Board of Directors
Regular Meeting Minutes
September 18, 2025, at 6:00 PM

Partners Board of Directors met by a virtual Zoom/conference call for its regular monthly meeting.

Board Member Attendance

Commissioner Designee Justin Amos	P	Commissioner Melissa Hiatt	P
DSS Director Trish Baker	P	CFAC Chair – Janet McDaniel	P
Commissioner Barbara Beatty	P	David O'Connor - *Vice Chair*	P
Commissioner Tony Berry	A	Commissioner Designee Vanessa Palmer	P
Commissioner Jeffrey Brittain	P	Commissioner Terry Renegar	A
Commissioner Bert Connolly	A	Patty Schaeffer	P
Devon Cornett (non-voting)	P	Commissioner David Williams - *Treasurer*	P
Steve Eaton – *Chair*	P	Commissioner Gray Wilson	A
Commissioner Scott Efird	P	Commissioner Designee Paula Yost	A
Mark Fuhrmann	P	Commissioner Frank Zachary	P
Commissioner Designee Hunter Haynes	A		

Partners Staff Present

Susan Lackey, Chief Financial Officer
Libby McCraw, Chief Executive Officer
Rachel Porter, Deputy CEO
Andrew Walsh, Chief Legal Officer & General Council
Paula Malin, Clerk to the Board

Guests

Dr. Benita Sanders, Human Rights Committee
Michelle Merritt, DHHS
Kelsi Knick, DHHS
Yvonne French, DHHS Liaison

I. CALL TO ORDER

A quorum was confirmed and Chair, Steve Eaton, called the meeting to order at 6:00 p.m. He stated for the record that Partners Board of Directors meetings with certain exceptions are open to the public. It is at the pleasure and convenience of the board that meetings are conducted using Zoom. Instructions to join the meeting are posted on the public website. He welcomed Partners staff, CFAC members and guests in attendance.

II. AGENDA REVISIONS

Mr. Eaton asked if any members of the board had changes to the agenda. There were no changes. Mr. Eaton made a motion to adopt the agenda as presented. Barbara Beatty made the motion and Scott Effird seconded. There was no discussion, and the motion carried.

III. CITIZEN RECOGNITION

There were no citizens registered for public comment.

IV. APPROVAL OF PREVIOUS BOARD MEETING MINUTES

The August 21, 2025, draft meeting minutes were included in the meeting agenda packet for review in advance of the meeting. Mr. Eaton invited a motion to approve the minutes as presented. Janet McDaniel made the motion and Vanessa Palmer seconded. There was no discussion, and the motion carried.

V. Special Presentation: DHHS Board Compliance Training – Kelsi Knick/Michelle Merritt – DHHS. Presentation was provided to the Board prior to the meeting. Purpose of the presentation was to meet the obligation of the Department to provide annual trainings to new Board members and consequently moving forward. This obligation was fulfilled for Statute 122c and DHHS will do so annually moving forward.

VI. REPORTS

1. Finance Committee Report – David O'Connor, Finance Committee Chair stated that following the presentation of all action items on the Finance Committee Report, there will be one motion from the Finance Committee for approval. All action items have been reviewed and approved by the Finance Committee and are now presented for the board's approval.
2. Approval of Previous Meeting Minutes – The August 14, 2025, Finance Committee meeting minutes were included in the board meeting agenda packet for review in advance of the meeting.
3. Approval of Budget Revision #1 FY26 – The budget revision #1 FY26 was included in the board meeting agenda packet for review along with the previous minutes.
4. Approval of July 2025 Financial Statements – The financial statements were included in the board meeting agenda packet for review in advance of the meeting. Susan Lackey provided a review of the balance sheet, year-to-date income statement and the statement of cash flows.

From the Finance Committee comes a motion that Partners Board of Directors approve the August 14, 2025, Finance Committee meeting minutes, Budget Revision #1 FY26, and the July 2025 Financial Statements as presented. Coming from a Committee, no second is required. All voted and the financial statements were approved unanimously.

5. **Consumer and Family Advisory Committee Report** – Janet McDaniel provided the following report:

   Partners CFAC met on Monday, September 8, 2025, via Zoom with Chair, Janet McDaniel, conducting the meeting.

   1. CFAC Retreat: Members met earlier this month for a productive two-day retreat. Items discussed included:
      a. Membership Recruitment
      b. Request/Recommendation to give a short presentation to Partners BOD on

what CFAC is/does. Two members mentioned speaking with their County Commissioners about CFAC and were asked, What is CFAC? CFAC members would like to share with Partners BOD what we do as a Statute mandated advisory committee.

