



Dale R. Folwell, CPA
STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA

RESOLUTION

RESPONSIBILITY

WHEREAS, the North Carolina General Assembly created the North Carolina State Health Plan for Teachers and State Employees (State Health Plan or Plan) to provide eligible employees and retired employees, and certain dependents, with one or more comprehensive group health plans; and

1. The Plan is a government payer and provides health care coverage to more than 727,000 teachers, state employees, current and former lawmakers, state university and community college personnel, retirees and their dependents.
2. The North Carolina General Assembly has vested the State Treasurer, the Executive Director and the Board of Trustees with certain responsibilities to provide and administer these aforementioned health plans to Plan members.
3. The State Treasurer, the Executive Director and the Board of Trustees are required to carry out their responsibilities as fiduciaries to the Plan and its members; and

CLEAR PRICING PROJECT PHASE I

WHEREAS, State Treasurer Dale R. Folwell, CPA, announced on October 4, 2018, that starting January 1, 2020, the State Health Plan, under its Clear Pricing Project (CPP) Phase I, will launch a new provider reimbursement strategy for North Carolina providers who care for Plan members; and

1. This reimbursement strategy moved the Plan to a reference-based government pricing model based on Medicare (CMS) rates and established the North Carolina State Health Plan Network; and

CLEAR PRICING PROJECT PHASE II

WHEREAS, on August 8, 2019, State Treasurer Dale R. Folwell, CPA, announced the Plan's North Carolina State Health Plan Network. The network currently consists of more than 25,000 providers and went live January 1, 2020. The Plan, as part of its CPP Phase II, is continuing to build on the success of this network; and

1. On February 28, 2020, the Board of Trustees approved 2021 plan design changes that promote CPP providers within the North Carolina State Health Plan Network and lowers member cost shares. These changes include reducing member copays from \$45 to \$0 when members visit a CPP Primary Care Provider listed on their Plan ID card and reducing the copay for members who visit a CPP specialist from \$94 to only \$45.
2. On August 18, 2020, State Treasurer Dale R. Folwell, CPA, announced that the Plan would reopen the North Carolina State Health Plan Network for new providers to join. New providers will have from September 15 to October 15, 2020, to sign up. Providers who join will be included in the network effective January 1, 2021.



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- 3. The Plan is currently working with an alliance of independent CPP providers and key vendors to develop and offer CPP providers in the North Carolina State Health Plan Network the opportunity to participate in alternative payment arrangements to be implemented for the 2021 benefit year. These arrangements, or models, include medical procedure “bundling,” Accountable Care Organizations, as well as other outcome- and evidence-based programs designed to deliver quality care at affordable prices.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE NORTH CAROLINA STATE HEALTH PLAN FOR TEACHERS AND STATE EMPLOYEES THAT:

Section 1. The Board of Trustees hereby expresses its continued unified support to the State Treasurer and the Plan in its Clear Pricing Project Phase II initiative to open the network to new providers and create and implement alternative payment arrangements.

Section 2. The State Treasurer and Executive Director of the North Carolina State Health Plan are hereby directed to take all action necessary to complete this initiative for the benefit of Plan members.

Section 3. This Resolution shall be included in the minutes of the Board of Trustees for the meeting held on August 11, 2020, in Raleigh, North Carolina.

Section 4. This resolution was voted on and was approved unanimously on August 11, 2020.

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Dale Folwell
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Chair, Dale R. Folwell, CPA

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Executive Director, Dee Jones

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Don Martin, Jr. Ed.D

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Wilton Russell “Rusty” Duke, Jr.

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