

North Carolina Medical Board
Executive Committee
September 18, 2019

Barbara E. Walker, DO, Chair; Bryant A. Murphy, MD; Venkata Jonnalagadda, MD; Timothy Lietz, MD; and A. Wayne Holloman

Open Session

1. Financial Update
 - a. Year-To-Date Financials [Pearce]
 - b. Fifth Third Investment Account Annual Report [M. Wedding/D. Culpepper]
 - c. Proposed Budget [Pearce]
2. Old Business
 - a. Office Space Project Update [Mansfield/Henderson]
3. New Business
 - a. PHP Compliance Committee Appointment [Henderson]
 - b. Proposed Change to CME Rule [Haynes]
 - c. EMS Disciplinary Committee/Advisory Council Appointment [Henderson]

Closed Session

1. CEO Performance Evaluation [Walker]

The next meeting of the Executive Committee is tentatively scheduled for November 20, 2019, at 3:30 PM ET.

Financial Reporting

North Carolina Medical Board

For the period ended August 31, 2019



Prepared by

April F Pearce, CPA

Prepared on

September 5, 2019

Financial Statement Comments

Account	Date	Description	Resolution
	August 2019	No new exceptions	

North Carolina Medical Board

BALANCE SHEET As of August 31, 2019

	TOTAL	
	AS OF AUG 31, 2019	AS OF AUG 31, 2018 (PY)
ASSETS		
Current Assets		
Bank Accounts		
1001 Checking - BB&T	475,087.95	481,496.38
1004 Checking - BB&T- Building	14,323.96	6,498.59
1005 Checking - BB&T - Flex	6,102.12	6,379.44
1006 Checking - First Citizens 1604	38,802.35	
Total Bank Accounts	\$534,316.38	\$494,374.41
Accounts Receivable		
1050 Accounts Receivable (A/R)	20,375.00	20,060.00
Total Accounts Receivable	\$20,375.00	\$20,060.00
Other Current Assets		
1115 Investments - Fifth Third Bank	12,475,786.48	10,471,505.27
1401 Prepaid expenses	27,746.07	10,682.88
1501 FUTA REFUND	0.00	0.00
Total Other Current Assets	\$12,503,532.55	\$10,482,188.15
Total Current Assets	\$13,058,223.93	\$10,996,622.56
Fixed Assets		
2001 Office equipment	3,048,385.44	2,833,099.68
2002 Office furniture	165,807.59	165,807.59
2003 Building Improvements	737,242.26	727,888.76
2004 Building	6,299,177.50	1,611,880.23
2005 Land	177,000.00	177,000.00
2100 Accumulated depreciation	-4,182,407.25	-3,912,751.97
Total Fixed Assets	\$6,245,205.54	\$1,602,924.29
TOTAL ASSETS	\$19,303,429.47	\$12,599,546.85
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
3001 Accounts payable (A/P)	161,577.20	153,586.84
3002 Accounts Payable (A/P) Maintenance	1,761.49	809.38
Total Accounts Payable	\$163,338.69	\$154,396.22
Credit Cards	\$70,966.54	\$51,809.18
Other Current Liabilities		
3101 Payroll taxes payable	0.00	0.00
3201 Loans payable - employees	0.00	0.00
3202 Retirement contributions payable	0.00	0.00
3203 Garnishments payable	0.00	0.00
3207 Lease Obligation - Current	7,200.28	7,374.08
3311 FSA payable	0.00	0.00

	TOTAL	
	AS OF AUG 31, 2019	AS OF AUG 31, 2018 (PY)
3312 HSA payable	0.00	0.00
3315 Fines payable	1,000.00	0.00
3318 Fingerprinting charges payable	33,476.75	32,460.75
3319 NPDB/HIPDB charges payable	-245.00	-4,804.25
3320 PHP contributions payable	-330.00	0.00
3321 Loan Payable - Dogwood Bridge Loan	3,952,500.00	
3322 Property Taxes Payable	25,786.56	
Total Other Current Liabilities	\$4,019,388.59	\$35,030.58
Total Current Liabilities	\$4,253,693.82	\$241,235.98
Long-Term Liabilities		
3401 Accrued vacation payable	399,152.77	369,006.45
3405 Deferred lease incentive	0.00	0.00
3406 Deferred revenue - fees	5,117,479.79	4,949,217.52
3407 Lease Obligation - Non-Current	97,951.42	30,614.24
3408 Net OPEB (Retiree Benefit) Liability	505,669.00	
3409 Net Deferred (Inflows)/Outflows	6,483.00	
Total Long-Term Liabilities	\$6,126,735.98	\$5,348,838.21
Total Liabilities	\$10,380,429.80	\$5,590,074.19
Equity		
5000 Net position	6,302,278.89	4,849,450.88
5002 Opening Balance Equity	0.00	0.00
Net Income	2,620,720.78	2,160,021.78
Total Equity	\$8,922,999.67	\$7,009,472.66
TOTAL LIABILITIES AND EQUITY	\$19,303,429.47	\$12,599,546.85

FY19 YTD P&L vs. Budget

November 2018 - August 2019

			Total
	Actual	Budget	% of Budget
INCOME			
6001 Physician registration fees	7,752,231.20	7,940,666.70	97.63 %
6002 Physician registration late fees	49,245.00	63,000.00	78.17 %
6101 Graduate medical training registration fees	320,395.77	306,833.30	104.42 %
6102 Graduate medical training license application fees	113,400.00	94,916.70	119.47 %
6201 Corporation registration fees	93,065.33	99,000.00	94.01 %
6202 Corporation origination fees	17,700.00	17,416.70	101.63 %
6301 PA registration fees	607,786.79	694,416.70	87.52 %
6304 PA license fees	164,160.00	155,583.30	105.51 %
6401 NP registration fees	179,695.63	145,833.30	123.22 %
6471 Perfusionist registration fees	17,112.61	14,583.30	117.34 %
6472 Perfusionist application fees	8,225.00	9,166.70	89.73 %
6481 Anesthesiologist asst registration fees	4,037.48	4,583.30	88.09 %
6491 Polysomnographic registration fees	26,045.80	30,000.00	86.82 %
6502 License by endorsement fees	1,028,860.00	1,122,250.00	91.68 %
6504 Limited License Registration	4,450.00	3,833.30	116.09 %
6505 Duplicate license fees	400.00	666.70	60.00 %
6506 License verification fees	360,835.01	319,291.70	113.01 %
6602 DataLiNC subscription income	32,854.17	41,041.70	80.05 %
6604 Roster sales	16,050.00	16,875.00	95.11 %
Total Income	10,796,549.79	11,079,958.40	97.44 %
GROSS PROFIT	10,796,549.79	11,079,958.40	97.44 %
EXPENSES			
8001 Marketing & Outreach	4,445.40	25,416.70	17.49 %
8010 Accounting & audit fees	14,100.00	12,500.00	112.80 %
8020 Continuing education	41,236.67	50,416.60	81.79 %
8021 Teambuilding	1,538.28	5,083.20	30.26 %
8022 Leadership Training	112.22	20,833.30	0.54 %
8032 Courier	6,057.54	6,250.00	96.92 %

			Total
	Actual	Budget	% of Budget
8035 Depreciation	202,159.20	175,083.30	115.46 %
8040 Drug screens	99.00	833.30	11.88 %
8041 Application Immigration Review	250.00	416.70	60.00 %
8050 Dues, publications & subscriptions	39,646.66	41,666.70	95.15 %
8051 Data charges - internet	45,385.16	46,833.30	96.91 %
8052 Law books	5,346.29	3,333.30	160.39 %
8053 Clipping service	1,380.53	2,083.30	66.27 %
8054 Duplication and transmittal	340.92	583.30	58.45 %
8055 Merchant credit card fees	217,012.87	229,166.70	94.70 %
8057 Bank Charges	1,672.05	2,083.30	80.26 %
8058 Interest Expense	11,197.65		
8060 Employee Benefits-Health insurance	622,117.85	655,815.80	94.86 %
8061 Employee Benefits-Retirement	228,920.40	270,125.80	84.75 %
8062 Employee Benefits-Disability	18,262.56	20,833.30	87.66 %
8063 Employee Benefits-Dental insurance	32,421.30	35,071.70	92.44 %
8064 Employee Benefits-Life insurance	5,668.36	5,833.30	97.17 %
8065 Employee Benefits-Cafeteria Plan (ProBenefits)	1,723.00	2,916.70	59.07 %
8066 Employee Benefits-Health club & wellness	13,972.90	13,500.00	103.50 %
8067 Employee Benefits-Employee appreciation	321.54	2,083.30	15.43 %
8071 Insurance-Directors & officers	48,297.48	50,000.00	96.59 %
8073 Insurance-Umbrella & data protection	10,261.02	9,166.70	111.94 %
8074 Insurance-Business travel & accidental death	787.50	1,166.70	67.50 %
8075 Insurance-Crime/honesty & ERISA bond	324.62	333.30	97.40 %
8080 Legal-Attorney consultations	96,927.75	158,333.30	61.22 %
8081 Independent Counsel	8,927.50	7,500.00	119.03 %
8083 Legal-Service of process		83.30	
8084 Legal-Depositions and transcripts	7,357.40	8,333.30	88.29 %
8091 File scan		4,166.70	
8092 Maintenance-Equipment	49,118.56	54,166.70	90.68 %
8094 Equipment & Office Expense	173,020.22	232,550.00	74.40 %
8095 Management fees - review panel	16,369.72	20,833.30	78.57 %

