North Carolina
State Health Plan
FOR TEACHERS AND STATE EMPLOYEES
A Division of the Department of State Treasurer

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Board of Trustees Regular Meeting
In-Person/Webinar
June 5, 2026
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 on Thursday, June 5, 2026.

Roll Call for Attendance

Present: Melanie Bush; Kimberly Jones; Brian Miller, M.D.; Joe Slater; Mike Stevenson; Cyrus Vernon; Samuel Watts; Kristin Walker; Bradford B. Briner. (Russell "Rusty" Duke was not present for roll call but attended the meeting.)

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.

Mr. Slater disclosed a potential appearance of a conflict of interest due to his employment with Atrium/Advocate Health. While he is not involved in negotiations with the Plan, he would recuse himself from provider-specific discussions or votes related to network design, provider tiering, or decisions intended to steer members among providers.

Consent Agenda (Requires Vote)

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Board Vote: Motion by Ms. Jones to approve the consent agenda; second by Ms. Bush; roll call vote was taken; motion passed unanimously.

Public Comments

Public comment period was held with five individuals providing comments.

Chair Remarks

Chair Briner discussed the Board's goals to maintain a sustainable and affordable State Health Plan while improving value for members. He outlined the rationale for the proposed preferred provider strategy and emphasized:

- opportunities for members to reduce out-of-pocket costs through preferred providers
- The importance of provider competition and transparency
- Preserving affordability for members and taxpayers
- The role of preferred provider arrangements in managing future healthcare cost growth

Chair Briner also recognized Dr. Brian Miller for agreeing to serve as the Board of Trustees' Vice Chair and also for serving as Chair for the Medical Policy Advisory Committee.

Executive Administrator Update

Thomas Friedman, Executive Administrator, and Beth Horner, Chief of Staff and Director of Communications, provided updates regarding Plan operations, strategic initiatives, and ongoing program development.

Medical Policy Advisory Committee

Mr. Friedman and Dr. Miller provided an update on the Medical Policy Advisory Committee, including:

- Review of Plan medical policies and benefit exclusions
- Evaluation of potential future benefit enhancements

Quality and Access Initiatives

Plan leadership discussed:

- The importance of quality measurement in health care
- Collaboration with providers, health systems, and clinical advisors
- Ongoing efforts to improve access to affordable, high-quality care

Lantern Surgical Benefit

Plan staff provided an update on the Lantern Surgical Benefit program, including:

- Continued network expansion across North Carolina
- More than 1,000 members received qualifying free procedures through the program
- Estimated Plan savings of approximately $12 million to date
- Future expansion into additional specialty and surgical services

Program Updates

Plan staff provided updates on several program initiatives, including:

- Eat Well Pilot Program
- Betr (for members at risk for heart disease or type 2 diabetes
- Eat Smart, Move More for members at risk of heart disease and type 2 diabetes
- Hello Heart cardiovascular program
- Hinge Health musculoskeletal program

Teacher Ambassador Program

Staff reported the launch of the Teacher Ambassador Program during Teacher Appreciation Week. Educators will serve as liaisons between their schools and the Plan. Ambassadors will receive exclusive communication from the Plan to share with colleagues.

Member Survey

Staff reported strong participation in the Plan's member feedback survey, with more than 20,000 responses received. Results will be presented at the July Board meeting.

Pharmacy and Therapeutics Committee Update

Jenny Vogel, State Health Plan Clinical Pharmacist, presented an update regarding recent Pharmacy and Therapeutics Committee actions. Topics discussed included:

- Generic-first formulary strategies
- Prescription to-over-the-counter coverage changes
- Estimated savings opportunities of approximately $8 million
- Continued efforts to balance affordability with clinical appropriateness
- Member education regarding pharmacy pricing and purchasing options

Legislative Update

Mr. Friedman provided a legislative update regarding the Plan's budget request and ongoing discussions with the General Assembly. Staff noted that the requested funding increase would help maintain Plan stability and reduce pressure for future premium increases.

Strategic Plan Review and Vote

Mr. Friedman presented the State Health Plan Strategic Plan.

Chair Briner called for a motion to approve the Strategic Plan.

> **Board Vote:** Motion by Dr. Miller to approve the Strategic Plan; second by Mr. Slater; roll call vote was taken; motion passed unanimously.

Financial Reports

Mr. Friedman presented the Plan's financial update and projections.

2027 Benefits Discussion

2027 Medicare Advantage Benefits

Plan leadership presented additional details regarding the proposed preferred provider strategy and 2027 benefit design framework. Board members discussed access to care, provider participation, affordability, continuity of care, and member communication needs.

Staff presented proposed Medicare Advantage Plan renewals and benefit modifications for 2027.

Chair Briner called for a motion to approve the Medicare Advantage rates (what the Plan pays Humana) and benefit changes as presented.

> **Board Vote:** Motion by Mr. Slater to approve the Medicare Advantage rates and plan design changes; second by Judge Duke; roll call vote was taken; motion passed unanimously.

2027 Benefit Strategy Readiness

Representatives from Aetna presented the member communications strategy supporting implementation of the preferred provider model.

2027 Communications Strategy

Ms. Horner provided the communication plan to educate members, Health Benefit Representatives, Plan stakeholders and the General Assembly between July and the end of the year.

Closed Session

Pursuant to N.C.G.S. 143-318.11(a)(1) and 132-1.2(1), Chair Briner called for a motion to enter closed session to discuss the proposed Collaborative Healthcare Solutions contract.

> **Board Vote:** Motion to enter closed session pursuant to N.C.G.S. 143-318.11(a)(1) and 132-1.2(1) to consider the Collaborative Health Solution contract by Mr. Stevenson; second by Ms. Bush; roll call vote was taken; motion passed unanimously.

Lotta Crabtree, Chief Administrative Officer, presented the proposed Collaborative Healthcare Solutions contract to the Board, including the benefit delivery model and pricing.

Chair Briner called for a motion to move to open session.

> **Board Vote:** Motion to move to open session by Ms. Jones; second by Judge Duke; roll call vote was taken; motion passed unanimously.

Open Session

The Board returned to open session. Chair Briner called for a motion to approve the Collaborative Healthcare Solutions contract.

> **Board Vote:** Motion by Judge Duke to approve the Collaborative Healthcare Solutions contract; second by Mr. Vernon; roll call vote was taken; 6 ayes (Judge Duke, Ms. Jones, Dr. Miller, Mr. Slater, Mr. Vernon, and Mr. Watts), 0 nays, 2 absent (Ms. Bush and Mr. Stevenson).

Adjournment

Chair Briner called for a motion to adjourn the meeting.

> **Board Vote to adjourn the meeting:** Motion by Ms. Jones to adjourn; second by Dr. Miller; roll call vote was taken; motion passed unanimously.

The Board adjourned the meeting at 12:30 p.m.

Minutes submitted by: Joel Heimbach, Secretary

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