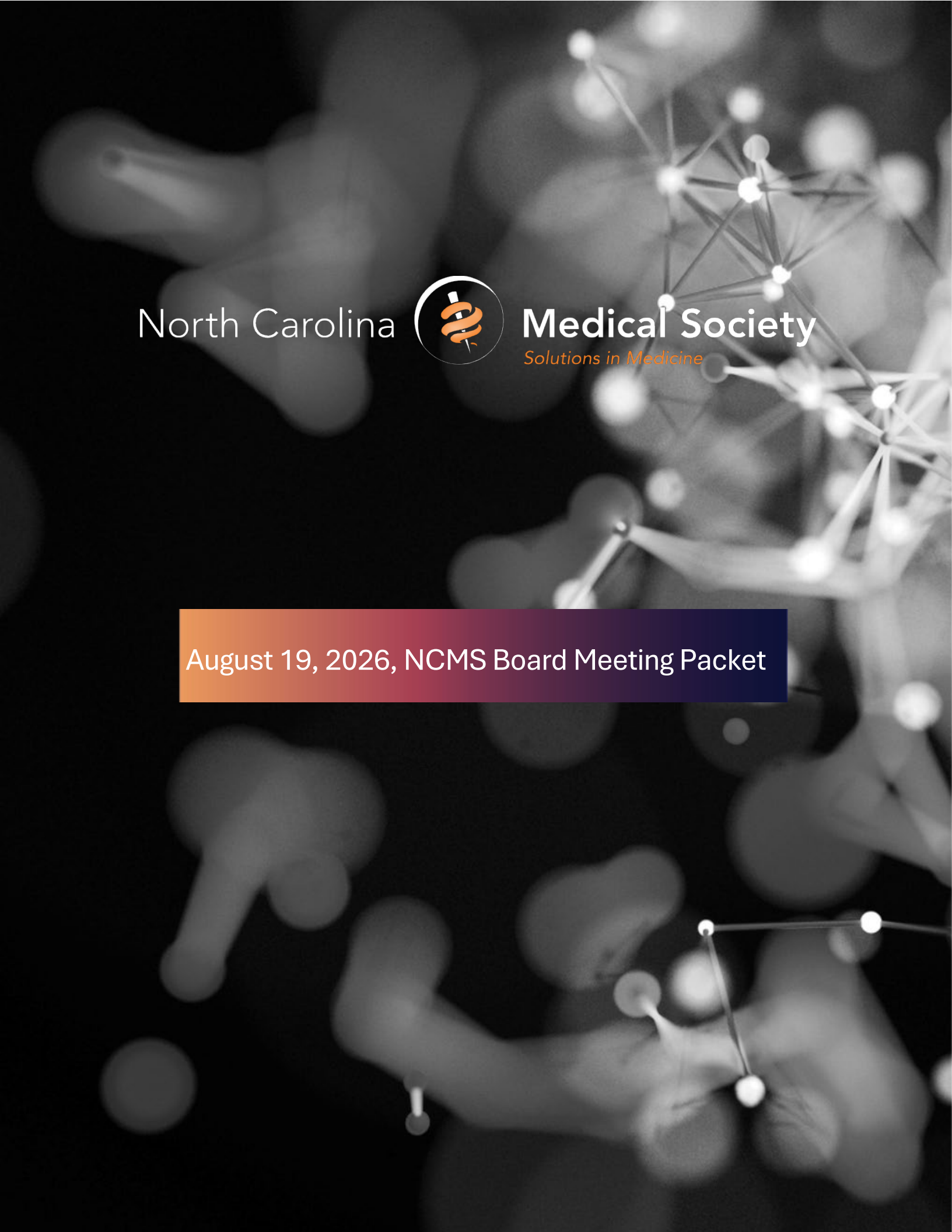
North Carolina
Medical Society
Solutions in Medicine
August 19, 2026, NCMS Board Meeting Packet

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North Carolina Medical Society Board of Directors

Wednesday, August 19, 2026
6:00 PM - 8:00 PM

Title:	NCMS Board of Directors Agenda
Location/Link:	Meeting Link
President:	Carl Westcott, MD

To Attend:

NCMS Board Members		NCMS Staff/Speakers
President	Carl J. Westcott, MD	Stephen Keene, CEO
President-Elect	Karen Smith, MD	Ashley Rodriguez, Chief Legal Officer
Immediate Past President	John Meier, IV, MD	Larry Crawford, Chief Financial Officer
Secretary/Treasurer	Tracy L. Eskra, MD	Franklin Walker, Executive Director, NCMSF
Region 1 Representative	Claude Jarrett, MD	Erin Grover
Region 2 Representative	Charul Haugan, MD	Jenni Hines
Region 3 Representative	Katie Lowry, MD	Tom Friedman
Region 4 Representative	Martin Palmeri, MD	Rebecca Hayes, MD
At-Large Member	C. Labron Chambers, Jr., MD	Pam Highsmith
At-Large Member	Bill Ferrell, MD	
At-Large Member	Jugta Kahai, MD	
At-Large Member	Ronnie Laney, Jr., MD	
At-Large Member	Bryant Murphy, MD	

Mission of the NCMS: to provide leadership in medicine by uniting, serving, and representing physicians and their health care teams to enhance the health of all North Carolinians.

Time	Description	Additional Attachments	Presenter	Action
6:00 PM	Welcome and Call to Order		Carl Wescott, MD	
6:01 PM	State Health Plan Developments		Tom Friedman	
6:30 PM	AMA Delegation Report		Rebecca Hayes, MD	MOTION
6:40 PM	Approval of Minutes: May 2026	DRAFT Minutes		Approve Minutes
6:45 PM	Secretary Treasurer's Report	Report	Tracy Eskra, MD	
7:00 PM	Community Connect Events		Pam Highsmith	
7:10 PM	Feedback from Beaufort Meeting	Survey Results	Steve Keene	
7:20 PM	NLDC Election Status Report		John Meier, MD	
7:30 PM	CEO Report		Steve Keene	
7:45 PM	Legislative Update		Ashley Rodriguez	
7:55 PM	Fall 2026 Meeting		Steve Keene	
8:00 PM	Adjourn		Carl Wescott, MD	

Draft May Meeting Minutes

DRAFT

NCMS Board of Directors Meeting Minutes
The Beaufort Hotel, Beaufort, NC
Friday, May 15, 2026
4:30 pm – 6:30 pm

In Attendance:

NCMS Board Members	NCMS Staff
Carl J. Westcott, MD	Stephen Keene
Karen Smith, MD	Ashley Rodriguez
John Meier, IV, MD	John Thompson
Tracy L. Eskra, MD	Larry Crawford
Claude Jarrett, MD	Erin Grover
Charul Haugan, MD	Pam Highsmith
Katie Lowry, MD	
Martin Palmeri, MD	
Bill Ferrell, MD	
Jugta Kahai, MD	
Ronnie Laney, MD	

4:35 PM Call to Order & Approval of Minutes

Dr. Carl Westcott called the meeting to order.

He recited the mission statement:

To provide leadership in medicine by uniting, serving, and representing physicians and their healthcare teams to enhance the healthcare of all North Carolinians.

During discussion of the minutes, Dr. Haugan noted that there appeared to be a gap in the online version of the minutes and stated that some material seemed to be missing. Dr. Smith also raised a concern regarding the inclusion of executive session content within the published minutes. Steve Keene clarified that executive session material should not have been included and stated that the information would be extracted from the official minutes. He explained that the purpose of separating executive session content is to ensure confidential discussions are not distributed if members request access to meeting minutes. Mr. Keene thanked the board members for identifying the issue and confirmed that no exposure or issues had resulted from the mistake.