			Total
	Actual	Budget	% of Budget
8096 Management fees - property mgmt	7,053.29	8,333.30	84.64 %
8100 Meals	63,700.48	68,083.40	93.56 %
8110 Salaries	4,397,969.46	4,502,101.60	97.69 %
8120 Temporary labor	115,367.86	122,916.70	93.86 %
8130 Payroll taxes	306,263.04	357,800.00	85.60 %
8131 PEO Fees - ADP TotalSource	96,878.47	108,333.30	89.43 %
8135 Per diems	124,237.50	153,458.30	80.96 %
8140 Physicians health program	1,071,264.75	1,085,306.70	98.71 %
8150 Postage and shipping	28,794.33	47,083.40	61.16 %
8160 Printing and paper	16,743.08	23,750.00	70.50 %
8170 Professional consulting	204,625.31	297,500.00	68.78 %
8182 Rent-PO Box	1,562.00	2,083.30	74.98 %
8183 Rent-Postage & Folding machines	11,669.56	11,666.70	100.02 %
8184 Rent-Storage facility (Recall)	9,302.72	6,250.00	148.84 %
8185 Rent-Copiers	28,834.74	22,950.00	125.64 %
8190 Supplies	56,956.51	76,458.30	74.49 %
8200 Support - computers		4,166.70	
8201 Support - software	347,430.48	383,291.70	90.64 %
8210 Telephone-Office	19,904.23	30,000.00	66.35 %
8211 Telephone-Cellular	13,123.79	16,666.70	78.74 %
8212 Television/Cable	662.31	833.30	79.48 %
8216 NPDB Expense	6,361.25		
8220 Mileage reimbursements	50,538.34	77,166.80	65.49 %
8230 Travel & lodging	90,457.70	95,500.10	94.72 %
8250 Utilities	40,092.06	29,166.70	137.46 %
Total Expenses	9,036,573.38	9,706,263.20	93.10 %
NET OPERATING INCOME	1,759,976.41	1,373,695.20	128.12 %
OTHER INCOME			
6508 Grant Funds Received	30,000.00		
9014 Investment Income		342,666.70	
9015 Interest and dividends	232,961.08		

			Total
	Actual	Budget	% of Budget
9016 Realized gains and losses	8,100.25		
9017 Unrealized gains and losses	661,818.95		
9018 Investment fees	-43,160.52		
Total 9014 Investment Income	859,719.76	342,666.70	250.89 %
9020 Miscellaneous income	94.61		
9030 SALE OF ASSETS - PROCEEDS	930.00		
Total Other Income	890,744.37	342,666.70	259.94 %
OTHER EXPENSES			
9101 Grant Funds Disbursed	30,000.00		
Total Other Expenses	30,000.00	0.00	0.00%
NET OTHER INCOME	860,744.37	342,666.70	251.19 %
NET INCOME	\$2,620,720.78	\$1,716,361.90	152.69 %

YTD Profit and Loss Comparison

November 2018 - August 2019

	Total	
	Nov 2018 - Aug 2019	Nov 2017 - Aug 2018 (PY)
INCOME		
6001 Physician registration fees	7,752,231.20	7,581,180.14
6002 Physician registration late fees	49,245.00	64,080.00
6101 Graduate medical training registration fees	320,395.77	307,833.40
6102 Graduate medical training license application fees	113,400.00	114,600.00
6201 Corporation registration fees	93,065.33	98,751.54
6202 Corporation origination fees	17,700.00	17,900.00
6203 Corporation stock transfer fees		7,550.00
6301 PA registration fees	607,786.79	553,308.37
6304 PA license fees	164,160.00	143,000.00
6401 NP registration fees	179,695.63	249,237.62
6471 Perfusionist registration fees	17,112.61	17,299.97
6472 Perfusionist application fees	8,225.00	9,181.00
6481 Anesthesiologist asst registration fees	4,037.48	3,916.63
6491 Polysomnographic registration fees	26,045.80	27,899.93
6502 License by endorsement fees	1,028,860.00	1,081,975.00
6504 Limited License Registration	4,450.00	3,600.00
6505 Duplicate license fees	400.00	675.00
6506 License verification fees	360,835.01	165,800.00
6602 DataLiNC subscription income	32,854.17	26,854.21
6604 Roster sales	16,050.00	10,150.00
Total Income	10,796,549.79	10,484,792.81
GROSS PROFIT	10,796,549.79	10,484,792.81
EXPENSES		
8001 Marketing & Outreach	4,445.40	16,458.26
8010 Accounting & audit fees	14,100.00	9,990.00
8020 Continuing education	41,236.67	34,488.42
8021 Teambuilding	1,538.28	1,187.50
8022 Leadership Training	112.22	16,398.33
8032 Courier	6,057.54	6,042.74
8035 Depreciation	202,159.20	175,094.90
8040 Drug screens	99.00	205.00
8041 Application Immigration Review	250.00	250.00
8050 Dues, publications & subscriptions	39,646.66	42,166.87
8051 Data charges - internet	45,385.16	45,859.94
8052 Law books	5,346.29	5,585.27
8053 Clipping service	1,380.53	1,642.61
8054 Duplication and transmittal	340.92	87.33
8055 Merchant credit card fees	217,012.87	215,930.97
8057 Bank Charges	1,672.05	1,702.26
8058 Interest Expense	11,197.65	

		Total
	Nov 2018 - Aug 2019	Nov 2017 - Aug 2018 (PY)
8060 Employee Benefits-Health insurance	622,117.85	552,885.43
8061 Employee Benefits-Retirement	228,920.40	223,348.59
8062 Employee Benefits-Disability	18,262.56	17,519.72
8063 Employee Benefits-Dental insurance	32,421.30	33,780.19
8064 Employee Benefits-Life insurance	5,668.36	5,378.38
8065 Employee Benefits-Cafeteria Plan (ProBenefits)	1,723.00	1,992.50
8066 Employee Benefits-Health club & wellness	13,972.90	13,909.16
8067 Employee Benefits-Employee appreciation	321.54	1,369.50
8071 Insurance-Directors & officers	48,297.48	46,591.70
8073 Insurance-Umbrella & data protection	10,261.02	8,435.46
8074 Insurance-Business travel & accidental death	787.50	1,125.00
8075 Insurance-Crime/honesty & ERISA bond	324.62	334.04
8080 Legal-Attorney consultations	96,927.75	55,532.50
8081 Independent Counsel	8,927.50	8,960.00
8084 Legal-Depositions and transcripts	7,357.40	8,416.31
8091 File scan		3,627.52
8092 Maintenance-Equipment	49,118.56	40,972.54
8094 Equipment & Office Expense	173,020.22	138,147.63
8095 Management fees - review panel	16,369.72	23,731.41
8096 Management fees - property mgmt	7,053.29	7,650.00
8100 Meals	63,700.48	66,519.28
8110 Salaries	4,397,969.46	4,167,873.06
8120 Temporary labor	115,367.86	34,804.35
8130 Payroll taxes	306,263.04	302,766.64
8131 PEO Fees - ADP TotalSource	96,878.47	92,021.65
8135 Per diems	124,237.50	119,925.00
8140 Physicians health program	1,071,264.75	1,074,660.75
8150 Postage and shipping	28,794.33	40,468.67
8160 Printing and paper	16,743.08	26,590.67
8170 Professional consulting	204,625.31	261,882.75
8171 Data Analysis		55,000.00
8182 Rent-PO Box	1,562.00	1,712.00
8183 Rent-Postage & Folding machines	11,669.56	11,464.73
8184 Rent-Storage facility (Recall)	9,302.72	8,754.16
8185 Rent-Copiers	28,834.74	26,396.10
8190 Supplies	56,956.51	60,733.02
8201 Support - software	347,430.48	358,016.98
8210 Telephone-Office	19,904.23	25,531.02
8211 Telephone-Cellular	13,123.79	12,685.78
8212 Television/Cable	662.31	819.62
8216 NPDB Expense	6,361.25	
8220 Mileage reimbursements	50,538.34	63,133.26
8230 Travel & lodging	90,457.70	76,557.66

	Total	
	Nov 2018 - Aug 2019	Nov 2017 - Aug 2018 (PY)
8250 Utilities	40,092.06	26,832.86
Total Expenses	9,036,573.38	8,681,947.99
NET OPERATING INCOME	1,759,976.41	1,802,844.82
OTHER INCOME		
6508 Grant Funds Received	30,000.00	
9014 Investment Income		
9015 Interest and dividends	232,961.08	240,387.06
9016 Realized gains and losses	8,100.25	237,472.41
9017 Unrealized gains and losses	661,818.95	-84,725.15
9018 Investment fees	-43,160.52	-37,058.86
Total 9014 Investment Income	859,719.76	356,075.46
9020 Miscellaneous income	94.61	623.02
9030 SALE OF ASSETS - PROCEEDS	930.00	478.48
Total Other Income	890,744.37	357,176.96
OTHER EXPENSES		
9101 Grant Funds Disbursed	30,000.00	
Total Other Expenses	30,000.00	0.00
NET OTHER INCOME	860,744.37	357,176.96
NET INCOME	\$2,620,720.78	\$2,160,021.78



Investment Account 47-47-000-9400748
N CAROLINA MED BOARD - CONS

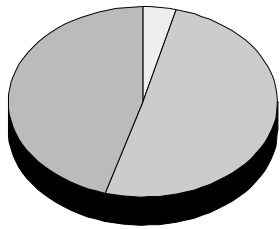
07/01/2019 - 07/31/2019

Investment Account 47-47-000-9400748

Account Contacts — DAVID CULPEPPER (704) 688-1148
— MATT WEDDING (704) 808-5142
— NICHOLAS HUDEPOHL (513) 358-6412

FIFTH THIRD BANK AS
INVESTMENT MANAGER AND AGENT
FOR NORTH CAROLINA MEDICAL BOARD
CONSOLIDATED

INVESTMENT ALLOCATION SUMMARY



Description	Last Statement Market Value	This Statement Market Value	Percent of Assets	Est. Annual Income	Estimated Yield
Cash and Equivalents	\$1,070,433.27	\$500,123.03	4%	\$11,402.74	2.3%
Fixed Income	\$6,252,459.80	\$6,270,485.78	50%	\$158,630.31	2.5%
Equities	\$5,587,394.49	\$5,647,974.19	45%	\$92,138.73	1.6%
Total Account Value	\$12,910,287.56	\$12,418,583.00	100%	\$262,171.78	2.1%

Net change in total account value (3.8) % Decrease

ACCOUNT SUMMARY

	Income Cash	Principal Cash	Investments*	Total
Beginning Balance	\$11,753.36	\$1,058,679.91	\$11,839,854.29	\$12,910,287.56
Income	\$13,623.20			\$13,623.20
Distributions		\$(558,673.44)		\$(558,673.44)
Net Security Transactions		\$(25,260.00)	\$25,260.00	
Change in Market Value			\$53,345.68	\$53,345.68
Ending Balance	\$25,376.56	\$474,746.47	\$11,918,459.97	\$12,418,583.00

* Investments represent the activity in your equity, bond & other security holdings

REALIZED GAIN/(LOSS) SUMMARY

	Current Period	YTD
Short-term gain/(loss)	\$0.00	\$4,023.88
Long-term gain/(loss)	\$(364.84)	\$13,141.54
Net realized gain/(loss)	\$(364.84)	\$17,165.42

INVESTMENT OBJECTIVE

Balanced

Total return through a balance of long-term growth of capital, an expectation of moderate principal fluctuation, and current income.

