



*Dale R. Folwell, CPA*  
State Treasurer of North Carolina  
**DALE R. FOLWELL, CPA**

Board of Trustees Meeting  
December 10, 2018  
Minutes

The meeting of the North Carolina State Health Plan (Plan) Board of Trustees was called to order at approximately 10:00 a.m. on December 10, 2018.

**Board Members Participating Via Phone**

Dale R. Folwell, Chair, Charles Perusse, Ted Brinn, Wayne Fish, Kim Hargett, Donald Martin, Peter Robie, Margaret Way

**Board Members Present**

Peter Chauncey

**Welcome**

Following the Pledge of Allegiance, Chair Folwell welcomed Board members and visitors to the meeting.

**Conflict of Interest**

No conflicts of interest were noted.

**Reading of SEI Statements into Minutes**

Chair Folwell read the Statement of Economic Interest on the Conflict of Interest for the Board and stated that the letters to Board members would be included with the approved December 10, 2018 minutes and posted on the State Health Plan website.

**Board Approval**

Approval of Minutes – October 22, 2018 Meeting

**Board Vote:** Motion by Dr. Martin; second by Ms. Hargett; unanimous approval by Board.

Board of Trustee Bylaws Revision

Andrew Norton, Deputy General Counsel, reviewed proposed revisions to the Board bylaws.

Mr. Fish asked the Board to consider taking roll call votes for conference calls. Chair Folwell brought the request before the Board for a vote.

***Board Vote for Roll Call Voting:*** Motion by Dr. Robie; second by Mr. Chauncey; unanimous approval by Board to allow roll call voting.

***Board Vote for Revision to Bylaws:*** Motion by Dr. Robie; second by Mr. Chauncey; roll call vote - unanimous approval to adopt revisions.

### Provider Reimbursement Strategy

Dee Jones, Executive Director, provided an update on the Provider Reimbursement Strategy (PRS). Approximately 3,000 providers have expressed interest in learning more about the strategy that includes both individual providers and larger systems.

Chair Folwell stated that well over 1,000 letters have been returned for unknown or insufficient addresses. Mrs. Jones stated that the Plan is working with Blue Cross Blue Shield to correct the issue.

Chair Folwell also noted that various groups in the healthcare industry have contacted him and Plan staff requesting information about the PRS. He emphasized that the focus is on making plan options better and more affordable for active and retiree members.

Ted Enarson, Sr. Director, Contracting and Compliance, provided a summary of the provider contract that will be used by the Plan. He explained that the Plan will use a standard agreement for all providers that will be specific to the Plan's Provider Network. He noted that the contract will be between the Plan and the provider. He explained that the TPA will not be a party to the agreement, but the Plan can assign responsibilities such as claims processing, credentialing, medical policies, and a provider manual to a TPA. He further explained that the contract will be fully transparent and a Public Record.

He then listed notable provisions of the contract, including: the addition of standard State terms and conditions, a clarification of the Plan's right to offset overpayments against future claims payments, a requirement to refund overpayments to Plan Members within 60 days, a prohibition on facility fees, a requirement to use reasonable efforts to verify the identity of Plan Members at visits, 42 CFR Part 2 compliance, HIE compliance, and the removal of Chapter 58 references since the Plan is not subject to DOI regulation.

### Introduction of Proposed Plan Rules

Mr. Norton provided information on the Plan rule authority as outlined in the General Statutes. He noted that some of the Plan policies, which impact members and/or providers, need be revised and adopted as formal rules. Revised rules will be sent to Plan stakeholders and other interested parties allowing them the opportunity to provide feedback.

**Board Questions Addressed:** Does the Plan have a process to determine if a policy should become a rule and who makes that decision? Mr. Norton replied that since the Plan is exempt from the Administrative Procedures Act, Plan staff would be responsible for establishing the process and determining if a rule is required.

## **Public Comment**

Mr. Ames Simmons, Policy Director of Equality North Carolina, asked the board to consider removing the exclusion for medically necessary transition-related benefits in 2019 for State Health Plan members. He stated that several Plan members and healthcare providers were also planning to address the Board, but were unable to attend due to the weather.

Mrs. Jones noted that letters from Ms. Shelley Bunting and Ms. Gail Marcus were emailed to Board members as they were unable to attend the meeting.

## **Operations Updates**

### Financial Update – CYTD 1/1/2018 – 10/31/2018

Matt Rish, Sr. Director, Finance, Planning and Analytics, provided a summary of the Plan's financial status through October, 2018.