4:40 PM Secretary-Treasurer's Report

Dr. Eskra presented the Secretary-Treasurer's report and referenced the materials included in the board packet. She reported that the Finance Committee last met on April 22, during which the committee reviewed the December 2025 year-end financial results as well as the March 2026 financial results.

Dr. Eskra reported that the organization's year-end results concluded largely as anticipated. Investment earnings performed well and significantly reduced the organization's overall deficit. She stated that investment earnings totaled approximately $892,000, resulting in a net deficit of approximately $862,000.

Dr. Kahai asked for clarification regarding the investment earnings and the amount originally invested. Dr. Eskra explained that the earnings reflected the performance of the organization's entire investment portfolio. Larry Crawford further clarified that the portfolio value at the end of 2025 was approximately $8 million and that the organization had started with roughly $7.2 million, resulting in an approximate 10% return for the year.

Dr. Kahai asked additional questions regarding the organization's investment strategy and whether investments were concentrated in stocks or technology companies. Dr. Westcott responded that the board had previously received a presentation from the organization managing the assets and explained that investments were primarily made through index funds, including S&P 500 index funds, rather than direct investments in individual technology companies. He noted that the organization maintained a relatively conservative investment strategy while still maintaining exposure to major market-performing companies through index investments.

Dr. Eskra stated that there were no major surprises in the year-end financial results. She noted that additional expenses had been incurred due to the hiring of consultants to replace communications staff members, as well as increased expenses within the executive department. She also referenced expenses related to work conducted during the summer that had been included in the 2025 budget year.

Larry Crawford directed members to page 19 of the board packet, titled "Expense Category Changes Against 2025 Budget," and reviewed the major variances between the approved budget and actual expenditures. He explained that the board-approved 2025 budget projected approximately $5.65 million in expenses across salary, specialty, operations, membership, executive, and advocacy categories.

Mr. Crawford reviewed the salary category and explained that the organization realized approximately $425,000 in savings through reductions in force. However, those savings were offset by approximately $640,000 in severance expenses, costs associated with hiring

a new CEO during part of the year, and salary adjustments and increases throughout the year. These factors resulted in a budget variance of approximately $684,000.

He further explained that the organization added a value team during 2025 that had not originally been budgeted. Although this created additional expenses for approximately two and a half months of the year, the organization also received earmarked funding from CCHN related to the value team.

Mr. Crawford stated that operational expenses remained largely on target. He noted that membership and communications expenses increased due to the hiring of consultants following the layoff of the communications team, resulting in an increase of approximately $184,000 over budget.

Within the executive expense category, Mr. Crawford reported that the organization incurred expenses including approximately $26,000 for Department of Labor legal counsel, approximately $154,000 related to CEO recruitment efforts, and approximately $72,000 associated with winding down the MEWA in 2025.

He also noted that a new external advocacy consultant team, Decisive Point, was hired during 2025 at a cost of approximately $116,000. Mr. Crawford summarized that the most significant financial differences from budget included severance expenses, new CEO-related expenses, consultant costs to replace communications staff, and external advocacy consulting services.

Dr. Kahai asked how much money had ultimately been saved through the staffing reductions, noting that the reductions had originally been undertaken as a cost-saving measure. Larry Crawford explained that the organization realized approximately $425,000 in salary savings, but that those savings were offset by approximately $640,000 in severance expenses during 2025. He noted that the severance costs included expenses related to the communications team as well as several other employees.

Dr. Eskra explained that the organization's staffing level had decreased from 25 employees to 17 employees, resulting in long-term savings despite the short-term transition expenses. She stated that while the organization experienced additional costs during the transition period, staffing levels would remain lower moving forward. She pointed board members to the 2026 budget, noting that salary expenses decreased from approximately $3.235 million in 2025 to approximately $2.5 million in 2026.

Larry Crawford confirmed that the lower salary expense positively impacted the organization's overall financial outlook. Dr. Eskra commented that the 2025 financial year had been particularly complicated due to multiple organizational changes and fluctuating expenses throughout the year, which required frequent review and explanation during

Finance Committee meetings. She stated that the 2026 budget appeared significantly cleaner and easier to evaluate moving forward.

Dr. Eskra also reminded the board that the organization experienced an incremental 3% increase in rent beginning in September 2025, which was incorporated into the current budget projections. She stated that staff had spent considerable time discussing additional revenue-generating opportunities due to ongoing membership declines and reduced membership dues revenue. She noted that membership revenue was tracking at approximately 80% to 86% of budget projections and that the organization believed it had lost nearly 10,000 members associated with the MEWA.

Despite those challenges, Dr. Eskra reported that revenue from CCHN was higher than in prior years. She also noted that investment performance during the first quarter of 2026 had been weaker than anticipated. However, she stated that UBS continued to project annual investment returns between 7% and 8% for the year.

Larry Crawford added that the organization had recorded an investment earnings loss of approximately $204,000 during the first quarter, but UBS projected that year-end investment earnings would still finish positively between approximately $625,000 and $675,000. He noted that this information had been received the prior week.

Dr. Westcott observed that the organization's forecast still reflected a projected surplus.

Dr. Eskra requested approval of the December and March Finance Committee meeting minutes. Dr. Westcott asked for a motion to approve the Financial Committee meeting minutes.

Dr. Kahai made a motion to approve the minutes. The motion was seconded and approved unanimously by voice vote.

4:45 PM Revenue Diversification Update

Dr. Westcott transitioned the meeting to the revenue diversification update. Steve Keene provided an overview of current revenue diversification efforts and stated that while final financial projections were not yet available, the organization's greatest near-term revenue opportunity was the development of the Redemption Health captive program.

Mr. Keene explained that if the program successfully enrolled approximately 10,000 physicians and employees, the North Carolina Medical Society could potentially generate approximately $1 million in annual revenue through its relationship with Redemption Health. He noted that larger enrollment numbers could generate even greater revenue.

Mr. Keene stated that there was a reasonable possibility the organization could reach approximately 7,500 enrollees by the end of the year, but emphasized that a minimum of 5,000 enrollees would be required by July 1 in order to proceed with the initiative. He stated that the projected “go live” date for the program was July 1, 2026.

He explained that staff had been aggressively approaching eligible medical groups and organizations over the previous several months in an effort to build enrollment. Mr. Keene clarified that participation could not be offered universally and that eligible groups generally needed to include at least 50 physicians and employees in order to meet acceptable risk profile requirements. He also noted that groups with problematic claims histories might not qualify for participation.

Mr. Keene stated that discussions with prospective participants had been very positive and that many organizations became enthusiastic after reviewing their claims experience and recognizing the potential savings opportunities available through relatively modest oversight and management changes. He emphasized that participating groups could realize substantial insurance savings through the captive model.

Dr. Westcott asked whether there was a seasonal pattern to enrollment and renewal similar to traditional open enrollment periods. Mr. Keene confirmed that there was seasonality associated with renewals and enrollment timing.

Steve Keene further explained that the insurance renewal cycle does have seasonality, with January 1 representing the largest renewal period, although substantial renewal activity also occurs in June and August. He noted that while those timeframes are significant, the renewal cycle is not entirely fixed. He reiterated that the organization’s immediate goal was to meet the enrollment thresholds necessary to proceed with the Redemption Health captive initiative.