2. 122c Statute Items Discussed at Monthly Meeting (Gaps, Needs, Contract Deliverables)
    a. Transportation complaints. This is also the number one grievance on HRC reports for the past few quarters.
    b. Members report an increase in denials for services. This is more noticeable with those doing self-directed pay (EOR/Employer of Record) according to members.
        i. During the Medicaid Beneficiary Advisory Committee (BAC) on 9/16/25 frequent denials of medications and procedures were also reported
        ii. CFAC member reported that Partners has helped in each case. Member was aware of a denial to help resolve the issue in a timely manner.
3. Members report that more assistance is needed for individuals who are EOR (employer of record) by:
    a. A community nurse assigned to help with care consulting for the EOR/parent, not just the care manager.

The next regular CFAC meeting will be held on Monday, October 13, 2025, at 6:00 PM via Zoom. Questions and concerns were invited and there were none.

6. **Provider Council Report** – Devon Cornett provided the following report:
The Provider Council met on August 22, 2025.

Potential Solutions to Barriers in Service Implementation:

The Partners provider subcommittees will be focusing efforts on a deep dive into the service definitions impacted by the rate cuts to determine if there are any flexibilities that can be implemented.

- Potential Solution may be adding additional training and supervision for applicants that lack one year of experience.

Request that all 4 plans work with the state to implement the transition from LTCS (Long Term Community Supports) Medicaid Direct to LTRDS (Long Term Residential and Day Supports) consistently statewide.

- Solution: Align on the start date and any statewide (Alliance posted that there is an estimated start date of 9/1/2025 Change in Claims Submission for Long Term Community Support for Medicaid Direct - Alliance Health)

EVV Issues:
Trillium changed the rounding issue from each shift to combining all shifts in a 24-hour period. This is causing manual corrections since the other 3 plans are set up the opposite way.

- Solution: All 4 plans follow the same rounding guidance.

Two of the plans removed the CLS bundled code options which hinders the

members flexibility to utilize Relative as Provider, services in the home and services in the community

- Solution: All 4 plan provide CLS Bundle codes options.

HHA and TP are changing settings without notifying providers which is causing issues for the providers and the TPs.

- Solution – Send advanced notification to providers when making changes
- Solution - Re-convene Statewide EVV stakeholder group with HHA, providers and TP reps from Claims and IT to discuss potential system changes that are needed.

1915i services

- Ability for providers to see 1915i assessment approval dates in Tailored Plan portals under the insurance section (only have that ability in Trillium's system).

- SU Specific - Re-implement telehealth in contracts. This will help with members that have transportation barriers.

- IDD Specific - Provider monitoring requirement for CLS Relative as Provider/Relative as Direct Support Employee is monthly in person verses unrelated Direct Support Employees which are quarterly.

- Solution- Request Change to align with quarterly in person visits for RAP/RADSE

- IDD Specific – lack of necessary information in care plans. There are lots of formats across the state and the information that is required to be in the plan and go to the providers is delayed.
  Request Recommend one plan template that includes all of the plan requirements.

IDD Specific - CM and TP asking for duplicative information like the back Innovations providers submit Back up Staffing to the TP.

- Solution – Backup Staffing Report should be sufficient for the TPs and the CMs.

The next Provider Council Meeting is scheduled on September 26, 2025, 9:30 a.m.

CEO Report – Libby McCraw provided the following report:

State Budget & Medicaid Rebase Update

- This year DHHS requested $819 million to “rebase” Medicaid – which means adjusting the Medicaid budget to match the rising cost of care each year.
- The General Assembly approved only part of that request through a mini budget, leaving a $319 million shortfall for DHHS to manage.
- To address this, DHHS announced a plan that includes:

    - Statewide provider rate cuts of 3% to 10% beginning October 1.
- Tailored Plans and Standard Plans will still see capitation reduced in line with provider rate cuts.
- Standard Plans will have an additional 1.5% capitation reduction that is retroactive to July 1, 2025.
- GLP-1 coverage for weight loss will be removed. Coverage will continue for other clinical indications where required.
- Additionally, and very important for Partners, due to administrative funding shortfalls, DHHS will delay rebids for both Tailored Plan and Standard Plan contracts by two years. This will extend our Tailored Plan contract until June 30, 2030.
- This plan has caused understandable concern among providers, families, and stakeholders.
- There is still active discussion at the General Assembly. The House is pushing for additional funding and a pause on the cuts. The Senate has not yet agreed. Legislators return to Raleigh on Monday, and we will know more then.
- We will continue to monitor agency announcements, legislative activity, and any modification of cuts depending on budget negotiations.
- Our focus, as always, is on serving our members and families and supporting providers as we determine what is next.

Federal Updates

- On the federal level, the budget reconciliation package signed July 4th includes significant Medicaid changes, but most will not take effect until 2026 after agencies issue guidance.
- The immediate concern is new work requirements and six-month eligibility reviews, which will add significant strain on DHHS and county DSS offices.
- Combined with the rebase deficit, these challenges are creating real stress at the Department, and we are staying closely engaged to monitor and advocate as guidance develops.