ACCOUNT OVERVIEW

	Current Period	Calendar YTD
Income Earned		
Interest	\$8,216.38	\$59,752.19
Dividends	\$5,406.82	\$72,988.94
Total Income Earned	\$13,623.20	\$132,741.13
Contributions		
Cash	\$0.00	\$2,650,000.00
Total Contributions	\$0.00	\$2,650,000.00
Distributions		
Cash	\$(558,673.44)	\$(1,834,497.78)
Total Distributions	\$(558,673.44)	\$(1,834,497.78)
Security Transactions		
Purchases	\$(65,260.00)	\$(4,000,859.91)
Sales	\$40,000.00	\$2,793,222.97
Net Security Transactions	\$(25,260.00)	\$(1,207,636.94)
Change in Market Value	\$53,345.68	\$1,028,086.79



Investment Account 47-47-000-9400748
N CAROLINA MED BOARD - CONS

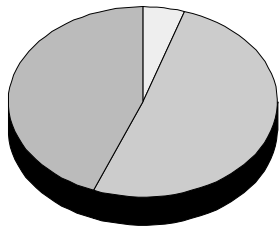
08/01/2019 - 08/31/2019

Investment Account 47-47-000-9400748

Account Contacts — DAVID CULPEPPER (704) 688-1148
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FIFTH THIRD BANK AS
 INVESTMENT MANAGER AND AGENT
 FOR NORTH CAROLINA MEDICAL BOARD
 CONSOLIDATED

INVESTMENT ALLOCATION SUMMARY



- ☐ Cash and Equivalents - 5%
☐ Fixed Income - 51%
☐ Equities - 44%

Description	Last Statement Market Value	This Statement Market Value	Percent of Assets	Est. Annual Income	Estimated Yield
Cash and Equivalents	\$500,123.03	\$602,031.54	5%	\$12,401.82	2.1%
Fixed Income	\$6,270,485.78	\$6,363,576.34	51%	\$159,067.70	2.5%
Equities	\$5,647,974.19	\$5,510,178.60	44%	\$91,565.23	1.7%
Total Account Value	\$12,418,583.00	\$12,475,786.48	100%	\$263,034.75	2.1%

Net change in total account value 0.5 % Increase

ACCOUNT SUMMARY

	Income Cash	Principal Cash	Investments*	Total
Beginning Balance	\$25,376.56	\$474,746.47	\$11,918,459.97	\$12,418,583.00
Income	\$15,647.52			\$15,647.52
Contributions		\$100,000.00		\$100,000.00
Distributions		\$(4,562.40)		\$(4,562.40)
Net Security Transactions		\$(9,176.61)	\$9,176.61	
Change in Market Value			\$(53,881.64)	\$(53,881.64)
Ending Balance	\$41,024.08	\$561,007.46	\$11,873,754.94	\$12,475,786.48

* Investments represent the activity in your equity, bond & other security holdings

REALIZED GAIN/(LOSS) SUMMARY

	Current Period	YTD
Short-term gain/(loss)	\$11,906.93	\$15,930.81
Long-term gain/(loss)	\$12,092.99	\$25,234.53
Net realized gain/(loss)	\$23,999.92	\$41,165.34

INVESTMENT OBJECTIVE

Balanced

Total return through a balance of long-term growth of capital, an expectation of moderate principal fluctuation, and current income.

ACCOUNT OVERVIEW

	Current Period	Calendar YTD
Income Earned		
Interest	\$11,954.19	\$71,706.38
Dividends	\$3,693.33	\$76,682.27
Total Income Earned	\$15,647.52	\$148,388.65
Contributions		
Cash	\$100,000.00	\$2,750,000.00
Total Contributions	\$100,000.00	\$2,750,000.00
Distributions		
Cash	\$(4,562.40)	\$(1,839,060.18)
Total Distributions	\$(4,562.40)	\$(1,839,060.18)
Security Transactions		
Purchases	\$(189,465.30)	\$(4,190,325.21)
Sales	\$180,288.69	\$2,973,511.66
Net Security Transactions	\$(9,176.61)	\$(1,216,813.55)
Change in Market Value	\$(53,881.64)	\$974,205.15

Memorandum

To: Executive Committee

From: April F. Pearce, CPA

Re: Fifth Third Bank Investment Update

Date: September 5, 2019

The Board's investment advisors, David Culpepper and Matt Wedding, with Fifth Third Bank will be attending the Executive Committee meeting on Wednesday, September 18th to give the annual update on the reserve accounts.

Memorandum

To: Executive Committee

From: April F. Pearce, CPA

Re: Proposed Budget – Fiscal Year 2020

Date: September 4, 2019

Attached to this memorandum is a PDF document to be discussed at the Executive Committee meeting scheduled for September 18th:

The PDF document named “2020BUDGET” contains the proposed Budget for fiscal year 2020. Please note the following:

- The total projected income is \$13,361,900 (a 0.5% increase from the 2019 budget). When projected investment income of \$327,500 is added, the total estimated income is \$13,689,400.
- The total proposed expenses are \$12,535,336 (an 8.2% increase from the 2019 budget). The proposed increase compares to past budget increases: 2019 – 5.1% increase, 2018 – 9.4% increase, 2017 – 8.3% increase, 2016 – 0.1% increase, 2015 – 1.4% increase.
- The proposed expenses include 2% for cost of living and 2.0% for organizational performance (total: 4.0% adjustment to base pay). (2019 – 4.0%, 2018 – 3.3%, 2017 – 3.6% 2016 – 0%, 2015 – 2%.) Please see the attached OPA proposal for more information. In addition, expenses include funds for one-time merit and longevity bonuses, if eligible.
- The proposed expenses also include the following changes in personnel:
 - Addition of a full-time Complaints Coordinator. This position has been in the FY19 budget as a temporary position. It has been determined that this need is ongoing and should be added as a full-time, permanent position.
 - Addition of a half-time Administrative Assistant in the Legal section. The need for this position has existed for several years but has been postponed as long as possible.
 - Removal of the Special Projects Manager position. After careful consideration, it has been determined that the responsibilities of this position are not enough to warrant full-time, permanent status. The duties of this position have been delegated to existing staff.

The items below are expense items that will increase by at least 10% and \$10,000 as compared to the 2019 budget.

Interest Expense – This is a new line to account for interest expenses related to the mortgage on the new Dogwood building.

Insurance-Umbrella & Misc – For FY 2019, we budgeted \$11,000. For the FY 2020 budget, we are requesting \$33,000. This represents an increase of 200% which accounts for additional lines of insurance necessary for the Dogwood building.

Maintenance-Building & Equipment – For FY 2019, we budgeted \$65,000. For the FY 2020 budget, we are requesting \$127,000. This represents an increase of 95.4%. The increase in this line item is due to the purchase of the Dogwood building and the resulting building and equipment maintenance that will be necessary immediately. This line includes items such as landscape, parking lot, and elevator maintenance.

Management Fees-Property Management – This line item is used for property management fees. With the purchase of the Dogwood building, we will have increased property management expenses, as we will be paying for property management on two buildings. In 2019, we budgeted a total of \$10,000 for property management fees. For FY 2020, we are requesting a total of \$30,000.

Telephone-Office – For FY 2019, we budgeted \$36,000. For the FY 2020 budget, we are requesting \$60,000. This increase includes necessary phone lines at the Dogwood building (lines for the elevator and fire system, for example) and reflects the increased expense of owning two building locations.

Utilities – For FY 2019, we budgeted \$35,000. For the FY 2020 budget, we are requesting \$105,000. This increase accounts for utilities at both the current building and the Dogwood building, with the expectation that utilities at the Dogwood building will be approximately double those of the current building since the Dogwood building is more than double the size of the current building.

Depreciation Expense – For FY 2019, we budgeted \$250,000. For the FY 2020 budget, we are requesting \$500,000. The increase is directly related to the approximate annual depreciation of \$250,000 for the Dogwood building. Please note that this is a non-cash expense.

Office Equipment-NCMB Software System – For FY 2019, we budgeted \$122,000 for GL Solutions expenses. For the FY 2020 budget, we are requesting \$463,800. This figure includes GL Solutions expenses through the end of June 2020, and then adds initial expenses of \$382,500 for a software system to replace GL Solutions, effective July 1, 2020.

Travel and Lodging – for FY 2019, we budgeted \$114,600. For the FY 2020 budget, we are requesting \$128,600. This increase is due to the addition of two Board Member retreats (the biannual strategic priorities retreat and a new leadership training retreat) that will require additional travel and lodging expenses.

Based upon the above figures, the proposed budget projects a surplus of \$1,154,064*; that is, we anticipate income to exceed expenses by the above amount.

The start of fiscal year 2020 is November 1.

If you have any questions or comments, please do not hesitate to call at (919) 326-1109 x216. Thanks!

* Calculated by taking “excess of income over expenses” of \$654,064 (line 99) and disregarding “depreciation expense” (non-cash item) of \$500,000 (line 96).