Mr. Keene spoke positively about Daniel McCauley’s leadership and problem-solving abilities, describing him as highly creative and capable of identifying solutions within the broker and health insurance rating environment that many others would not immediately recognize. He stated that Mr. McCauley moved quickly once opportunities or solutions were identified and had demonstrated a high level of transparency in working with the North Carolina Medical Society.

Mr. Keene contrasted the current relationship with Redemption Health against the organization’s previous relationship with Sentinel Risk Partners during the MEWA years. He explained that the Society had previously experienced frustration with a lack of transparency, insufficient disclosure, limited consultation, and an overall lack of awareness regarding the Society’s position and risks. He stated that these challenges had

limited the organization's ability to effectively manage its own business. Mr. Keene expressed confidence that Redemption Health understood those past concerns and was approaching the relationship in a way that aligned with the Society's expectations for a long-term partnership.

Mr. Keene also reported that leadership had recently met with representatives from Virginia regarding the captive initiative and stated that their level of enthusiasm and readiness provided additional confidence in the project. He noted that the Virginia representatives possessed significantly more experience in the insurance industry and viewed the opportunity with a level of sophistication that reinforced the Society's confidence in the initiative.

Ashley Rodriguez added that representatives from South Carolina had also expressed interest in participating in the model.

Dr. Meier discussed how expanding participation across multiple states could further diversify risk distribution. He explained that the model creates multiple layers of risk diversification, beginning at the individual practice level, then extending to regional captive structures, followed by statewide pooling arrangements, and eventually multi-state participation. He noted that this layered approach would improve economic stability and overall cost structure for participating practices while strengthening the broader captive model.

Ashley Rodriguez stated that while the partnership arrangement had not yet been fully reduced to a formal written business agreement for board review, it was already clear that Redemption Health viewed the North Carolina Medical Society as a central strategic partner. She emphasized that Daniel McCauley and the Redemption team had invested substantial time educating NCMS leadership and staff, including Steve Keene, Pam, Frank, and other staff members, about the captive model and operational structure. Ms. Rodriguez noted that Redemption had also taken significant steps to understand the culture of the Society and its membership. She stated that the quality of the partnership differed dramatically from prior experiences and described the contrast with previous partnerships as "night and day."

Dr. Jarrett asked whether the increased level of operational support from Redemption was related to the organization's ability to manage growing business volume. Mr. Keene confirmed that this was a significant factor and explained that the current level of business development activity was highly intensive. He stated that each physician group required individualized conversations because every practice's claims experience, savings opportunities, and operational concerns differed.

Mr. Keene used Wilmington Health and Wake Internal Medicine as examples, explaining that conversations with each organization would necessarily differ because their claims histories and opportunities for savings were unique. He stated that these discussions require extensive meetings, detailed explanations, question-and-answer sessions, and substantial groundwork in order to build understanding and comfort among prospective participants.

Dr. Meier added that he had personally been assisting with physician engagement efforts in Raleigh for approximately nine months, particularly with Wake Internal Medicine. He explained that educating physician owners and administrative staff on the captive model was often difficult because the concepts are complex and unfamiliar to many physicians. Dr. Meier noted that discussions frequently become confusing because participants attempt to compare the captive and reinsurance model to the traditional fully insured structure they are accustomed to using.

He explained that physicians often struggle to think outside of the traditional fully insured model and that substantial time and repeated education are required for groups to fully understand the concepts and opportunities associated with the captive structure. Dr. Meier emphasized that while the concepts themselves are not inherently complicated, they are unfamiliar to many physician groups and therefore require significant educational outreach and relationship-building.

Mr. Keene agreed and summarized that introducing entirely new operational and financial concepts to organizations unfamiliar with them naturally requires extensive education, clarification, and reassurance. He stated that prospective participants must be given sufficient opportunity to ask questions, evaluate risks, and present the information internally to their own leadership before making decisions. He acknowledged that organizational change is difficult, particularly when groups are already comfortable with their current insurance arrangements, and emphasized that the Society's role is largely focused on helping physician groups understand and evaluate tools and strategies that are new to them, rather than inventing entirely new concepts.

Dr. Eskra noted that the discussion included engagement considerations as part of the broader strategic planning efforts.

Steve Keene reiterated that while advocacy would remain a core and ongoing function of the Medical Society, it must also expand its role beyond advocacy to support physicians in a broader set of operational and financial needs. He stated that physicians require a range of support services beyond advocacy alone and that the organization should view itself as a comprehensive support structure for physician success and sustainability.

Mr. Keene emphasized that the organization would likely never fully complete the full range of potential support initiatives, but should continuously focus on the most critical priorities. He cautioned that revenue sources currently supporting the organization, including contributions from CCHN, would not be permanent and therefore should not be relied upon indefinitely. He stated that the organization must proactively develop multiple additional initiatives to ensure long-term financial sustainability.

He referenced comments made by Melina Davis and noted that her perspective aligned with the need for forward-looking organizational planning and diversification.

Dr. Smith raised questions regarding how the organization should structure its approach to evaluating and adopting new initiatives, particularly given the increasing number of external ideas and pressures coming from other states and organizations. She asked whether a formal template or framework existed for evaluating new proposals, including expectations for staff roles and board oversight, to ensure alignment with the organization's mission and strategic direction.

Steve Keene responded that while a fully formalized template was likely premature, the organization had already begun developing a foundational framework through its early work with Daniel McCauley. He stated that the core principles guiding evaluation include governance, ownership, and compensation, which must be addressed in every proposed initiative.

He further explained that any initiative must clearly support physicians and improve the practice of medicine in North Carolina, rather than simply serving as a mechanism to generate revenue. He emphasized that the organization would not participate in efforts that were not aligned with its mission to support physicians and strengthen healthcare delivery.

Mr. Keene described an informal filtering approach for evaluating opportunities, noting that smaller or less strategic proposals could be directed toward lighter engagement such as conference participation or limited collaboration, while more substantial initiatives would require deeper evaluation based on governance, ownership, and compensation criteria.

Dr. Smith emphasized the importance of establishing a clear process for receiving and evaluating the increasing volume of ideas from multiple external sources, noting that similar pressures were being experienced in other states. She stated that the organization needed a consistent strategy for determining how to respond to and prioritize incoming proposals.

Steve Keene acknowledged the importance of this issue and thanked Dr. Smith for raising it.

Dr. Westcott noted that additional discussion was needed regarding financial fiduciary services for early-career physicians, referencing prior conversations about related opportunities.

Steve Keene explained that while such initiatives had been considered, they were currently deprioritized in favor of higher-impact and more time-sensitive efforts such as the Redemption Health captive program. He stated that one potential opportunity under consideration involved a partnership with Curi Wealth Management, through which the Medical Society could receive approximately 10 basis points on physician investment assets managed through the program.

Mr. Keene clarified that this arrangement would not increase costs to physicians, as the fee would be drawn from existing management fees rather than added to physician charges. He noted that while this opportunity was not currently the organization's primary focus, it represented a potentially meaningful long-term revenue stream aligned with the Society's brand and relationships with physicians.

Dr. Westcott stated that the topic could be further discussed within the Diversification Transactions Committee and suggested deferring deeper discussion to that forum.

5:40 PM Membership Update

Pam Highsmith reported total membership at 7,291, consisting of 3,604 members who have paid 2026 dues, 1,784 lapsed members, and 1,903 life members. She noted the continued gradual increase in life membership and the aging membership demographic.

