Medical trend significantly higher in Calendar Year (CY) 2025 compared to past three years; expecting net effective trend to be lower in 2026 due to benefit changes approved by the Board
- Projected Plan income and ending cash balance both lower than budgeted amount in Calendar Year (CY) 2026

## **Other Post-Employment Benefits (OPEB) Report**

Charles Sceiford, Health & Benefits Actuary, provided an OPEB update, including:

- Total OPEB liability decreased from \$37.7B to \$26.2B with Trust Fund increasing from \$3.7B to \$4.2B; funding ratio increased to 16.2%.
- OPEB Liability decreased largely due to increase in the 20-year GO Bond Rate (\$5.1B gain) and decrease in Medicare Advantage (MA) premiums (\$4.6B gain)
- Board members and Plan staff impact liability by determining contributions, benefits, wellness programs, and MA Premiums.
- Direction overall positive this year with an increase in the Trust Fund, but liability may increase next year depending on Bond rate, claims trends, and MA premium agreement.

## **2027 Benefits Discussion**

Mr. Friedman provided a preview on 2027 benefits, including:

- Implementation of new contracts
- Focus on member health and population health management
- Ensure that Third Party Administrator Request for Proposal reflects current administration's values
- Focus on disease prevention for healthy members
- Steer members to high quality, cost-effective providers

## **Preferred Provider Expansion Goals**

- Independent pharmacists, maternity care, and cancer
- Cost reduction for imaging and diagnostics and medical infusion

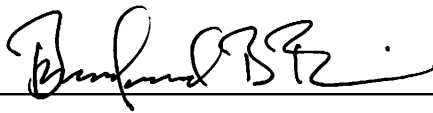
**Adjournment**

Chair Briner called for a vote to adjourn the meeting

**Board vote to adjourn the meeting: Motion** to adjourn by Ms. Bush; second by Mr. Slater; voice vote: passed unanimously; motion was approved

The board adjourned the meeting at 1:30 p.m.

Minutes submitted by: Joel Heimbach, Secretary

Approved by:   
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Bradford B. Briner  
Chairman of Board of Trustees  
North Carolina State Health Plan