1010 REPORT

<u>ACCOUNT NUMBER</u>	<u>DESCRIPTION</u>	<u>2019 BUDGET</u>	<u>2020 BUDGET</u>	<u>% CHANGE</u>
	RELATED TO DOGWOOD BLDG			
8058	INTEREST EXPENSE	\$0	\$290,000	#DIV/0!
8073-20-300	INSURANCE-UMBRELLA & MISC	\$11,000	\$33,000	200.0%
8092-20	MAINTENANCE-BUILDING & EQUIPMENT	\$65,000	\$127,000	95.4%
8096-20	MANAGEMENT FEES-PROPERTY MANAGEMENT	\$10,000	\$30,000	200.0%
8210-20	TELEPHONE-OFFICE	\$36,000	\$60,000	66.7%
8250-20	UTILITIES	\$35,000	\$105,000	200.0%
8035-20	DEPRECIATION EXPENSE - NON-CASH EXPENSE	\$250,000	\$500,000	100.0%
	NOT RELATED TO DOGWOOD BLDG			
2001-00	OFFICE EQUIPMENT-NCMB SOFTWARE SYSTEM	\$122,000	\$463,800	280.2%
8230	TRAVEL & LODGING	\$114,600	\$128,600	12.2%

THE BUDGET

	<u>ACCOUNT NUMBER</u>	<u>DESCRIPTION</u>	<u>Fiscal Year 2018 Actual</u>	<u>Fiscal Year 2019 Actual (Thru July)</u>	<u>Fiscal Year 2019 Prorated (Thru Year-end)</u>	<u>2019 BUDGET</u>	<u>2020 BUDGET</u>	<u>% CHANGE</u>
1								
2		INCOME						
3	6001-20	PHYSICIAN REGISTRATION (\$250)	\$9,145,034	\$7,001,433	\$9,335,200	\$9,528,800	\$9,363,000	-1.7%
4	6002-20	REGISTRATION LATE PENALTY (\$50)	\$74,990	\$44,170	\$58,800	\$75,600	\$58,800	-22.2%
5	6101-20	GRADUATE MEDICAL TRAINING REGISTRATION (\$125)	\$371,698	\$289,104	\$385,400	\$368,200	\$385,400	4.7%
6	6102-30	GRADUATE MEDICAL TRAINING LICENSE APPLICATION (\$100)	\$116,100	\$112,700	\$112,700	\$113,900	\$112,700	-1.1%
7	6201-20	CORPORATE REGISTRATION (\$25)	\$117,956	\$83,678	\$111,500	\$118,800	\$111,500	-6.1%
8	6202-20	CORPORATE ORIGINATION (\$50)	\$20,750	\$15,850	\$21,100	\$20,900	\$21,100	1.0%
9	6203-20	CORPORATE STOCK TRANSFER (\$15)	\$7,550	\$0	\$0	\$0	\$0	0.0%
10	6301-20	PA REGISTRATION (\$140)	\$668,650	\$544,027	\$725,300	\$833,300	\$1,026,100	23.1%
11	6304-30	PA LICENSE APPLICATION (\$230)	\$173,680	\$148,650	\$198,200	\$186,700	\$219,400	17.5%
12	6403-30	NP REGISTRATION & APPROVALS (\$50 & \$100) 25% SHARE TO NCMB	\$285,167	\$161,205	\$214,900	\$175,000	\$214,900	22.8%
13	6471-20	PERFUSIONIST REGISTRATION (\$350)	\$22,012	\$16,179	\$21,500	\$17,500	\$17,500	0.0%
14	6472-30	PERFUSIONIST APPLICATION (\$350)	\$10,231	\$7,525	\$10,000	\$11,000	\$10,000	-9.1%
15	6481-20	ANESTHESIOLOGIST ASSISTANT REGISTRATION (\$125)	\$4,802	\$3,685	\$4,900	\$5,500	\$4,900	-10.9%
16	6482-30	ANESTHESIOLOGIST ASSISTANT APPLICATION (\$150)	\$0	\$0	\$0	\$0	\$0	#DIV/0!
17	6491-20	REGISTERED POLYSOMNOGRAPHIC TECHNOLOGIST (\$50)	\$33,479	\$24,075	\$32,000	\$36,000	\$36,000	0.0%
18	6502-30	LICENSE-FULL (\$400)	\$1,238,635	\$952,935	\$1,270,500	\$1,346,700	\$1,290,100	-4.2%
19	6504-30	LICENSE-LIMITED	\$4,150	\$4,450	\$5,900	\$4,600	\$5,900	28.3%
20	6505-20	LICENSE-DUPLICATE (\$25)	\$775	\$350	\$400	\$800	\$400	-50.0%
21	6506-20	LICENSE VERIFICATION (\$50)	\$231,400	\$322,185	\$429,500	\$383,150	\$429,500	12.1%
22	6602-20	DATALINC INCOME	\$32,646	\$29,146	\$34,750	\$49,250	\$34,700	-29.5%
23	6604-20	ROSTER SALES (\$150)	\$12,575	\$15,000	\$20,000	\$20,250	\$20,000	-1.2%
24		TOTAL INCOME	\$12,572,281	\$9,776,348	\$12,992,550	\$13,295,950	\$13,361,900	0.5%
25		EXPENDITURES						
26	2001-00	OFFICE EQUIPMENT-IT	\$0	\$0	\$0	\$12,500	\$12,500	0.0%
27	2001-00	OFFICE EQUIPMENT-NCMB SOFTWARE SYSTEM	\$256,555	\$101,416	\$135,200	\$122,000	\$463,800	280.2%
28	2002-00	OFFICE FURNITURE	\$0	\$0	\$0	\$0	\$0	#DIV/0!
29	2003-00	IMPROVEMENTS	\$16,880	\$13,858	\$13,858	\$10,000	\$10,000	0.0%
30		TOTAL FIXED ASSETS	\$273,435	\$115,274	\$149,058	\$144,500	\$486,300	236.5%
31	8001-60	MARKETING AND OUTREACH	\$25,414	\$4,346	\$5,700	\$30,500	\$21,000	-31.1%
32	8010-20	ACCOUNTING-AUDIT	\$9,990	\$14,100	\$14,100	\$15,000	\$15,000	0.0%
33	8020	CONTINUING EDUCATION	\$37,167	\$39,280	\$51,800	\$60,500	\$68,000	12.4%
34	8021	TEAMBUILDING	\$1,981	\$1,538	\$1,800	\$6,100	\$8,600	41.0%
35	8022-20-300	LEADERSHIP TRAINING-HR	\$16,398	\$112	\$100	\$25,000	\$20,000	-20.0%
36	8032-20	COURIER	\$7,238	\$4,759	\$6,300	\$7,500	\$7,500	0.0%
37	8040-40	DRUG SCREENS-INVESTIGATIONS	\$272	\$99	\$100	\$1,000	\$1,000	0.0%
38	8041	APPLICATION IMMIGRATION REVIEW	\$300	\$225	\$300	\$500	\$500	0.0%

THE BUDGET

1	<u>ACCOUNT NUMBER</u>	<u>DESCRIPTION</u>	<u>Fiscal Year 2018 Actual</u>	<u>Fiscal Year 2019 Actual (Thru July)</u>	<u>Fiscal Year 2019 Prorated (Thru Year-end)</u>	<u>2019 BUDGET</u>	<u>2020 BUDGET</u>	<u>% CHANGE</u>
39	8050-20	DUES/PUBLICATIONS/SUBSCRIPTIONS-ALL	\$50,110	\$38,864	\$51,800	\$50,000	\$50,000	0.0%
40	8051	DATA CHARGES/INTERNET	\$55,647	\$44,108	\$58,700	\$56,200	\$59,440	5.8%
41	8052-50	LAW BOOKS-LEGAL	\$7,221	\$5,321	\$7,000	\$4,000	\$6,000	50.0%
42	8053-60	CLIPPING SERVICE-COMMUNICATIONS	\$1,881	\$1,113	\$1,400	\$2,500	\$2,500	0.0%
43	8054	DUPLICATION & TRANSMITTAL	\$114	\$333	\$400	\$700	\$850	21.4%
44	8055-20	MERCHANT CREDIT CARD FEES	\$260,824	\$194,515	\$259,300	\$275,000	\$275,000	0.0%
45	8057	BANK CHARGES	\$2,054	\$1,522	\$2,000	\$2,500	\$2,500	0.0%
46	8058	INTEREST EXPENSE	\$0	\$0	\$0	\$0	\$290,000	#DIV/0!
47	8060-20-300	EMPLOYEE BENEFIT-HEALTH INSURANCE	\$673,767	\$554,847	\$739,700	\$786,979	\$853,635	8.5%
48	8061-20-300	EMPLOYEE BENEFIT-RETIREMENT CONTRIBUTIONS	\$269,035	\$205,045	\$273,300	\$324,151	\$332,229	2.5%
49	8062-20-300	EMPLOYEE BENEFIT-DISABILITY INSURANCE	\$21,172	\$16,490	\$21,900	\$25,000	\$25,000	0.0%
50	8063-20-300	EMPLOYEE BENEFIT-DENTAL INSURANCE	\$40,518	\$29,495	\$39,300	\$42,086	\$35,823	-14.9%
51	8064-20-300	EMPLOYEE BENEFIT-LIFE INSURANCE	\$6,470	\$5,113	\$6,800	\$7,000	\$7,500	7.1%
52	8065-20-300	EMPLOYEE BENEFIT-CAFETERIA PLAN	\$2,308	\$1,604	\$2,100	\$3,500	\$3,500	0.0%
53	8066-20-300	EMPLOYEE BENEFIT-HEALTH CLUB & WELLNESS	\$15,291	\$10,959	\$14,600	\$16,200	\$16,500	1.9%
54	8067-20-300	EMPLOYEE BENEFIT-EMPLOYEE APPRECIATION	\$1,450	\$322	\$400	\$2,500	\$2,000	-20.0%
55	8071-20-300	INSURANCE-DIRECTORS AND OFFICERS	\$56,123	\$43,419	\$57,800	\$60,000	\$67,500	12.5%
56	8073-20-300	INSURANCE-UMBRELLA & MISC	\$10,089	\$7,739	\$10,300	\$11,000	\$33,000	200.0%
57	8074-20-300	INSURANCE-BUSINESS TRAVEL & ACCIDENTAL DEATH	\$1,350	\$788	\$1,000	\$1,400	\$1,400	0.0%
58	8075-20-300	INSURANCE-CRIME/HONESTY & ERISA BOND/EMP THEFT	\$401	\$293	\$300	\$400	\$400	0.0%
59	8080-50	LEGAL-ATTORNEY CONSULTATION	\$58,623	\$91,817	\$122,400	\$190,000	\$200,000	5.3%
60	8081-10	INDEPENDENT COUNSEL-BOARD	\$9,368	\$8,928	\$11,900	\$9,000	\$10,000	11.1%
61	8083-50	LEGAL-SERVICE OF PROCESS	\$0	\$0	\$0	\$100	\$100	0.0%
62	8084-50	LEGAL-DEPOSITIONS & TRANSCRIPTS	\$8,779	\$7,453	\$9,900	\$10,000	\$10,000	0.0%
63	8091-20	MAINTENANCE-EQUIPMENT & OFFICE-FILE SCAN	\$3,628	\$0	\$0	\$5,000	\$2,500	-50.0%
64	8092-20	MAINTENANCE-BUILDING & EQUIPMENT	\$58,679	\$44,755	\$59,600	\$65,000	\$127,000	95.4%
65	8094-20-200	EQUIPMENT & OFFICE EXPENSE-IT	\$192,613	\$169,887	\$226,500	\$279,060	\$302,480	8.4%
66	8095-10	MANAGEMENT FEES & REVIEW PANEL EXPENSES	\$25,898	\$15,286	\$20,300	\$25,000	\$25,000	0.0%
67	8096-20	MANAGEMENT FEES-PROPERTY MANAGEMENT	\$9,188	\$6,265	\$8,300	\$10,000	\$30,000	200.0%
68	8100	MEALS	\$81,327	\$55,907	\$73,900	\$81,700	\$84,000	2.8%
69	8110	PAYROLL	\$5,056,559	\$3,969,474	\$5,292,300	\$5,402,522	\$5,537,155	2.5%
70	8120	TEMPORARY LABOR	\$42,863	\$96,408	\$128,300	\$147,500	\$117,650	-20.2%
71	8130	PAYROLL TAX	\$352,893	\$277,767	\$370,000	\$429,360	\$426,112	-0.8%
72	8131	PEO FEES-ADP TOTALSOURCE	\$111,834	\$98,536	\$131,300	\$130,000	\$135,000	3.8%
73	8135-10	PER DIEM-BOARD	\$145,850	\$122,488	\$163,300	\$184,150	\$175,000	-5.0%
74	8140-10	PHYSICIANS HEALTH PROGRAM	\$1,298,297	\$953,355	\$1,271,100	\$1,302,368	\$1,288,022	-1.1%
75	8150	POSTAGE & SHIPPING	\$47,209	\$28,387	\$37,500	\$56,500	\$56,100	-0.7%