**Board Question Addressed:** How much of the pharmacy expenditure increase is due to drugs vs. services/providers? Mr. Rish stated that he would email the information to the Board after the Board meeting.

### 2020 Plan Design/Benefits

Caroline Smart, Sr. Director, Plan Integration, presented the Plan's three-year strategy based on the PRS. The most significant changes would focus on the 70/30 plan option. Maintaining Grandfather Status (GF) under the Affordable Care Act (ACA) has prohibited the Plan from making significant changes to this plan option. Giving up GF status may not be as significant at this point.

**Board Question Addressed:** The actuarial value of the 70/30 plan is approximately 74%.

Plan staff will meet with stakeholder groups to solicit feedback and analyze the financial impact prior to the next Board meeting.

### 2019 Open Enrollment

Mrs. Smart stated that the 2019 open enrollment was very successful with no technical or system issues reported. She commended Pender County Schools for 100% of their employees taking action, despite being declared a disaster area during Hurricane Florence.

Mrs. Smart stated that, to date, the Plan has processed approximately 500 exceptions.

**Board Questions Addressed:** Members can rejoin the Plan if they leave within a plan year, provided they have a qualifying life event. They can also rejoin during the next enrollment period.

If a charter schools closes, employees lose their Plan coverage.

If a teacher retires from a public school and is subsequently employed by a charter school, they currently receive a retirement benefit and a salary as an active employee. If the charter school is on the State Health Plan, then the Charter School, not the Retirement System should offer the health benefit. Mrs. Smart stated that, operationally, it's complicated to administer. She added that the Plan has discussed the issue and will focus on finding a solution in the near future.

Members in the 70/30 plan were found to span across the income spectrum.

Following a motion by Dr. Martin and a second by Dr. Robie, the Board voted unanimously to move into Executive Session.

### **Executive Session**

#### **RFP Recommendation – Medical Claims Audit RFP**

Mr. Enarson provided information on the three vendors who submitted a bid for medical claims audit services – CTI, Healthcare Horizons, and PBMares. The evaluation committee thoroughly evaluated each of the three proposals and, ultimately, eliminated PBMares from consideration before holding oral presentations and requesting best and final offers from CTI and Healthcare Horizons.

A detailed cost analysis was provided by Mr. Enarson, as well as the terms of the contract. He also explained the strengths of the Healthcare Horizons proposal identified by the evaluation committee. The initial term of the contract would be one year, January 1 – December 31, 2019 with three one-year renewal options.

**Board Question Addressed:** The Plan schedules quarterly on-site vendor meetings and is, otherwise, fully engaged with the vendor throughout the year.

**Plan Recommendation:** Award the Medical Claims Audit contract to Healthcare Horizons.

**Board Vote:** Motion by Dr. Martin; second by Mr. Brinn; roll call vote; unanimous approval for contract award.

Mr. Brinn commended Mr. Enarson for the level of detail provided in the presentation and Chair Folwell also expressed support for the evaluation process.

United Healthcare Amendment

Mr. Enarson stated that the Plan would like to extend the Medicare Advantage contract with UnitedHealthcare (UHC) for an additional year. Plan staff and UHC discussed the cost to extend the contract and reached an agreement for the 2020 premium rates that will generate an estimated \$1.9M savings for the Plan.

Chair Folwell noted that having the opportunity to lock in these anticipated future savings in a time of uncertainty and rising costs in healthcare was significant.

**Board Vote:** Motion by Mr. Chauncey; second by Dr. Martin; roll call vote - unanimous to approve contract amendment.

Consultation with Legal Counsel

This item was deferred to a future meeting.

Following a motion by Ms. Hargett and seconded by Dr. Martin, the Board voted unanimously to move into Open Session.

**Return to Open Session**

Next Board Meeting

The next meeting will be scheduled in February 2019. Potential meeting dates will be sent to the Board.

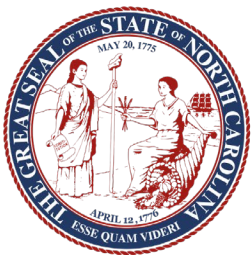
Adjournment

In honor of the late George H. W. Bush, Chair Folwell adjourned the meeting at approximately 12:00 p.m.