She highlighted ongoing efforts to recover lapsed members and noted that flexibility in dues structures has supported retention and recruitment efforts, including a new partnership with United Women's Health.

Pam emphasized that non-dues revenue is becoming a central strategic pillar rather than a supplemental function. She cited association industry trends suggesting that non-dues revenue must now be viewed as a core strategy rather than an ancillary function. She connected this shift to the organization's broader efforts to improve physician practice sustainability and financial stability.

Dr. Kahai raised a concern regarding membership payment flexibility, specifically the inability to pay dues monthly as opposed to donation structures that already allow monthly contributions. Pam responded that the organization's new data system, IMIS, will enable flexible payment options including monthly dues starting with the upcoming rollout. She also noted that the system will enable improved engagement tools, including online communities and micro-membership opportunities for specialized groups.

Pam clarified that the membership total includes physicians, PAs, residents, and students. She estimated approximately 350 PAs and a small number of residents and students. She also noted there are approximately 31,000 licensed physicians in the state.

Dr. Eskra asked about engagement with current members, and Pam acknowledged the need for more structured outreach but noted that engagement has increased significantly through work with Redemption, MSVI, and staff-led practice outreach.

Ashley Rodriguez added that targeted meetings with practices are underway, including engagement with Medicaid-focused practices and follow-ups with WEPPA-related issues.

5:50 PM AMA & NLDC Updates

Steve Keene introduced a proposal regarding the structure of the organization's AMA delegation. He relayed feedback from Dr. Hayes suggesting that alternate delegates should be formally elected and trained rather than serving informally through rotating executive committee participation.

The group discussed whether alternate delegates should be formally selected through the Nominating and Leadership Development Committee (NLDC) and whether this would improve continuity, effectiveness, and relationship-building at the AMA level.

There was general agreement that structured selection through NLDC aligns with bylaws and may improve delegation effectiveness, though clarification of bylaw language and implementation details was noted as necessary.

6:00 PM CEO Report

Steve Keene provided an update on a draft organizational statement regarding the WakeMed–Advocate relationship. He explained that the intent is not to take a position for or against the arrangement but to highlight regulatory considerations, including cost impacts, contractual disruptions, and system-wide implications for physicians and patients.

Dr. Meier clarified that the arrangement is structured as a long-term service agreement rather than a traditional merger, though functional impacts may be similar in practice.

The group discussed the importance of focusing messaging on patient impact, physician relationships, and system transparency. There was general support for producing a short, issue-focused statement identifying key considerations for regulators and the public.

6:10 PM Legislative Update

John Thompson's contribution focused on legislative and regulatory updates and how they intersect with healthcare policy and the state health system.

He noted that the state is currently experiencing a significant budget surplus—about $2 billion above projections—which is shaping the framework for the upcoming budget cycle. He explained the expected timeline for the budget process, including its release in mid-June, committee review, and the goal of adjournment by July 1.

He outlined key components of the emerging budget discussions, including salary increases for state employees, larger raises for law enforcement (LEO personnel), and allocations tied to major institutions such as Duke Hospital. He also indicated there is roughly $208 million included in the framework associated with Duke Hospital funding.

Thompson also flagged an issue related to the Radiation Commission rulemaking process. He described proposed changes that would have restricted physician use of certain imaging equipment (such as X-ray and fluoroscopy systems), potentially requiring the use of radiologic technologists instead. He reported that, in coordination with Steve Keene and the legislative cabinet committee, objections were submitted and revisions were successfully recommended. As a result, physicians will still be allowed to operate the equipment, provided they complete appropriate training for advanced functions.

Finally, he noted that this rulemaking issue will proceed through the state regulatory process and may take up to 18 months to fully resolve.

6:13 PM Other Business

Steve Keene proposed a bylaw amendment to allocate existing at-large board seats to a resident/fellow and a medical student representative without increasing board size. The discussion focused on whether these roles should be voting or non-voting and how bylaws currently define officer eligibility.

There was broad support for increasing trainee engagement, though concerns were raised about voting authority, term length, and bylaw compliance. It was noted that implementation could begin through informal participation while formal bylaw changes would require advance notice.

Steve Keene concluded with a discussion regarding potential relocation within the current office building due to rising lease costs. He noted that rent has increased significantly and that relocating within the building could reduce costs substantially while maintaining necessary space and access.

He emphasized that no final decision has been made, but negotiations and feasibility discussions are ongoing, including potential reconfiguration of space usage and landlord participation in upfit costs.

6:32 PM Adjournment

Motions

1. NLDC Selection of AMA Delegates and Alternate Delegates

A motion was made (Dr. Smith) to formalize a structured process whereby:

- **A medical student and a resident/fellow representative from North Carolina medical schools would be convened as a cohort,**
- **They would select representatives from among themselves,**
- **Those selected individuals would serve as non-voting participants initially, with potential formal role development over time.**

Outcome:
The motion was ultimately not finalized as a binding governance change due to bylaw constraints and timing requirements (six-month notice requirement for bylaw amendments). Instead, it was reframed as an informal engagement structure for the upcoming meeting cycle.

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2. Reinstating NLDC Interview Process for AMA Alternate Delegates

A motion was effectively supported to:

- **Reaffirm that the NLDC should interview and evaluate both AMA delegates and alternate delegates, consistent with bylaws.**

Outcome:
General consensus reached; no formal vote recorded as required action, but agreement to revisit NLDC process.

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3. Statement on WakeMed–Advocate Relationship

A motion (informal consensus motion) was made to:

- **Draft a neutral, issue-focused public statement outlining considerations regulators should evaluate regarding the WakeMed–Advocate arrangement.**

Key framing:

- **Patient impact**
- **Physician relationship disruption**

- **Cost implications**
- **Contractual and market consequences**

Outcome:
Approved for drafting, with circulation to board for review and feedback prior to release.

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4. Relocation/Lease Space Strategy

An informal motion/consensus emerged to:

- **Authorize continued exploration of relocating to first-floor space within the same building to reduce lease expenses.**

Outcome:
Approved as exploratory action, not a final decision.

Action Items

Governance / Delegation

- **Steve Keene + NLDC**
    - **Draft proposed structure for AMA alternate delegate selection process.**
    - **Confirm compliance with bylaws and clarify eligibility requirements.**
- **Erin Grover / Governance Team**
    - **Review bylaws language regarding "officers," resident eligibility, and voting status.**
    - **Confirm whether interpretation permits residents/students as board members (voting vs non-voting).**

Communications / Policy Statement

- **Steve Keene**
    - **Draft initial "WakeMed–Advocate considerations" statement.**

    - **Circulate to board for review with instruction: *do not distribute externally until approval is confirmed*.**
- **Board Members**
    - **Review and respond with approval or requested edits (approval format: "approve" or "revise").**

Membership & Systems

- **Pam Highsmith**
    - **Implement rollout of IMIS system updates for:**
        - **Monthly dues payment option**
        - **Online community features**
    - **Continue lapsed member outreach (1,784 members identified).**
    - **Document engagement contacts with independent practices.**
- **Ashley Rodriguez + Pam Highsmith**
    - **Continue development of partnership opportunities (e.g., United Women's Health and similar collaborations).**