THE BUDGET

1	<u>ACCOUNT NUMBER</u>	<u>DESCRIPTION</u>	<u>Fiscal Year 2018 Actual</u>	<u>Fiscal Year 2019 Actual (Thru July)</u>	<u>Fiscal Year 2019 Prorated (Thru Year-end)</u>	<u>2019 BUDGET</u>	<u>2020 BUDGET</u>	<u>% CHANGE</u>
76	8160	PRINTING & PAPER	\$28,660	\$16,090	\$21,400	\$28,500	\$30,700	7.7%
77	8170	PROFESSIONAL CONSULTING	\$322,209	\$191,408	\$249,800	\$357,000	\$338,000	-5.3%
78	8171-20	DATA ANALYSIS	\$55,000	\$0	\$0	\$0	\$0	#DIV/0!
79	8182	RENT-PO BOX	\$1,712	\$1,419	\$1,800	\$2,500	\$2,250	-10.0%
80	8183-20	RENT-POSTAGE & FOLDING MACHINES	\$13,681	\$10,508	\$14,000	\$14,000	\$14,000	0.0%
81	8184-20	RENT-ACCESS	\$9,814	\$9,303	\$12,400	\$7,500	\$3,000	-60.0%
82	8185-20-200	RENT-COPIERS	\$18,672	\$28,044	\$37,300	\$27,540	\$29,520	7.2%
83	8190	SUPPLIES	\$71,118	\$49,443	\$65,300	\$91,750	\$85,750	-6.5%
84	8200-20-200	SUPPORT-COMPUTERS-IT	\$0	\$0	\$0	\$5,000	\$5,000	0.0%
85	8201	SUPPORT-SOFTWARE	\$424,216	\$336,137	\$448,000	\$459,950	\$399,020	-13.2%
86	8210-20	TELEPHONE-OFFICE	\$30,487	\$19,447	\$25,900	\$36,000	\$60,000	66.7%
87	8211-20	TELEPHONE-CELLULAR	\$14,762	\$12,111	\$16,100	\$20,000	\$20,000	0.0%
88	8212	TELEVISION/CABLE	\$986	\$662	\$800	\$1,000	\$1,000	0.0%
89	8215	TRANSLATION/INTERPRETATION	\$0	\$0	\$0	\$0	\$2,000	#DIV/0!
90	8216-40	NPDB EXPENSE-INVESTIGATIONS	\$0	\$1,180	\$1,500	\$0	\$1,600	#DIV/0!
91	8220	AUTO MILEAGE REIMBURSEMENT	\$74,602	\$46,853	\$62,100	\$92,600	\$91,100	-1.6%
92	8230	TRAVEL & LODGING	\$93,936	\$76,940	\$102,100	\$114,600	\$128,600	12.2%
93	8250-20	UTILITIES	\$32,458	\$32,827	\$43,700	\$35,000	\$105,000	200.0%
94		TOTAL EXPENSES	\$10,543,940.17	\$8,120,709	\$10,806,158	\$11,581,916	\$12,535,336	8.2%
95		TOTAL INCOME (FROM PAGE 1)	\$12,572,280.77	\$9,776,348	\$12,992,550	\$13,295,950	\$13,361,900	0.5%
96	8035-20	DEPRECIATION EXPENSE - NON-CASH EXPENSE	\$242,591	\$181,943	\$242,500	\$250,000	\$500,000	100.0%
97	9010-20	INVESTMENT INCOME (LOSS)	(\$95,356)	\$902,516	\$1,203,300	\$353,910	\$327,500	-7.5%
98	9020-20	MISCELLANEOUS INCOME (EXPENSE)	\$1,152	\$935	\$1,200	\$0	\$0	#DIV/0!
99		EXCESS OF INCOME OVER EXPENSES	\$1,691,545.46	\$2,377,146	\$3,148,392	\$1,817,944	\$654,064	

NCMB Annual Salary Adjustment Program

Program components:

1. Cost of living (2%)
2. Organizational performance (0 – 3%)

2019-2020 Organizational Performance Recommendation: 2.0%

Total salary adjustment: 4.0%

Cost of living

- Provides for the increase in cost of living
- Recognizes the performance of day-to-day responsibilities

Organizational performance

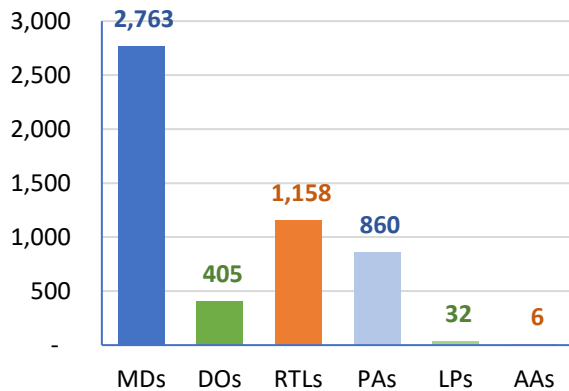
- Measures performance as an organization using the staff goals as a framework
- Evaluates and rewards annual accomplishments
- Aligns the work of everyone in the organization towards the same goals

2018-2019 Highlights

- Developed staff goals for the entire organization in four key areas
- Significant progress, with several standing out as exemplary:
 - Emergency licensure implementation and adoption of rules streamlines process for facilitating volunteer licenses during state of emergency;
 - LEAN/Six Sigma implementation and re-imagined ROI reporting improves efficiency of case review by staff and Board members;
 - FSMB posters on Microsoft BI and Victim Services Program highlight innovation at NCMB. The Victim Services poster, and related work, responds to national discussion on sexual assault;
 - Implementation of the Safety Committee and the development of a strategic training program raises awareness and improves safety in the office;
 - Board member training survey and plan achieves thoughtful map for annual training and identifies new topics, including Unconscious Bias training. This innovative course attained CME credit and attracted attendance of stakeholders.
- Additional achievements from the Board Member Strategic Priorities include:
 - Acquisition of new office
 - Passing legislation to update the Medical Practice Act

2018 Highlights

Licenses Issued: 5,224



Medical Corporations

370 new registrants (total)



4,825 total registrants (PCs/PLLCs)



Enforcement Activity

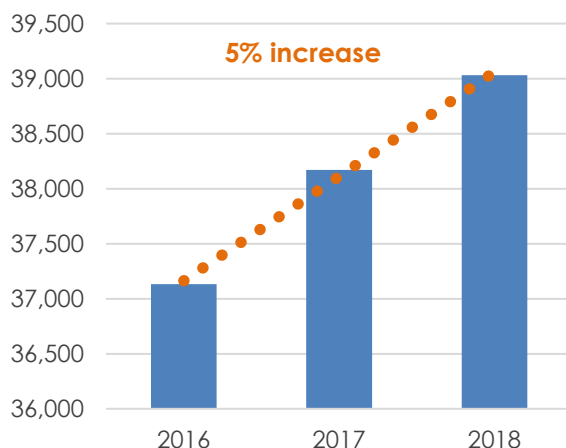


Cases Opened by Type/Source*

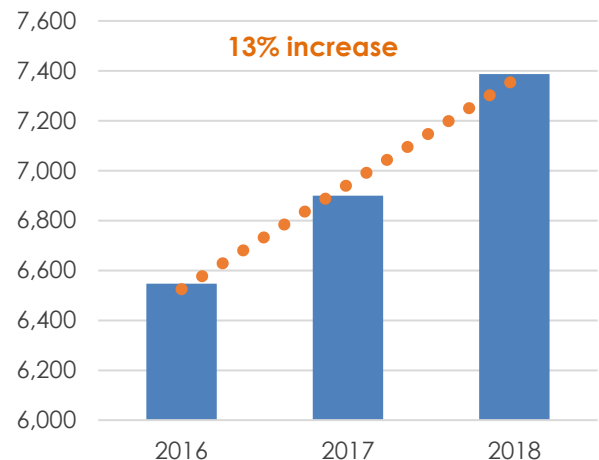
Complaints from patients/public:	1,502
Review of out-of-state action:	354
Field investigations section:	320
Malpractice payment reviews:	260
License application:	61
Safe Opioid Prescribing Initiative:	15
Medical Examiner case:	13

*Sources resulting in fewer than 10 cases opened are not shown

Growth in MD/DO Population



Growth in PA Population



2019 Staff Goals

Licensing & Renewal

Provide timely access to the workforce without compromising patient protection through innovative licensure and renewal initiatives