Minutes submitted by: Andrew J. Norton, Secretary

Approved by:  \_\_\_\_\_

Dale R. Folwell, Chair



# NORTH CAROLINA

## State Board of Elections & Ethics Enforcement

Mailing Address:  
P.O. Box 27255  
Raleigh, NC 27611-7255

Phone: (919) 814-0700  
Fax: (919) 715-0135

October 10, 2018

The Honorable Dale R. Folwell  
State Treasurer of North Carolina  
3200 Atlantic Avenue  
Raleigh, NC 27604

*Via Email*

**Re: Evaluation of Statement of Economic Interest Filed by Mr. Wilbur T. Brinn, Jr.  
Treasurer Appointed Member– State Health Plan Board**

Dear Treasurer Folwell:

Our office has received Wilbur T. Brinn, Jr.'s 2017 Statement of Economic Interest and 2018 No Change Form as a treasurer appointed member of the **State Health Plan for Teachers and State Employees Board of Trustees (the "Board")**. We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 163A of the North Carolina General Statutes ("N.C.G.S."), also known as the Elections and Ethics Enforcement Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 163A-193(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 163A-157.

**We did not find an actual conflict of interest, but found the potential for a conflict of interest. The potential conflict identified does not prohibit service on this entity.**

The State Health Plan insures more than 663,000 state employees, teachers, retirees, current and former lawmakers, state university and community college personnel, state hospital staff and their dependents. The State Health Plan Board of Trustees ("the Board") is statutorily charged with approving the benefits programs, premium rates, co-pays, deductibles, coinsurance maximums, and large contracts for the Plan. The Board also oversees administrative reviews and appeals and is charged with developing and maintaining a strategic plan.

The Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. § 163A-211 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. § 163A-216 prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

Mr. Brinn fills the role of a treasurer appointed member on the Board. He has disclosed that his spouse is a self-employed contractor that provides medical record scanning services. As such, Mr. Brinn has a potential for a conflict of interest and should exercise appropriate caution in the performance of his public duties should issues relating to his spouse's business, or her colleagues come before the Board for official action or otherwise seek to conduct business with the Board.

In addition to the conflicts standards noted above, N.C.G.S. § 163A-212 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. § 163A-212(e).

Pursuant to N.C.G.S. § 163A-159(c), when an actual or potential conflict of interest is cited by the Board under N.C.G.S. § 163A-189(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act.

Finally, the Act mandates that all public servants attend an ethics and lobbying education presentation. N.C.G.S. § 163A-158. Please review the attached document for additional information concerning this requirement.

Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,



Nora Harrison  
NC Board of Elections & Ethics Enforcement

cc: Mr. Wilbur T. Brinn, Jr., Filer  
Ms. Laura Rowe, Ethics Liaison

Attachment: Ethics Education Flyer





# NORTH CAROLINA

## State Board of Elections & Ethics Enforcement

Mailing Address:  
P.O. Box 27255  
Raleigh, NC 27611-7255

Phone: (919) 814-0700  
Fax: (919) 715-0135

October 11, 2018

The Honorable Tim Moore  
Speaker of the House of Representatives  
16 W. Jones Street, Room 2304  
Raleigh, NC 27601-1096

*Via Email*

**Re: Evaluation of Statement of Economic Interest Filed by Mr. Peter W. Chauncey**  
Expert in Health Economics – State Health Plan Board

Dear Speaker Moore:

Our office has received Peter W. Chauncey's 2018 Statement of Economic Interest as a member of the **State Health Plan for Teachers and State Employees Board of Trustees ("the Board")**. We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 163A of the North Carolina General Statutes ("N.C.G.S."), also known as the Elections and Ethics Enforcement Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 163A-193(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 163A-157.

**We did not find an actual conflict of interest, but found the potential for a conflict of interest. The potential conflict identified does not prohibit service on this entity.**

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Mr. Chauncey fills the role of an Expert in Health Economics on the Board. He is the Principal of PWC Solutions, LLC, a company that provides consulting and management services in health care and wealth management. He is also a consultant for Carolina Complete Health Network, a physician-led health plan that provides Medicaid Services in North Carolina, a board member for WKCC, LLC which is an accountable care organization established to enhance the quality and coordination of health care and a director for Prevention Partners, a nonprofit health/wellness organization. Additionally, he has a financial interest in the following companies which are related to the health care industry: Ventas Inc., A real estate investment company which handles health care real estate, Aetna, a health insurance company, Abbott Laboratories, a health care and pharmaceutical company, Patient Pay, a company that provides billing statements for health care companies and medical providers, and Hatteras Venture Partners, a venture capital company which provides funding to healthcare businesses. Hatteras Venture Partners also owns security or equity interest in GI Therapeutics Inc., a biopharmaceutical company and Clearside Biomedical, a biopharmaceutical company. With such business, financial and employment interests, he has the potential for a conflict of interest and should exercise appropriate caution in the performance of his public duties should any of his employment or business interests, or any entity in which he holds a financial interest come before the Board for official action, or otherwise seek to conduct business with the Board.