Practice Engagement / Outreach

- **Ashley Rodriguez**
    - **Continue scheduling and conducting meetings with:**
        - **Medicaid-high-performing practices**
        - **WEPPA-related practices (billing issues resolution)**
    - **Coordinate Redemption Health practice engagement tracking.**
- **Steve Keene / Redemption Health team**
    - **Continue structured outreach to independent practices.**
    - **Track engagement pipeline and education efforts.**

Insurance / Captive Model Development

- **Steve Keene + Dr. Meier + Redemption Health**
    - **Continue development of:**
        - **Tiered captive structure (practice → regional → state → multi-state)**
        - **Level-funded plan offering**
        - **Small-group marketplace product**
    - **Define maturity thresholds for expanding eligibility (e.g., 25+ down to smaller practices over time).**
- **Daniel McCauley / Redemption Health**
    - **Develop apparatus for aggregation of small practice groups (CPP-style model concept).**

Board Composition / Bylaws

- **Steve Keene**
    - **Draft proposed bylaw amendment:**
        - **Convert at-large board seats into designated seats for:**
            - **One resident/fellow**
            - **One medical student**
- **Board / Governance Committee**
    - **Review bylaw feasibility:**
        - **Voting eligibility for trainees**
        - **Officer definitions (capitalization ambiguity noted)**
        - **Timeline requirements for amendments (6-month notice rule)**

Office Lease / Facilities

- **Steve Keene + Larry Crawford**
    - **Continue lease negotiations and feasibility analysis for:**

        - **Moving operations to first-floor space**
        - **Reducing annual rent exposure**
        - **Maintaining lobby access and branding rights**
    - **Engage landlord regarding:**
        - **Build-out responsibility**
        - **Tenant flexibility and occupancy strategy**

Secretary Treasurer Documents

NCMS Finance Committee
Tracy Eskra, MD, Chair
July 27, 2026
6 PM: Zoom meeting

Minutes of Meeting

Attending:
Tracy Eskra, MD, Chair
Byron Hoffman, MD
J. Mangum, MD
Sarah Cash, MD
Claude Jarrett, MD
Larry Crawford, CFO/VP Finance
Stephen Keene, CEO/ EVP

Absent:
Hadley Callaway, MD
Kia Swan Moore, MD
R. Oyler, MD
Charin Hanlon, MD

Dr. Eskra called the meeting to order at 6:05 pm, thanking committee members for their participation. Review and discussion of agenda items and discussion followed.

Agenda

Review and discuss June 2026 Financial Statements-Attached
Review and discuss the proposed Investment Policy- Attached

Larry presented the June financial statements and noted the following highlights.

Highlights of the June 2026 Financial Statements:

- **Membership dues are $1,273,020 and 90% of 2025 budget**
- **Other revenue lines are substantially on target at this point. Total revenue items are 70% of the 2026 budget.**

- **CCHN Revenue is $1,463,308 and 69% of budget.**
- **There will be no Curi or MEWA revenue in 2026.**
- **Expense categories are at 46% of budget.**
- **Investment Gains are $359,698 on June 30, 2026.**
- **UBS has provided an updated forecast of expected returns for the year 2026 of 8.5-9%.**
- **There is a surplus of $1,263,810 on June 30, 2026**

The proposed revised Investment Policy was discussed in some detail and Steve Keene suggested that the proposed Spending Policy paragraph be enhanced to provide additional clarity and safeguards. Dr. Jarrett agreed and the committee then requested that the Investment Policy revision be tabled to give Mr. Keene time to present a more comprehensive Spending Policy to the Committee for consideration.

Larry noted that the 2025 Financial Audit was complete and that the Draft Audit Statements were in final review.

There being no other business to discuss, the meeting was adjourned at 6:40 pm.

MEMORANDUM TO: Dr. Carl Westcott, MD, President

FROM: Tracy Eskra, MD, MBA, Secretary-Treasurer

DATE: August 19, 2026

SUBJECT: Secretary-Treasurer's Report

At our Finance Committee meeting on July 27, 2026, the following Agenda items were discussed:

Agenda Items

1- **Review of YTD June 2026 Financial Results- Attached**
2- **Review and discussion of Revised Investment Policy- Attached**

1-Highlights of the June 2026 Financial Statements:

- **Membership dues are $1,273,020 and 90% of 2026 budget**
- **Other revenue lines are substantially on target at this point. Total revenue items are 70% of the 2026 budget.**
- **CCHN Revenue is $1,463,308 and 69% of budget.**
- **There will be no Curi or MEWA revenue in 2026.**
- **Expense categories are at 46% of budget.**
- **Investment Gains are $359,698 on June 30, 2026.**
- **UBS has provided an updated forecast of expected returns for the year 2026 of 8.5-9%.**
- **There is a surplus of $1,263,810 on June 30, 2026**

2-The proposed updated Investment Policy was reviewed and after some discussion, the Finance Committee asked staff to review and enhance the Spending Policy that had been added to the last page of the IP and report back to the Finance Committee at their next meeting for further discussion.

Action Items

1- **Approve June 2026 Financial Statements as information**
2- **Approve 2025 Audited Financial Statements as information (Aattached)**

North Carolina Medical Society	Balance Sheet	
	YTD	YTD
	6/30/2026	12/31/2025
Assets		
Cash	$ 3,043,911	$ 3,425,485
Marketable Securities	8,369,842	7,554,707
Accounts Receivable	358,810	541,037
Notes Receivable	6,815,778	6,870,090
Right-of-Use Assets-Lease	3,607,434	3,607,434
MSSI Investment	1,000	1,000
Total Assets	$ 22,196,775	$ 21,999,753
Liabilities and Net Assets		
Liabilities		
Accounts Payable	$ 252,256	$ 249,855
Accrued Salaries/Benefits	316,222	616,221
Advance Pay Dues	-	769,190
Operating lease liability	3,685,441	3,685,441
Total Liabilities	$ 4,253,919	$ 5,320,707
Total Net Assets	17,942,856	16,679,046
Total Liabilities and Net Assets	$ 22,196,775	$ 21,999,753

North Carolina Medical Society				
	Forecast YR	YTD	Budget YR	Year 2025
	12/31/2026	6/30/2026	12/31/2026	12/31/2025
Revenues				
State Society Dues	$1,275,000	$1,273,020	$1,420,000	$1,812,532
Meetings & Confer.	$75,000	$0	$50,000	$0
Education Services	$50,000	$39,220	$50,000	$51,561
NCMSF Revenue	$350,000	$349,081	$127,000	$446,028
Curi/ MEWA Revenue	$0	$0	$252,000	$488,844
Specialty Speciaties	$751,500	$363,250	$745,000	$617,526
Value Program	$1,050,000	$489,769	$630,000	$222,070
Service Fees	$2,100,000	$979,538	$1,500,000	$1,381,628
Revenue from Bldg	$480,000	$192,452	$476,000	$447,477
Investment Earnings	$750,000	$359,698	$500,000	$961,360
Total Revenues	**$6,881,500**	**$4,046,028**	**$5,750,000**	**$6,429,026**
Expenses				
Salaries and Benefits	$2,412,500	$1,115,603	$2,500,000	$3,913,658
Specialty Societies	$761,794	$394,465	$738,450	$682,489
Value Program	$500,000	$248,660	$500,000	$143,691
Operations	$421,606	$252,603	$430,135	$498,272
Membership	$295,600	$171,446	$286,915	$311,183
Leadership Support	$150,000	$48,724	$128,000	$172,000
Executive Dept	$250,000	$94,013	$350,000	$470,719
Annual Meeting	$100,000	$0	$60,000	$44,889
CME Accreditation	$45,000	$24,928	$40,000	$37,463
Advocacy	$595,000	$193,322	$494,500	$481,127
Rent Expense Building	$500,000	$238,454	$472,000	$528,762
Total Expenses	**$6,031,500**	**$2,782,218**	**$6,000,000**	**$7,284,253**
(SURPLUS/ DEFICIT)	**$850,000**	**$1,263,810**	**-$250,000**	**-$855,227**