Goals	Strategies	Status	Notes
SG-LR1	1. Reduce delays in the license application process, as well as unnecessary referrals for Senior Staff Review, by more effectively identifying and addressing flagged license application cases that involve issues that can be resolved by staff.	Ongoing	In the past, all flagged license application cases were discussed by the full Senior Staff Review Committee – even applications where it was clear the applicant was eligible for a license (perhaps with a PLOC). OMD and Legal have now established a process whereby these applications are discussed and processed outside the SSRC meeting which (1) saves SSRC meeting time, and (2) allows the applicant to be licensed much sooner.
SG - LR2	2. Implement a more efficient volunteer license application process and raise licensee awareness of volunteer license options by converting paper applications to online Web forms. Once implemented, promote the streamlined process through targeted outreach to licensees and stakeholders.	Ongoing	Physicians and PAs who wish to convert to volunteer licenses have traditionally printed, completed and returned a pdf form. This project resulted in creation of an online form for use by both physicians and PAs. The form is live on the website in Licensing and has been added to a new online resource page for licensees considering retirement. The new retiree page is live at www.ncmedboard.org/retire and will be promoted in the July/August 2019 Forum, on the website and on social media.
SG - LR3	3. Improve licensee awareness of NCMB processes for inactivating or reactivating a license – a frequent source of calls and email inquiries – and develop one or more resources to improve understanding of these topics.	Ongoing	One of the most frequently received questions received by phone and email is how licensees should manage their license upon retirement. Currently the bulk of these questions go to a single staff member, the renewal coordinator. This project resulted in creation of a digital brochure that can be emailed, enabling more staff to respond to this question. Additional resources include a new resource page for retirees, which provides links to a new online form that converts an active license to a volunteer license. An online form for inactivation requests is in the works. This will replace the existing pdf form.
SG - LR4	4. Improve the efficiency of online license application processes by continuing to evaluate opportunities to convert manual processes, such as electronic submissions of certain forms and documents.	On hold	Further discussion delayed until decision is reached regarding a new software program.
SG - LR5	5. Ensure that needed rule changes to support and/or facilitate conversion to paperless license application processes are identified, drafted and initiated by appropriate staff.	On hold	Further discussion delayed until decision is reached regarding a new software program.
SG - LR6	6. Improve efficiency and reduce manual data processing by automating the process of creating late renewal notifications.	Completed	Staff developed task request for GLS in February; After completing testing and resolving issues, late renewal notice emails have been automated as of August 2019.
SG - LR7	7. Formally adopt emergency licensure policies to allow out-of-state medical professionals to practice in the state during a declared state of emergency by successfully completing the process to establish these policies as rule.	Completed	In anticipation of Hurricane Florence, staff went to extraordinary efforts to plan and execute a process for issuing emergency licenses. In November, the Board officially approved emergency licensing rules which were approved by the Rules Review Commission effective July 1 and are now in place if needed for the 2019 hurricane season. In addition, staff developed a comprehensive FAQ document: https://www.ncmedboard.org/resources-information/faqs/emergency-disaster-licensure . Finally, staff created a "Standard Operating Procedures" document which memorializes the internal procedure for processing emergency licenses.
SG - LR8	8. Improve the consistency of the license application and renewal questions, and enhance the efficiency of periodic review of these questions, by establishing a process for concurrent review of initial licensure application and renewal questions.	In Progress	Changes to license application and renewal questions should be undertaken simultaneously. This includes ensuring reporting and staff review. Staff has discussed creating a Standard Operating Procedure or similar internal protocol document to ensure there is an established process going forward. Renewal questions need to be reviewed and revised to improve responses from licensees and staff efficiency of processing those responses. Enhancements to document uploads through new software vendor to improve ease of renewal for licensees and improve staff response time.

Legend	
In progress	Progress achieved but work continues
Ongoing	Goal accomplished; work is enduring
Completed	Goal accomplished; no further work required
On hold	Project was deferred due to external factors

Enforcement

Protect the public and the integrity of the practice of medicine by ensuring the investigative and regulatory processes are current, timely, efficient, and

Goals	Strategies	Status	Notes
SG - Enf1	1. Improve communication and customer service to individuals who have reported a matter to NCMB by having Board Investigators initiate first contact with complainants within 7-10 days of being assigned a case.	Completed	100% compliance by investigators with new process. Most complainants receive their initial contact within 2 days of an investigator being assigned a case.
SG - Enf2	2. Encourage increased licensee compliance with Board orders, terms and conditions by improving licensee understanding of their obligations. Specifically, NCMB staff shall contact licensees within 5 days of execution of a Board order to make them aware of terms and conditions that must be complied with. In addition, staff shall contact licensees to remind them of obligations due, within five days of the due date.	Completed	Licensees or their attorney are contacted within 5 days of Board order requiring compliance, and within 5 days of when obligations are due. Previously, there was no formal process in place to ensure that licensees are informed of specific obligations.
SG - Enf3	3. Improve the efficiency and transparency of Investigations Department reports for Board Members and staff by automating selected reporting processes.	Completed	This project required extensive coordination and collaboration among multiple departments involved in NCMB enforcement activities and was designed and implemented while day-to-day work on enforcement cases proceeded as usual. The resulting reporting capabilities allow real-time review of ROI reports, which improves the efficiency of the staff review process.
SG - Enf4	4. Increase the quality of outside expert medical reviews provided to the Board through increased outreach, education and training to current and prospective reviewers.	Ongoing	Hired a Quality of Care Paralegal; revised the expert review process to improve the navigability of information sent to expert reviewers and improved recruiting efforts for expert reviewers. A Q & A interview with the Quality of Care Paralegal was included in the Forum and has generated interest from new experts. Some new reviewers have indicated that the improved process, such as providing indexed electronic records, makes providing reviews more attractive.

Legend	
In progress	Progress achieved but work continues
Ongoing	Goal accomplished; work is enduring
Completed	Goal accomplished; no further work required
On hold	Project was deferred due to external factors

Policy & Education

Identify and address emerging issues impacting the practice of medicine through effective policy development and outreach to licensees, the public and stakeholders

Goals	Strategies	Status	Notes
SG - PE1	1. Inform licensees and stakeholders of important, timely issues, including the duty to report sexual misconduct by medical professionals and changes to the Medical Practice Act, through targeted information campaigns.	Ongoing	The Communications Department continually seeks opportunities to communicate with licensees about timely and important topics. This performance year, Communications completed information campaigns on safe medication storage and safe medication disposal, in part to promote a new prescribing resource developed by NCMB and several partners. A campaign is planned for early fall to raise licensee awareness of the STOP Act e-prescribing requirement. Communications has planned campaigns related to provisions of the Medical Practice Act update, which passed in July, including Duty to Report. These will occur in late fall.
SG - PE2	2. Enhance the value of NCMB professional outreach by certifying one or more professional presentations for Category 1 CME credit through the Federation of State Medical Boards.	Ongoing	Communications learned after setting this goal that FSMB's review and approval process typically takes 6 months. After reviewing existing content, it was decided that NCMB's general "Medical Board 101" presentation should be the first program certified for credit. FSMB provides CME certification at no cost to member boards, so additional presentations can be certified for credit at a later time. The initial application for credit has been completed and was submitted in August. Communications staff will work with FSMB to answer any questions and to complete supporting documentation that may be required. For example, we will submit disclosure forms for all Board Members and some senior staff so that they may be considered faculty for the talk.
SG - PE3	3. Raise public awareness of NCMB by developing new audiences and content for public outreach.	Ongoing	NCMB's public outreach program is still relatively new and has been focused on senior centers and caregiver support groups (e.g. Parkinson's Disease support group). During the performance period, the Communications Department successfully identified new audience groups, such as state employees, county public health department staff, Black fraternity/sorority events and community and municipal health fairs. Communications staff developed display banners and "giveaway" items printed with NCMB's logo to create a more visually impactful display at public events where NCMB can staff a table and greet attendees. Communications staff have also obtained permission to use NCMB's mobile hotspot for health fair events, which will enable staff to demonstrate the website and "Look up a doctor or PA" tool for attendees. NCMB has been confirmed as a participant for health fairs held by the town of Apex and Harnett County in September and October 2019, respectively. NCMB expects to reach up to 500 members of the public through these two events alone.
SG - PE4	4. Improve the Consumer Resources section of the NCMB website by developing an inventory of existing content and creating an action plan for content development in the 2019-2020 performance year.	Completed	Through its 2018 consumer survey, the Communications Department identified a need to expand the resources NCMB provides to patients and the public. This is a major project that will be accomplished over multiple performance years. This year, the Communications Department completed an inventory of its existing Consumer Resources section on the NCMB website to capture all current content. Communications staff have completed an initial review and noted opportunities for improvement. In addition, the Communications Department has created an action plan to guide work on the next phase of the project, which will include brainstorming ideas for new content, expanding the design capabilities of the website to allow more visual content displays and scheduling specific projects to ensure timely production of resources.
SG - PE5	5. Engage with state medical boards and other stakeholders at the national level by submitting one or more poster presentations highlighting NCMB innovation for inclusion in the 2019 FSMB Annual Meeting showcase.	Completed	NCMB contributed two posters; The Victim Services Program poster highlighted efforts by NCMB to address a national problem in medical regulation and, along with other related work, has resulted in national attention for the Board. An additional poster presented information on a custom reporting tool developed by GL Suite.