In addition to the conflicts standards noted above, N.C.G.S. § 163A-212 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. § 163A-212(e).

Pursuant to N.C.G.S. § 163A-159(c), when an actual or potential conflict of interest is cited by the Board under N.C.G.S. § 163A-189(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act.

Finally, the Act mandates that all public servants attend an ethics and lobbying education presentation. N.C.G.S. § 163A-158. Please review the attached document for additional information concerning this requirement.

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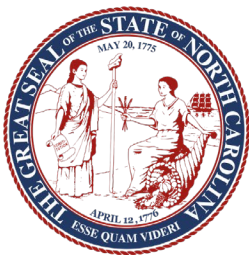
Sincerely,



Nora Harrison, Compliance Analyst  
NC Board of Elections & Ethics Enforcement

cc: Mr. Peter W. Chauncey, Filer  
Ms. Laura Rowe, Ethics Liaison

Attachment: Ethics Education Flyer



# NORTH CAROLINA

## State Board of Elections & Ethics Enforcement

Mailing Address:  
P.O. Box 27255  
Raleigh, NC 27611-7255

Phone: (919) 814-0700  
Fax: (919) 715-0135

August 28, 2018

The Honorable Roy A. Cooper, III  
Governor of North Carolina  
20301 Mail Service Center  
Raleigh, NC 27699-0301

*Via Email*

**Re: Evaluation of Statement of Economic Interest Filed by James Wayne Fish  
Prospective Appointee – State Health Plan**

Dear Governor Cooper:

Our office has received **Mr. James W. Fish's** 2018 Statement of Economic Interest as a prospective appointee to the **State Health Plan (the "Plan")**. We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 163A of the North Carolina General Statutes ("N.C.G.S."), also known as the Elections and Ethics Enforcement Act (the "Act").

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**We did not find an actual conflict of interest, but found the potential for a conflict of interest. The potential conflict identified does not prohibit service on this entity.**

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The Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. § 163A-211 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. § 163A-216 prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

Mr. Fish will fill the role of a At Large member on the Plan. He is a correctional food service manager with the Department of Public Safety and is currently insured by the State Health Plan that he will be administering. As such, he has the potential for a conflict of interest and should exercise appropriate caution in the performance of his public duties.

In addition to the conflicts standards noted above, N.C.G.S. § 163A-212 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. § 163A-212(e).

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Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,



Lisa Johnson, SEI Unit  
NC Board of Elections & Ethics Enforcement

cc: James W. Fish

Attachment: Ethics Education Flyer



# NORTH CAROLINA

## State Board of Elections & Ethics Enforcement

Mailing Address:  
P.O. Box 27255  
Raleigh, NC 27611-7255

Phone: (919) 814-0700  
Fax: (919) 715-0135

October 11, 2018

The Honorable Dale R. Folwell  
State Treasurer of North Carolina  
3200 Atlantic Avenue  
Raleigh, NC 27604

*Via Email*

**Re: Evaluation of Statement of Economic Interest  
State Health Plan Board**

Dear Mr. Folwell:

Our office has received your 2017 and 2018 Statement of Economic Interest as a member of the **State Health Plan for Teachers and State Employees Board of Trustees (the "Board")**. We have reviewed them for actual and potential conflicts of interest pursuant to Chapter 163A of the North Carolina General Statutes ("N.C.G.S."), also known as the Elections and Ethics Enforcement Act (the "Act").

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As the Treasurer for the State of North Carolina, you hold an ex-officio role on the Board. You disclosed that you and your spouse own stock in the publicly traded companies Valeant Pharma, a pharmaceutical company and Cynosure, a manufacturer and developer of aesthetic and medical treatment systems which may conduct business with the Board. Additionally, you are a state employee that is also covered under the state health plan that you will be administering. As such, you have a potential for a conflict of interest and should exercise appropriate caution in the performance of your public duties should any of the companies which you have a financial interest in come before the Board for official action or otherwise seeks to conduct business with the Board.