Revenue-Expense Year 2026

	Society Management			Value Team		
	YTD Actual	YR Forecast	Year Actual	YTD Actual	YR Budget	Year Actual
	6/30/2026	2026	12/31/2025	6/30/2026	2026	12/31/2025
Revenues						
Hdqtrs Office Services	$363,250.00	$751,500.00	$617,526.00			
Value Team Revenue				$489,769.00	$630,000.00	$222,070.00
Total Revenues	$363,250.00	$751,500.00	$617,526.00	$489,769.00	$630,000.00	$222,070.00
Expenses						
Salaries and Benefits	$341,722.00	$701,750.00	$625,329.00	$35,680.00	$227,500.00	$53,653.00
Other Expenses						
Consultant			$0.00	$41,667.00	$250,000.00	$83,333.00
Finance/ Billing est.	$3,000.00	$12,000.00	$9,000.00			
Rent	$6,000.00	$12,250.00	$12,000.00			
Audit	$3,000.00	$3,000.00	$2,500.00			
RE	$37,031.00	$31,000.00	$31,000.00			
Other	$3,712.00	$1,194.00	$2,660.00	$4,646.00	$22,500.00	$6,705.00
Paid to NCMSF-TRAC				$166,667.00		
Total Other Expenses	$52,743.00	$59,444.00	$57,160.00	$212,980.00	$272,500.00	$90,038.00
Total Expenses	$394,465.00	$761,194.00	$682,489.00	$248,660.00	$500,000.00	$143,691.00
Net Income (Loss)	-$31,215.00	-$9,694.00	-$64,963.00	$241,109.00	$130,000.00	$78,379.00

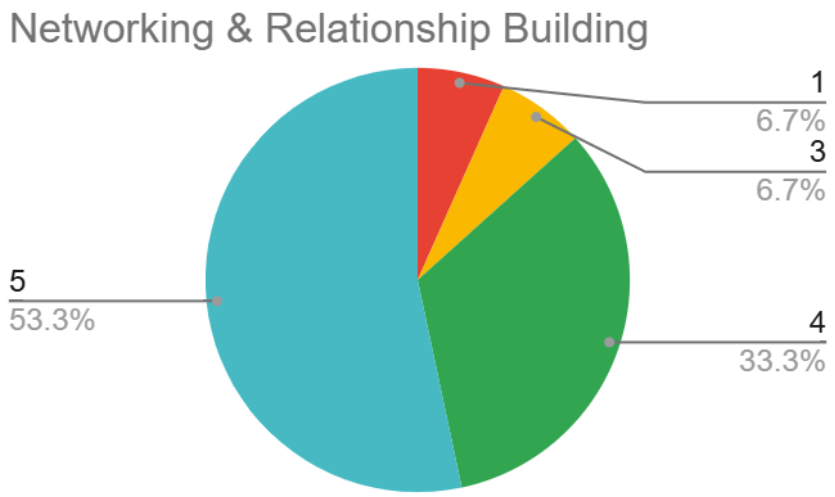
Beaufort Feedback Report

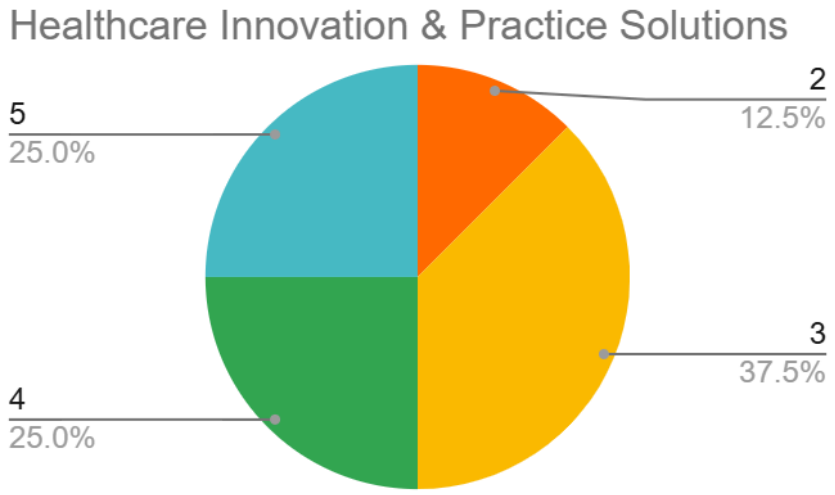
Beaufort Feedback Survey Full Report

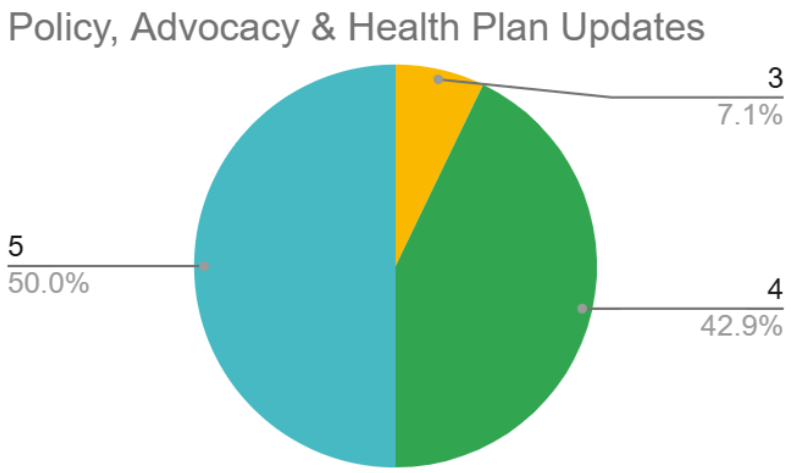
Please rank the following based on the value each provided during the Summit:

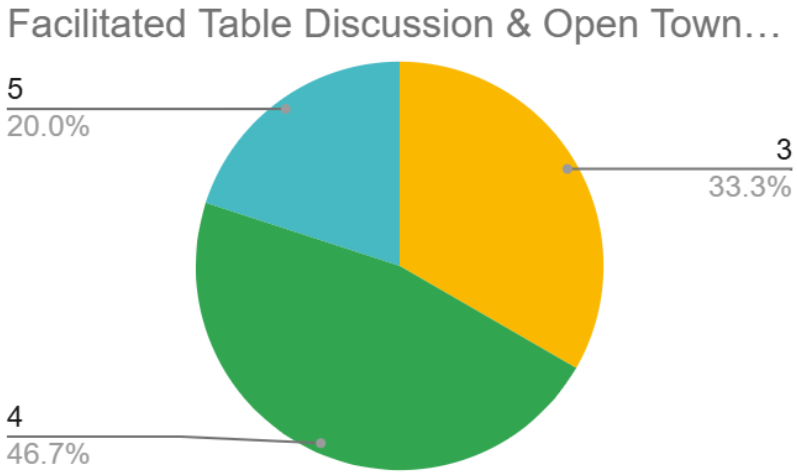
Key

- 1 (not at all valuable)
- 2
- 3
- 4
- 5 (very valuable)









Do you prefer holding NCMS gatherings in a central location such as the Triangle or Triad, or holding them in various locations throughout the state?