Legend	
In progress	Progress achieved but work continues
Ongoing	Goal accomplished; work is enduring
Completed	Goal accomplished; no further work required
On hold	Project was deferred due to external factors

Efficiency

Provide optimal staffing, facilities, processes and technology to enable NCMB to succeed in its mission

Goals	Strategies	Status	Notes
SG - Eff1	1. Improve the variety of content on the intranet by identifying opportunities to move additional resources and information to the intranet; Encourage NCMB departments to develop department/section specific resource pages.	Ongoing	Thoroughly reviewing the contents of the P drive to identify additional content for the NCMB intranet is a multi-year project. Communications staff meet regularly with the Executive Assistant to the CEO to review P drive content; A project plan has been created to keep track of content that could be moved to the intranet. Additions to the intranet this year include adding a Recent Media Coverage page where recent coverage is linked, a dedicated page for sharing information about the Office Space project and a new Board Resources page where staff can access information about upcoming meetings and presentations.
SG - Eff2	2. Make it easier to tap into staff knowledge and expertise by creating a Subject Matter Expert list for Board staff (and Board Members) to use when initiating new work or seeking efficiency in ongoing work	In Progress	Staff survey developed and distributed to identify subject matter experts on a variety of software, processes, or other skills. List of SMEs is being developed and will be made available for staff.
SG - Eff3	3. Improve the safety of NCMB's physical offices by establishing a safety committee to review external safety recommendations, identify recommendations for adoption and begin implementation.	Ongoing	Training for fire safety, natural disasters held; CPR training held; multiple drills conducted, involving staff and Board Members. A lot of ground covered in a year; Efforts have raised staff awareness of safety issues.
SG - Eff4	4. Improve efficiency and reduce staff time spent on manual work by creating an inventory of manual processes, determining feasibility of changing to paperless or automated systems, and developing a prioritized action plan.	In Progress	Inventory of manual processes completed. Three processes were identified for automation. DataLiNC invoicing has now been automated, CME compliance was found to not be a feasible shift to automation, but will be re-evaluated after the end of the ACCME Pilot Project, ITP Daily Correspondence has been submitted to GLS for automation - scheduled to be completed on August 22.
SG - Eff5	5. Increase productivity and reduce communication barriers among staff by developing and implementing a campaign to educate staff that telecommuters are available by phone, email, and instant message.	Ongoing	Numerous emails and intranet posts conveyed information about telecommuting to staff. Door signs that indicate the specific staff member's telecommuting day or days, and indicating contact information (e.g. dial extension 272) have been designed and are pending approval by the HR director.
SG - Eff6	6. Provide optimal training to Board Members by assessing prior Board training topics, surveying Board Members to determine current interests, identifying future training needs and opportunities, and developing a 2019 training schedule.	Ongoing	Board members and staff were surveyed to identify training needs. A training plan was developed to work in conjunction with the Onboarding Immersion Program (Eff7). New trainings were implemented based on survey results in 2019: Unprecedented amount/variety of Board Member training conducted in 2019. Bonus for certifying Unconscious Bias training for CME credit.
SG - Eff7	7. Ensure that the incoming class of four new Board Members (three physicians and one public member) receive an effective orientation by reviewing training needs and developing a training plan.	Ongoing	The workgroup developed an onboarding immersion program that works in conjunction with the Board member training plan (Eff6). The program was previewed with staff and revised based on feedback. The program was approved in July for implementation in November.
SG - Eff8	8. Ensure professionally trained and informed staff who are knowledgeable of the Medical Practice Act and current in trends and relevant issues concerning the medical profession.	Ongoing	Staff attended numerous professional meetings and conferences including the FSMB Annual Meeting, Board Attorneys Workshop, Administrators in Medicine (AIM) Certified Medical Board Investigator Training, AIM Executive Director Workshop, AIM Medical Board Licensure Coordinator Training, Federation of State Physician Health Programs Annual Meeting, NC Opioid Prevention Conference, 2019 Occupational Licensing Agencies Best Practices Seminar and Council on Licensing and Enforcement (CLEAR) basic investigator training and the CLEAR International Conference. (In some instances, staff served as the meeting planner and/or faculty.) In addition, investigators received Notice of Rights training from Marcus and a Victim Services Update from Brian and Wanda.

Legend	
In progress	Progress achieved but work continues
Ongoing	Goal accomplished; work is enduring
Completed	Goal accomplished; no further work required
On hold	Project was deferred due to external factors

Memorandum

To: Executive Committee

From: David Henderson

Re: Office Space Project Update

Date: September 5, 2019

There are four phases to the Office Space Project: (1) stay/move decision, (2) if move, identify building or lot, (3) design/construct new space, and (4) plan/execute move.

We are now in Phase 3. The Phase 3 Office Space Project Team (OSPT) includes Mr. Mansfield (Team Leader), Ms. Contre and Dr. Haynes. The OSPT has been working with Jessica Bossiere at HH Architecture on a schematic design and budget for the Dogwood Building renovation. Thom and Jessica will provide an update.

With the assistance of Mr. Mansfield and real estate attorney Sam Weathers, and with the guidance of Dr. Walker, John Kerr (York Properties) and I are negotiating the terms of a Letter of Intent (LOI) with Greg Sanchez, broker for Northside Midtown, LLC, for the sale of 1203 Front Street. Once we have a LOI acceptable to Dr. Walker, we will present it to the Board for its review – either at a Special Meeting or at the September Board meeting.

Staff Recommendation: Accept as Information.

Memorandum

To: Executive Committee

From: David Henderson

Re: PHP Compliance Committee

Date: September 5, 2019

The NCPHP Compliance Committee meets every other month to review new evaluations done by NCPHP staff, cases of substantial non-compliance with monitoring contracts, and any other cases as requested by NCPHP staff.

Three Compliance Committee members are former NCMB members: a physician, a physician assistant, and a public member. Current members are Dr. Paul Camnitz, Peggy Robinson, PA-C, and Judge John "Jack" Lewis. Members are eligible to serve two, three-year terms.

Judge Lewis will complete his second, three-year term on December 31, 2019. The Board needs to appoint his replacement.

Michael Arnold (resume attached) is a former public member of the Board who is eligible and willing to serve on the NCPHP Compliance Committee.

Staff Recommendation: Appoint Mr. Arnold to the NCPHP Compliance Committee.

MICHAEL J. ARNOLD, MBA

1405 Marshall Farm Street, Wake Forest, NC 27587

(919) 671-3883

mikearnold1@gmail.com

Education:

Duke University Non-Profit Management Certification	2/02
University of North Carolina at Wilmington Masters of Business Administration (MBA)	5/99
University of North Carolina at Wilmington Bachelor of Arts (BA), Communication Studies	5/93

Professional Experience:

Office of Secretary of State, Raleigh, North Carolina 01/13 – Current

Senior Advisor, Policy and Government Relations

- Serve as Senior Advisor for the Secretary of State, including policy, budget, and government relations at the federal, state and local levels.
- Responsible for the strategic development and implementation of all state-level budget and legislative initiatives, including appropriations for more than 200 state positions, \$12.5 Million in operations and over \$110 Million in revenue. Additionally, manage a robust annual legislative agenda for policy matters related to the Agency's statutory requirements for administering state laws for business and capital formation, securities regulation, lobbying compliance, athlete-agent regulation, notary regulation, counterfeit / trademark enforcement and Uniform Commercial Code filing. In this regard, serve as the primary government relations liaison working with the Governor and Cabinet, the Office of State Budget and Management, the General Assembly, the Council of State and the Court System.
- Monitor and coordinate all federal issues impacting the Agency, including lobbying of funding and policy issues. Includes working with members of Congress, coordinating with various Federal agencies, and cultivating relationships with numerous stakeholders.
- Staff and manage all activities, and when appropriate serve as a proxy, for the Secretary's constitutional and statutory responsibilities related to the Council of State, the Local Government Commission, the Electoral College, and various other state level task forces, boards and commissions.

- Responsible for coordinating international activities including serving as a liaison to the US Department of State, management of official state sponsored bi-lateral agreements, and facilitating more than 50 international delegation engagements annually.

Duke University, Sanford School of Public Policy, Durham, NC

01/14 – 05/14

Adjunct Faculty – Professor of the Practice

- Served as a “Professor of the Practice” for spring semester 2014 – taught graduate level course focusing on Federal, State and Local Government.

Office of the Governor, Raleigh, North Carolina

01/09 – 01/13

Senior Advisor to the Governor

- Served as Senior Advisor for Policy and a key member of the Governor’s senior leadership team. Worked to develop and coordinate all strategic policy, budget and government relations initiatives.
- Collaborated with the State Budget Director and key members of the Office of State Budget and Management to coordinate and build the state’s more than \$20 Billion dollar budget, including extensive influence on appropriations for the education, healthcare, and justice and public safety sections of the budget.
- Worked closely to synergize and coordinate messaging and lobbying efforts between the Governor’s policy, communications and government relations staff. In this regard, was responsible for chairing an internal coordinating policy council of these various departments.
- Met with legislative leadership, members of the General Assembly and key staff to discuss, negotiate and lobby legislative proposals on behalf of the Governor. When needed, spoke on behalf of the Administration, in legislative committees and study commissions.
- Directly managed a team of 6 internal research and policy staff and more than 14 cabinet agency staff (dotted line) to research, develop and implement policy, budget and legislative initiatives that complimented the Governor’s agenda.
- Served as a senior liaison in the Governor’s administration with numerous federal contacts including the White House, Congress, and various federal agencies.
- Chaired the Governor’s Policy Coordinating Council (Assistant Secretary and Agency Senior Staff Level) to better coordinate the Governor’s initiatives within the Executive branch and to be in tune with current issues facing the Cabinet agencies.
- Directly responsible for cultivating and managing numerous external stakeholder relationships critical to the success of the Governor’s political and policy agenda. In this regard, was called upon to represent the Administration and at times, deliver speeches or provide comments for various state and national meetings, conferences, and events.
- Worked closely with the Governor’s communications staff and scheduling office to support a statewide outreach plan focusing on branding the Governor’s policy agenda and building a support network in all 100 counties throughout North Carolina.
- Served as a liaison with various Boards and Commissions (UNC System Board of Governors, State Board of Community Colleges, ABC Commission, Lottery Commission, Utilities Commission, Medical Board, Smart Start, etc...) on appointments, policy, budget and legislative matters.

Office of the Lt. Governor, Raleigh, North Carolina

05/05 – 12/08

Senior Advisor to the Lt. Governor – and Staff to the NC State Senate Presiding Officer

- Served as Senior Advisor for Policy and Government Relations to the Lt. Governor. Worked to develop and coordinate all strategic policy, budget and government relations initiatives.
- In support of the Lt. Governor's constitutional and statutory responsibilities for presiding over the state Senate in the General Assembly, worked closely with the Senate Democratic caucus, the Senate Principal Clerk's office, Fiscal Research, Bill Drafting, and multiple legislative staff to help facilitate the daily Senate schedule and flow of legislation. Directly responsible for lobbying legislative members and shepherding legislation related to the policy agenda of the Lt. Governor.
- Coordinated strategic policy, legislative and communications initiatives related to constitutional, statutory, and gubernatorial appointed platforms for the Lt. Governor. These policy platforms included representing the Lt. Governor, and when appropriate serving as a proxy on the State Board of Education, the State Board of Community Colleges, the state's Base Realignment and Closure Commission (BRAC), the NC Health and Wellness Trust Fund, the NC Rural Center, the NC Military Foundation, the NC Economic Development Board and the NC Strategic Commission for Biofuels Research.