Children and Families Specialty Plan (CFSP)

- The Department continues to target a December 1, 2025, launch date for the Children and Family Specialty Plan (CFSP), with Blue Cross Blue Shield as the selected vendor.
- A “go/no-go” decision was expected by September 1, but now the Department is saying October 1. No decision has been communicated and causes instability to Partners staff.
- As we get closer, we are understandably hearing more concerns from hospitals, stakeholders, and families about launching a new plan when overall funding for Medicaid is in such flux.
- In the meantime, our teams are in discussion with the Department and BCBS to develop good plans for transitions of care when that is needed.
- We are committed to the children and families we serve and will continue working in partnership with other LME/MCOs to advocate for the best solutions for children and families.

Upcoming Conferences & Meetings

- North Carolina Providers Council's annual conference was held this week in Asheville, and the LME/MCO CEOs participated on a panel with the Standard Plans. Libby enjoyed her time with the providers and that they are pleased that Partners being responsive.
- The CEOs of the LME/MCOs are meeting with Deputy Secretary Jay Ludlam on September 29, followed by a meeting with Senator Burgin that afternoon.

Rachel Porter and Ms. McCraw will continue to meet with key legislative leaders in the coming weeks in their districts to advocate for funding and other legislation that will support the public system, as they continue to work on the budget.

Mr. Eaton invited questions for Ms. McCraw and there were none.

VII. DISCUSSION AGENDA

A. <u>County Commissioner Advisory Committee Updates</u>

1. Burke – Commissioner Jeff Brittain had no updates to report.
2. Cabarrus – Commissioner Designee Paula Yost, was absent from the meeting due to travel to Croatia but wished to express her ongoing concerns with PRTFs not doing their job and releasing children prematurely and with no plan. I note that I have discussed this in a meeting with Partners stakeholders and hope that some plans and interventions are forthcoming.
3. Catawba – Commissioner Barbara Beatty had no updates to report.
4. Cleveland – In the absence of, Commissioner Tony Berry no report given.
5. Davidson – County DSS Director Trish Baker, Davidson County thank you to Partners staff, Tammy Guess, PRTF placement is a concern, and she echoes what will happen with the BCBS, CFSP, and future of everything mental health.
6. Davie – In the absence of, Commissioner Terry Renegar no report given.
7. Forsyth – Commissioner Gray Wilson six bed facility level 3 residential facility is available in the Forsyth County, reducing youth in the DSS lobbies. Fabulous Fun Fest, September 20, being held at the Highland Avenue Park, Youth Overdose opioid reduction program being held for youth (12-18 years old) at Clemmons Library and five-week vaping counseling session being held at the Clemmons Library. Opioid Settlement input session, September 27.
8. Gaston – Commissioner Designee Justin Amos had no updates to report.
9. Iredell – In the absence of, Commissioner Bert Connolly no report given.
10. Lincoln – Commissioner Designee Vanessa Palmer had no updates to report.
11. Rutherford – In the absence of, Commissioner Designee Hunter Haynes, no report given.
12. Stanly – Commissioner Scott Efird, had no updates to report.
13. Surry – Commissioner Melissa Hiatt, Surry County office of Substance Abuse and Recovery document - Recovery to Work Program, shared a link and Surry Transition Program began in Surry County Facility Center, job trainings, GED program, skills to reenter society to find jobs. Children Center in Dobson has a new board and working

to open child advocacy center working with Sherriff's Department for a forensic interview sometimes have to wait weeks and months, and this should alleviate this extended wait. When Commissioner Hiatt has a better timeline that will be provided at a future meeting.

14. Union – Commissioner David William had no updates to report.
15. Yadkin – Commissioner Frank Zachary had no updates to report.

B. HPA P&Ps for Board Approval – Drew Walsh

The level of review document was included in the agenda packet and the policies and procedures were uploaded to ShareFile for the board's review on August 25, 2025. There were no questions, and Steve Eaton invited a motion to approve the Partners HPA Policies and Procedures as presented. Motion was made by Justin Amos and seconded by David Williams, and the motion passed unanimously.

VIII. SUPPLEMENTAL INFORMATION

The June and July Executive Dashboards were included in the meeting packet for informational purposes. Steve Eaton invited any questions and there were none.

IX. ADJOURNMENT

Steve Eaton stated that all items on the meeting agenda had been addressed. He invited any additional items for discussion and there were none. He invited a motion to adjourn at 7:17 p.m. Scott Effird made the motion and David O'Connor seconded. There was no discussion, and the motion carried.

The next regular meeting is scheduled on October 16, 2025, at 6:00 p.m. via Zoom.

Recorded by Paula Malin, Board Clerk.