- Various Locations: 10 responses
- Central Location: 4 responses

Quotes
"As a state society, it makes more sense to travel around, giving all providers/attendees across the state a chance to engage locally"

Which is more important to you when attending future NCMS meetings: a location within a reasonable driving distance (3 hours or less) or a destination-style setting that offers more of a retreat or vacation experience?

- Reasonable Driving Location: 5 responses
- Destination-Style Location: 5 responses

Quotes:
"I think many retreat-like places could be identified within 3 hours of Triangle."

"While location amenities can be attractive, it is not important to me or the mission of our work. Accessibility and travel are more important. I would meet at McDonald's as long as we get important work done."

What was the most valuable part of this summit for you?

Mentions:
- Networking: 10 responses
- Medical Society of Virginia: 3 responses
- State Health Plan Discussion: 3 responses
- Redemption Health: 1 responses
- Group Activity: 2 responses

Quotes:
"Interacting with colleagues from across the State and getting to interact and connect with various experts and leaders (SME's) . I thought the presentation from the State Health Plan was really informative and gave folks a glimpse behind the curtain. Need more of thaT!"

"the Virginia Medical Society talk. that really opened my eyes as to all the areas medical societies can be active and effective in. I found it incredibly inspiring and useful"

"The talk from the state health Plan director was the most interesting and insightful. the Redemption health talk was interesting but because I am an employed physician in a large health system not personally applicable, but interesting nonetheless"

"The BOD meeting.
However, frankly, I was disappointed with the NCMS BOD meetings.
I was looking forward to key updates and meeting with other BODs. I was disappointed with our relatively
Short meeting where we could not review our entire agenda becuase there was a social to attend.
We were supposed to get a legislative updte the next day from John but I don't think that ever happened.
I recommend the BOD meeting be the most important feature of the weekend to facilitate our involvement.
This is a crucial part of our legal participation and involvement.
Thank you. "

What could we improve for future summits?

Key Themes:

- Provide Clearer Framing and Context for Sessions
    - A common theme was the need for clearer introductions, objectives, and orientation before panels and presentations began. Attendees appreciated the substance of the sessions, but several felt they lacked enough context to fully engage with the discussion.
    - *Quotes:*
        - "I would recommend that when you have panels and talks, that the subject and objectives of the panel be clearer for everyone in the room."
        - "For the panel on Redemption. It really would have helped to have a clearer explanation of what this was about, and why the people who were talking about it were there."
        - "It doesn't have to be long, but a few overview slides or talking points would have oriented everyone better.

        - "Similarly for the Lantern talk. I vaguely knew what it was, but it would have really helped to have a brief overview of the program and how it works before launching into the details."
- Strengthen the Board Meeting Structure
    - Several respondents emphasized the importance of the Board of Directors meeting and suggested improving both its timing and preparation. Feedback centered on making governance discussions more organized and less rushed.
    - *Quotes:*
        - "The Board meeting was very rushed and at the end of a long day - would change the format of this. We did not have the necessary information teed up to make decisions, ex "what do the bylaws say?" and other such questions that are vital to decision making being figured out in the meeting"
        - "I recommend the BOD meeting be the most important feature of the weekend to facilitate our involvement. This is a crucial part of our legal participation and involvement."
- Reduce Repetition and Improving Continuity
    - Some attendees expressed fatigue with repeated strategic planning exercises and wanted stronger follow-through between summits. Respondents asked for clearer connections between previous brainstorming sessions and current initiatives.
    - *Quotes:*
        - "The strategic planning/post it note session isn't directly helpful to me. I know it is helpful to the staff, but frankly gets tedious and repetitive."
        - "Pull in what was done in strategic brainstorming from the previous summit in November to the current summit to show what work has been done since."
- Incorporate Broader Healthcare Leadership Perspectives
    - Participants expressed interest in hearing from more leaders and organizations across North Carolina's healthcare landscape to provide broader perspectives and collaborative insights.
    - *Quotes:*
        - "More updates from other leaders in the healthcare space in NC. NCIOM, NCMB, NCHA, etc providing their perspectives, solutions, etc on mutual topics of interest in medicine."
- Reduce Promotional or "Sales Pitch" Content
    - A few respondents felt some presentations leaned too heavily into promotion or sponsorship messaging, which detracted from the collaborative tone of the summit.
    - *Quotes:*

        - “Too much salespitching was done for people that have traveled in. Understand setting up the captive and want us to know, but the man over the captive was too vocal, making it feel shoved down our throats.”
- Preserve Short Weekend Format
    - Attendees generally supported the shorter summit structure but suggested adjustments to improve pacing, allow downtime, and provide earlier notice.
    - *Quotes:*
        - “Perhaps have programming 8-2 on Sat-Sun to allow some recreation Sat afternoon.”
        - “More notice, and preserve these features: keep it short, adjacent to weekend, nice place.”
- Mixed but Constructive Views on Interactive Exercises
    - Interactive exercises received mixed feedback. Even attendees who did not personally enjoy them acknowledged their value in encouraging broader participation.
    - *Quotes:*
        - “The tabletop exercise is not my favorite, but I recognize this is useful to get people who don't ‘seize the microphone’ to talk.”
        - “The strategic planning/post it note session isn't directly helpful to me - I know it is helpful to the staff, but frankly gets tedious and repetitive”

What topics would you most like to see addressed in future NCMS gatherings?

- Healthcare Policy, Advocacy, and Legislative Updates
    - The strongest recurring theme was a desire for deeper discussion around healthcare policy, legislative developments, and the broader forces shaping medicine in North Carolina. Respondents wanted more practical, candid conversations about current events and systemic pressures affecting physicians and patients.
    - *Quotes:*
        - “Mental health, more time on legislative updates.”
        - “More policy discussions around current events that impact physicians and treating patients.”
        - “Healthcare policy, how we can work together as doctors.”
        - “Big picture, future issues, affordability, health status, models of care.”

- Corporate Consolidation and the Economics of Healthcare
    - Several responses reflected concern about the corporatization of medicine, hospital pricing structures, and misaligned financial incentives within the healthcare system.
    - *Quotes:*
        - “Maybe something on how to combat the corporate takeover of medicine.”
        - “The knee surgery example. 20k in the community, 80k at UNC. That UNC doc is not getting paid much much more than the community orthopod. The hospitals are not the doctors friend.”
- Bringing Different Stakeholders Together for Honest Dialogue
    - One respondent expressed interest in having payers, health systems, regulators, and physicians in the same room for direct discussion rather than talking about one another separately.
    - *Quotes:*
        - “A session/ panel with the NCHA, other commercial carriers, Medicaid PHP's, DHHS could generate some real conversation. Rather than everyone talking about the "other guy" put them all in the same room and let the audience hear what they have to say. Who knows, maybe we can all find some common ground and agree on something that actually improves care delivery (I.e Commercial carriers paying for BH services for kiddo's). Wouldn't that be something. Rather than DDHS always shaking their head and wondering why they (commercial) carriers don't cover these services maybe some kind of agreement to continue the conversation will come out of it! . Might cause a "rift" in time/space continuum but wouldn't that be coooolll!”
- Better Communication and Member Engagement Around NCMS Activities
    - Some attendees wanted more concise updates and easier ways to engage with NCMS initiatives, especially for members who may not consistently follow newsletters or policy updates.
    - *Quotes:*
        - “The NCMS is doing so much. It might be cool to have a little "Cliff's Notes" version/sum-up of current happenings (Weekly Dose and Political Pulse), just in case some aren't reading? Maybe a "pre-submitted" Q&A session? Questions/concerns submitted ahead of time, and randomly selected to address/answer/discuss? Time permitting?”
- Practical Leadership and Practice Management Topics
    - Respondents also identified interest in operational and leadership-focused education that could directly help physicians manage teams, practices, and ambulatory surgery centers.