In addition to the conflicts standards noted above, N.C.G.S. § 163A-212 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. § 163A-212(e).

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Sincerely,



Nora Harrison  
NC Board of Elections & Ethics Enforcement

cc: Ms. Laura Rowe, Ethics Liaison

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# NORTH CAROLINA

## State Board of Elections & Ethics Enforcement

Mailing Address:  
P.O. Box 27255  
Raleigh, NC 27611-7255

Phone: (919) 814-0700  
Fax: (919) 715-0135

October 11, 2018

Mr. Charles E. Perusse  
2921 Lauren Oaks Drive  
Raleigh, NC 27616

Via Email

**Re: Evaluation of Statement of Economic Interest  
State Budget Director, non-voting – NC State Health Plan**

Dear Mr. Perusse:

Our office has received your 2017 Statement of Economic Interest and 2018 no change form as a member of the **State Health Plan for Teachers and State Employees Board of Trustees (“the Board”)**. We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 163A of the North Carolina General Statutes (“N.C.G.S.”), also known as the Elections and Ethics Enforcement Act (the “Act”).

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Mr. Charles E. Perusse  
October 11, 2018  
Page 2 of 2

As the State Budget Director of the Office of State Budget & Management you hold the position of the State Budget Director on the Board which is an ex-officio non-voting position. As a state employee you are also insured by the State Health Plan that you will be administering. As such, you have the potential for a conflict of interest and should exercise appropriate caution in the performance of your public duties.

In addition to the conflicts standards noted above, N.C.G.S. § 163A-212 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. § 163A-212(e).

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Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,



Nora Harrison, Compliance Analyst  
NC Board of Elections & Ethics Enforcement

cc: Ms. Laura Rowe, Ethics Liaison

Attachment: Ethics Education Flyer





# NORTH CAROLINA

## State Board of Elections & Ethics Enforcement

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October 9, 2018

The Honorable Dale R. Folwell  
State Treasurer of North Carolina  
3200 Atlantic Avenue  
Raleigh, NC 27604

*Via Email*

**Re: Evaluation of Statement of Economic Interest Filed by Dr. Peter W. Robie  
Health Benefits Medical Background Position – State Health Plan Board**

Dear Treasurer Folwell:

Our office has received Dr. Peter W. Robie's 2017 and 2018 Statement of Economic Interest as a member of the **State Health Plan for Teachers and State Employees Board of Trustees (the "Board")**. We have reviewed them for actual and potential conflicts of interest pursuant to Chapter 163A of the North Carolina General Statutes ("N.C.G.S."), also known as the Elections and Ethics Enforcement Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 163A-193(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 163A-157.

**We did not find an actual conflict of interest, but found the potential for a conflict of interest. The potential conflict identified does not prohibit service on this entity.**

The State Health Plan insures more than 663,000 state employees, teachers, retirees, current and former lawmakers, state university and community college personnel, state hospital staff and their dependents. The State Health Plan Board of Trustees ("the Board") is statutorily charged with approving the benefits programs, premium rates, co-pays, deductibles, coinsurance maximums, and large contracts for the Plan. The Board also oversees administrative reviews and appeals and is charged with developing and maintaining a strategic plan.

The Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. § 163A-211 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. § 163A-216 prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

Dr. Robie fills the role of a health benefits and medical background position on the Board. He has disclosed that he is a physician and his spouse is a nurse midwife both employed by Wake Forest Baptist Health. Additionally, he has a financial interest in AbbVie, a pharmaceutical research and development company and Abbott Laboratories a pharmaceutical company. As such, Dr. Robie has a potential for a conflict of interest and should exercise appropriate caution in the performance of his public duties should issues relating to Wake Forest Baptist Health, his financial interests or his colleagues, come before the Board for official action or otherwise seek to conduct business with the Board.

In addition to the conflicts standards noted above, N.C.G.S. § 163A-212 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. § 163A-212(e).

Pursuant to N.C.G.S. § 163A-159(c), when an actual or potential conflict of interest is cited by the Board under N.C.G.S. § 163A-189(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act.

Finally, the Act mandates that all public servants attend an ethics and lobbying education presentation. N.C.G.S. § 163A-158. Please review the attached document for additional information concerning this requirement.

Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,



Nora Harrison  
NC Board of Elections & Ethics Enforcement

cc: Dr. Peter W. Robie, Filer  
Ms. Laura Rowe, Ethics Liaison

Attachment: Ethics Education Flyer