NC Health and Wellness Trust Fund (HWTF), Raleigh, NC

01/04 – 05/05

Senior Advisor, Research and Public Affairs

- With assets over \$1 Billion dollars as part of NC's share of the national tobacco Master Settlement Agreement (MSA), researched, developed and implemented grant programs and public affairs initiatives, with specific emphasis in public health, medication assistance for seniors and disabled populations, building sustainable communities, and tobacco and obesity prevention – representing grant and programs in all 100 counties across North Carolina.
- Worked with various community advocacy and legislative stakeholders to develop broad consensus for policy and legislative proposals related to sustainable communities, the prevention of tobacco use among teens and childhood obesity.

The Poe Center for Health Education, Raleigh, NC

06/02 – 12/03

Director of Public Affairs and Corporate Relations

- Served as the primary community, foundation and corporate liaison in building support for the state's largest health education center.
- Developed and executed comprehensive strategies for enhancing legislative, public and corporate relations.
- Supported the Executive Director in Board recruitment, development and management.
- Oversaw significant increases in both special event and project based fundraising.

The University of North Carolina at Wilmington, Wilmington, NC

9/94 – 6/02

Advancement Program Director & Director of the BOND Outreach Program

9/94 – 4/00

- Worked closely with the Chancellor and Vice Chancellor for University Advancement on all aspects of public affairs, including Board management, government relations, foundation relations, communications, alumni affairs, development and fundraising.
- Planned and supervised all activities related to an outreach campaign designed to lobby regional support for the UNC System and the higher education bond referendum in rural and lower-socioeconomic areas of southeastern North Carolina.

Adjunct Faculty – Communication Studies Department

- While serving in a professional leadership role at the University, also taught as an adjunct faculty member in the Communication Studies Department.

WLAS Radio Station, Jacksonville, NC / WWAY TV Station (Internship), Wilmington, NC 8/90 – 9/94

Radio Broadcaster / TV Reporter

- Throughout college, worked part-time in both radio and television.
- Recipient of the NC/SC Radio & Television News Directors Association Scholarship Award.

Boards & Commissions:

NC BRAC - Base Realignment and Closure Committee, Staff Advisor	2005-2007
NC State Board of Community Colleges, Ex-Officio Member	2005-2008
NC State Board of Education (Ex-Officio Proxy – staffed for Lt. Governor Appointment)	2005-2008
NC Health & Wellness Trust Fund Commission, Staff Advisor	2005-2008
NC Rural Center Board of Directors, Member	2005-2008
NC Economic Development Board, Member	2005-2008 and 2013-2014
Task Force for a Healthier North Carolina, Advisor	2007-2008
NC Military Foundation, Staff Liaison	2006-2008
NC's Strategic Commission for Biofuels Leadership, Member	2006-2007
Governor's Career & College Promise Development Committee, Advisor	2008-2012
NC Education Cabinet, Advisor	2008-2012
NC Rural HOPE (Hospital Program Enhancements) Development Committee, Member	2007-2010
Governor's Budget Reform and Accountability Commission, Advisor	2008-2010
NC Medical Board, Public Member, Executive Committee	2012-Current
NC Review Panel, Member	2012-Current
NC Local Government Commission, Member	2013-Current
NC Council of State, Secretary of State Liaison to the Council	2013-Current
NC – Moldova Partnership for Peace Bi-Lateral Committee, Advisor	2013-Current
NC Coalition for Global Competitiveness, GO Global NC, Member	2015-Current
NC Constitutional Amendments Publication Commission, Staff Advisor	2013-Current
NC Electoral College, Planning Chair	2016-Current
Connect NC Bond Committee, Sec of State Liaison to the Governor	2016

References Available Upon Request

Memorandum

To: Executive Committee

From: David Henderson

Re: Proposed Changes to CME Rules

Date: September 5, 2019

21 NCAC 32R .0101 "Continuing Medical Education (CME) Required" sets forth the CME requirements for physicians. 21 NCAC 32S .0216 "Continuing Medical Education" sets forth the CME requirements for physician assistants.

A copy of both rules, with proposed changes, is attached. The proposed changes will give licenses more options regarding the mandatory controlled substances CME requirement.

Staff Recommendation: Approve proposed changes to the physician and PA CME Rules.

SUBCHAPTER 32R – CONTINUING MEDICAL EDUCATION (CME) REQUIREMENTS

SECTION .0100 – CONTINUING MEDICAL EDUCATION (CME) REQUIREMENTS

21 NCAC 32R .0101 CONTINUING MEDICAL EDUCATION (CME) REQUIRED

(a) Continuing Medical Education (CME) is defined as education, training, and activities to increase knowledge and skills generally recognized and accepted by the profession as within the basic medical sciences, the discipline of clinical medicine, and the provision of healthcare to the public. The purpose of CME is to maintain, develop, or improve the physician's knowledge, skills, professional performance, and relationships that physicians use to provide services for their patients, their practice, the public, or the profession.

(b) Each person licensed to practice medicine in the State of North Carolina, except those holding a residency training license, shall complete at least 60 hours of Category 1 CME relevant to the physician's current or intended specialty or area of practice every three years. Beginning on July 1, 2017, every physician who prescribes controlled substances, except those holding a residency training license, shall complete at least three hours of CME, from the required 60 hours of Category 1 CME, that is designed specifically to address controlled substance prescribing practices. The controlled substance prescribing CME shall include instruction on controlled substance prescribing practices, recognizing signs of the abuse or misuse of controlled substances, controlled substance prescribing for chronic pain management, and non-opioid treatment options for acute and chronic pain.

(c) The three year period described in Paragraph (b) of this Rule begins on the physician's first birthday following initial licensure.

*History Note: Authority G.S. 90-5.1(a)(3); 90-5.1(a)(10); 90-14(a)(15); S.L. 2015-241, s. 12F.16(b) and 12F.16(c);
Eff. January 1, 2000;
Amended Eff. August 1, 2012; January 1, 2001;
Pursuant to G.S. 150B-21.3A rule is necessary without substantive public interest Eff. March 1, 2016;
Amended Eff. September 1, 2016.*

21 NCAC 32S .0216 CONTINUING MEDICAL EDUCATION

(a) A physician assistant shall complete at least 50 hours of continuing medical education (CME) every two years. The CME shall be recognized by the National Commission on Certification of Physician Assistants (NCCPA) as Category I CME. A physician assistant shall provide CME documentation for inspection by the board or its agent upon request. The two year period shall begin on the physician assistant's first birthday following initial licensure.

(b) Beginning on July 1, 2017, a physician assistant who prescribes controlled substances shall complete at least two hours of CME, from the required 50 hours, designed specifically to address controlled substance prescribing practices. The controlled substance prescribing CME shall include instruction on controlled substance prescribing practices, recognizing signs of the abuse or misuse of controlled substances, controlled substance prescribing for chronic pain management, and non-opioid treatment options for acute and chronic pain.

(c) A physician assistant who possesses a current certification with the NCCPA shall be deemed in compliance with the requirement of Paragraph (a) of this Rule. The physician assistant shall attest on his or her annual renewal that he or she is currently certified by the NCCPA. Physician assistants who attest that they possess a current certificate with the NCCPA shall not be exempt from the controlled substance prescribing CME requirement of Paragraph (b) of this Rule. Physician Assistants shall complete the required two hours of controlled substance CME unless such CME is a component part of their certification activity.

*History Note: Authority G.S. 90-5.1(a)(3); 90-5.1(a)(10); 90-18.1; S.L. 2015-241, 12F.16(b) and 12F.16(c); Eff. September 1, 2009;
Amended Eff. May 1, 2015; November 1, 2010;
Pursuant to G.S. 150B-21.3A rule is necessary without substantive public interest Eff. March 1, 2016;
Amended Eff. September 1, 2016.*

Memorandum

To: Executive Committee

From: David Henderson

Re: EMS Disciplinary Committee/Advisory Council Appointment

Date: September 5, 2019

Dr. Murphy serves as the Board appointee to the Office of Emergency Medical Services (OEMS) Advisory Council and the OEMS Disciplinary Committee. Due to his increased responsibilities as NCMB President, someone else will need to take his place on the Advisory Council and Disciplinary Committee.

Background information:

Advisory Council

The Advisory Council acts as an advisory body to the OEMS. The council advises the Secretary of DHHS on policy issues, including all rules proposed to be adopted by the Medical Care Commission. The council consists of 25 members, one of which is a representative from the Medical Board. The council meets on a quarterly basis at the Judicial Center in Raleigh.

Disciplinary Committee

The Disciplinary Committee reviews and makes recommendations to DHHS for all disciplinary matters regarding EMS personnel. At the request of DHHS, the committee may also review criminal background information and make a recommendation about the eligibility of an individual to obtain an initial EMS credential, renew a credential, or maintain a credential. The committee consists of seven members appointed by the Secretary of DHHS, one of which must be a current or former physician member of the Medical Board. The committee meets every month on the Dorothea Dix campus in Raleigh.

Staff Recommendation: Staff has identified an ideal candidate and will provide an update at the September meeting.

Memorandum

To: Executive Committee

From: David Henderson

Re: CEO Performance Review

Date: September 5, 2019

Article V, Section 2, of the NCMB Bylaws state (highlight added):

Section 2. Chief Executive Officer. The Board shall employ a Chief Executive Officer ("CEO") who shall lead and manage, hire and dismiss, the Professional Staff. The CEO shall have the authority to execute all contracts on behalf of the Board. He or she shall have custody of the seal of the Board, and shall affix it to all documents executed on behalf of the Board or certified as emanating from the Board. The CEO shall take charge of all funds paid into the Board and deposit them in some bank selected by the Board; he or she shall cause books of accounts to be kept, which shall be the property of the Board. **The officers of the Board shall evaluate the CEO annually and report to the Board.**

My performance review is the last order of business on the Executive Committee meeting agenda scheduled for Wednesday, September 19. Ted and I are compiling the information you will need to review my performance this past year. Please be on the lookout for an e-mail with attachments next week. In the meantime, please feel free to contact Ted or me with any questions. Thanks.