- *Quotes:*
  - “Peer Coaching. ASC management. Hiring staff for excellence”

NLDC Final Slate

Final Slate

NCMS Officers (President Elect: 1, 1-year term; Sec. Treasurer: 2, 3-year terms)

President Elect (pick 1): Tracy Eskra, MD

Secretary Treasurer (pick 1): Claude Jarrett, MD

NCMS Board of Directors (Region & At-Large Reps: 2, 3-year terms)

Region 1 Representative (pick 1): Christopher Grubb, MD

Region 3 Representative (pick 1): Katie Lowry, MD, incumbent

Region 4 Representative (pick 1): Martin Palmeri, MD, incumbent

At-Large Representative (pick 4):

- Hans Arora, MD
- Aileen "Jenna" Beckham, MD
- E. Rebecca Hayes, MD
- Justin Hurie, MD
- Ronald Laney, MD, incumbent
- Timothy McGrath, MD
- Mark McNeill, MD
- Gaurang Palikh, MD
- Caroline Wilds, MD

NCMS Foundation Board of Trustees (2, 3-year terms)

Trustee (pick 3):

- Varnell McDonald-Fletcher, PA-C
- Michelle McMoon, PA-C
- Ashley Sumrall, MD

NC American Medical Association Delegation (2-year terms, no limit)

AMA Delegate (pick 4):

- Arthur “Art” Apolinario, MD, incumbent
- E. Rebecca Hayes, MD, incumbent
- Eileen Raynor, MD
- Karen Smith, MD, incumbent

AMA Alternate Delegate (pick 2):

- Ronald Laney, MD
- Carl Westcott, MD

Nominating and Leadership Development Committee (2, 2-year terms)

NLDC Region 1 Representative (pick 3):

- T. Daniel Crowder, MD
- OPEN

OPEN

NLDC Region 2 Representative (pick 3):

Hans Arora, MD, incumbent

Damian McHugh, MD, incumbent

Suneel Parvathareddy, MD

NLDC Region 3 Representative (pick 3):

Katie Borders, MD, incumbent

Deanna Didiano, DO

Sankalp Puri, MD, incumbent

NLDC Region 4 Representative (pick 3):

OPEN

OPEN

OPEN

Fall Summit Agendas & Invitations

2026 ANNUAL BUSINESS MEETING

Draft Agenda

Wednesday, October 28, 2026

6:00–6:05 pm — Welcome & Introductions

Carl Westcott, MD, President, NCMS

6:05–6:15 pm — Commission for Public Health Joint Meeting

Ronald May, MD, Chairman, Commission for Public Health

6:15–6:35pm — Public Health Report

Lawrence Greenblatt, MD, State Health Director & Chief Medical Officer, NCDHHS

6:35–6:45 pm — North Carolina Medical Society Foundation (NCMSF) Update

Franklin Walker, Executive Director, NCMSF

6:45–6:50 pm — NCMS Election Results

Ashley Rodriquez, Chief Legal Officer, NCMS

6:50–7:00 pm — Presidential Remarks

Carl Westcott, MD

THE NORTH CAROLINA MEDICAL SOCIETY

CORDIALLY INVITES YOU TO THE

Presidential Inauguration

OF INCOMING PRESIDENT

Karen L. Smith, MD

THURSDAY **29** OCTOBER

2026

AT 6 O'CLOCK IN THE EVENING

North Carolina Governor's Mansion

200 N Blount Street
Raleigh, NC 27601

Attire: Semi-Formal

You are formally invited to our

Post-Inauguration Dinner

Honoring NCMS President
Karen L. Smith, MD

DATE : OCTOBER 29, 2026	TIME : 8:00 PM
LOCATION : THE MERRIMON-WYNNE HOUSE	
RSVP : CLICK HERE	DRESS CODE : SEMI- FORMAL

PLEASE NOTE: AS MEALS ARE RESERVED AND PAID FOR IN ADVANCE ON A PER-PERSON BASIS, YOUR RSVP IS CONSIDERED A COMMITMENT TO ATTEND. IF YOU RSVP "YES," WE KINDLY ASK THAT YOU PLAN TO JOIN US.

Emerging Issues in Medicine: Navigating the Current Realities of Modern Health Care

Agenda

1. Networking & Breakfast (7:30-8:30am)
2. Welcome: Karen Smith, MD (8:30am – 8:40am)
3. Opening Keynote (8:40am–9:30am): Understanding the Forces Reshaping Health Care: Juliette Price, HSG Global
4. Coffee Break (9:30am-9:45am)
5. Access in Crisis: Confronting Workforce Gaps, Rising Costs, and Rural Strain
    - Workforce Panel (9:45am-10:30am):
        - Mark Holmes, PhD, Director, Sheps Center for Health Services Research
        - Zenobia Edwards, Executive Director, Old North State Medical Society
        - Adam Zolotor, MD, Director, Medical Education, NC Area Health Education Centers
        - **Moderator:** Hugh Tilson, JD, MPH, Executive Director, North Carolina Area Health Education Centers Program
    - Affordability Panel (10:30am-11:15am): (topics of consideration: Consolidation, Medical-Industrial Complex, Misaligned Incentives of Fee-For-Service, Clinical Variation, Drug Costs, Pharmacy Benefit Managers, Insurance):
        - Tom Friedman, Executive Administrator, NC State Health Plan
        - Rebecca Whitaker, PhD, MSPH, Research Director, Duke-Margolis Institute for Health Policy
        - Rebecca Cerese, NC Justice Center (patient perspective)
        - **Moderator: Michelle Ries, NCIOM**
    - Rurality Panel (11:15am – 12pm):
        - Maggie Woods, with NCDHHS RHTP
        - Shavonna Boone, Community Health Improvement Coordinator, ECU
        - Robert L. Wilson, Jr., JD, Managing Partner, Nelson-Mullens/Rural Health Initiative
        - **Moderator**: Rachel Keever, MD, President & CEO, FHLI
6. Lunch Break (12pm–12:45pm)

7. AI in Practice: Opportunities, Risks, and Real-World Adoption (12:45pm–1:45pm): Speaker(s):
    - David McSwain, MD, MPH, Chief Medical Informatics Officer, UNC Health
    - Brooke McSwain, National Senior Policy Research Analyst, American Heart Association
8. Data Driven Innovation: Turning Insight into Action: Panel (1:45pm-2:45pm):
    - Perrin Jones, MD, Founder & CEO, HelpAI
    - Katie Kaney, PhD, Strategic Advisor, VOX Telehealth
    - Sam Thompson, Executive Director, NC HIEA
    - **Moderator**: Lisa Shock, DrPH, MHS, PA-C, Healthcare Executive, Value-Based Care & Population Health
9. Wrap-Up (2:45pm–3pm): Palmer Edwards, MD, NCMSF President
10. Adjourn (3pm)