

**NORTH CAROLINA DEPARTMENT OF INSURANCE  
CONTINUING CARE ADVISORY COMMITTEE (CCAC)  
MEETING MINUTES**

**Date:** April 7, 2026

**Time:** 1:00 p.m. – 3:00 p.m.

**Location:** Microsoft Teams (Virtual)

## **ATTENDANCE**

### **Members Present:**

Joseph Liegl; Vincent DeBiase; Perry Aycock; Reed Vanderslik; Tommy Brewer; Chuck McGrady; Gary Massey.

Seven members were present at roll call, constituting a quorum.

Joined after roll call: Martha Wood; Charles “Skip” Kingan

### **Members Absent:**

Jay Matthews; John Hayes; Matthew Bork

### **Department of Insurance Staff:**

Jeff Trendel (Deputy Commissioner); Nancy Wise; Colby Toler; Shauna Schwartzel; Shannon Wharry

### **Other Attendees:**

Members of the public attended

## **I. Call to Order**

Chair Perry Aycock called the meeting of the Continuing Care Advisory Committee to order at 1:01 p.m. The meeting was conducted virtually via Microsoft Teams and was open to the public in accordance with applicable law and the Committee's bylaws.

## **II. Roll Call and Quorum**

Deputy Commissioner Jeff Trendel conducted a roll call of committee members. A quorum was present.

## **III. Approval of Previous Meeting Minutes**

The minutes from the Committee's inaugural meeting were presented for approval.

Motion: Vincent DeBiase

Second: Joseph Liegl

The motion passed unanimously, and the minutes were approved.

#### **IV. Committee Membership Update**

Chair Aycock welcomed newly appointed Committee member Gary Massey.

Mr. Massey introduced himself and summarized his professional background in healthcare accounting, auditing, consulting, and service on the North Carolina State Board of CPA Examiners.

Committee members welcomed Mr. Massey and expressed appreciation for his willingness to serve.

#### **V. Proposed Amendments to Committee Bylaws**

Chair Aycock provided an overview of proposed amendments to the Committee's bylaws. The amendments were intended to:

- Update references to reflect current Department organizational structure.
- Clarify the application and appointment process for Committee members.
- Remove references to nominations and better align language with the application-based appointment process.
- Strengthen governance provisions.
- Clarify leadership succession procedures.
- Formalize alternating leadership between resident and non-resident representatives.
- Clarify the role of the Deputy Commissioner.
- Confirm public records requirements related to meeting minutes and Committee actions.
- Make technical revisions to subcommittee provisions.

#### **Discussion**

Committee members discussed whether leadership positions should alternate between resident and provider representatives specifically, or between resident and non-resident representatives more broadly.

Discussion focused on preserving flexibility while ensuring meaningful resident participation in leadership. Several members noted that limiting leadership positions solely to resident and provider representatives could unintentionally exclude other valuable committee members, such as accountants, attorneys, and industry professionals.

Committee members also discussed the future implementation of staggered terms to promote continuity and avoid complete turnover of the Committee at one time. The Chair indicated that the issue would be addressed as future business.

### **Action**

Motion: Martha Wood

Second: Chuck McGrady

To approve the proposed bylaws amendments.

The motion passed unanimously.

## **VI. Discussion of Draft Interpretive Policies**

Chair Aycock introduced thirteen draft Interpretive Policies prepared by the Department. He emphasized that the policies:

- Are draft documents.
- Do not constitute rulemaking.
- Do not create new legal requirements.
- Are intended to provide guidance and clarity regarding implementation of Article 64A.

Deputy Commissioner Trendel explained that the policies are intended to:

- Promote consistency and transparency.
- Improve predictability for providers and residents.
- Provide guidance regarding Department interpretation of Article 64A.
- Reduce reliance on individual staff interpretation.
- Assist future Department leadership in administering the statute consistently.

The Committee agreed to focus discussion on those policies that generated the greatest amount of stakeholder feedback rather than reviewing each policy line-by-line.

## **VII. Policy IP-01 – Escrow Agents for Resident Deposits**

Deputy Commissioner Trendel summarized the proposed policy addressing situations where lenders, related parties, or lender fiduciaries seek to serve as escrow agents for resident deposits.

Discussion focused on:

- Industry practice regarding lender-driven banking relationships.
- The need to protect resident deposits from creditor claims.
- Maintaining segregation and independence of escrowed funds.
- Ensuring market-rate banking services.

Committee members generally agreed that lender requests for banking relationships are common in financing transactions and that the policy should recognize that reality while preserving statutory protections for resident funds.

Deputy Commissioner Trendel indicated the policy would likely be revised to more explicitly acknowledge lender-driven account structures while maintaining protections for resident deposits.

## **VIII. General Discussion Regarding Interpretive Policies**

Committee members discussed the legal status of the interpretive policies and whether future Department leadership could modify them.

Deputy Commissioner Trendel explained that:

- The policies are not rules.
- Future leadership would not be legally bound by them.
- The Department's goal is to create a transparent process and establish consistent guidance.
- Stakeholder participation is intended to improve transparency and confidence in Department interpretations.

Committee members suggested including language encouraging future consultation with the Committee before substantive changes are made to adopted interpretive policies.

Deputy Commissioner Trendel indicated he would consider adding language describing the intended consultative process while acknowledging that such language would not be legally binding.

## **IX. Policies IP-02 Through IP-09**

The Committee conducted detailed discussion of several policies, particularly:

- Independent board member attendance requirements and waiver authority (IP-02).
- Definition of independence (IP-03).
- Debt service coverage ratio disclosure and treatment of long-term lease obligations (IP-08).
- Semiannual resident meetings, transparency, proposed changes, and follow-up obligations (IP-09).

Key themes included:

- Maintaining meaningful resident access to governing bodies.
- Ensuring resident concerns are communicated directly to boards.
- Appropriate use of waiver authority.
- Treatment of providers lacking independent board members.
- Transparency and accountability in resident communications.
- Clarification of financial disclosure requirements.

Several members suggested that when waivers are granted due to the absence of independent board members, attendance by another board member should be required as a condition of the waiver.

Deputy Commissioner Trendel agreed to revise several policies and circulate updated drafts for additional review.

No formal action was taken on the draft interpretive policies.

## **X. Next Steps and Continued Discussion**

The Department indicated that it would review the comments received, revise several draft policies as appropriate, and circulate updated drafts for further Committee review and discussion at a future meeting.

## **XI. Adjournment**

There being no further business before the Committee, Chair Aycock thanked the members for their participation, thoughtful review of the draft interpretive policies, and continued commitment to the work of the Continuing Care Advisory Committee. He noted that the Department would review the feedback received and circulate revised policy drafts for future consideration.

The meeting adjourned at 2:57 p.m.

Approved by the Continuing Care Advisory Committee on [DATE].