

**STATE HEALTH PLAN BOARD OF TRUSTEES**

**August 30, 2018 Meeting**

**AGENDA ITEM**

Conflict of Interest Statement

Statement of Economic Interest evaluations of members pursuant to the Ethics Act § 163A-159(c)

In the following packet is a copy of each Board member's most recent Statement of Economic Interest (SEI) evaluation issued by the State Board of Elections and Ethics Enforcement. These are being provided for Board members' review and for recording in the meeting minutes pursuant to the requirements of the State Government Ethics Act. Members are encouraged to review the evaluations to inform and remind them of the identified actual or potential conflicts of interest.



## STATE ETHICS COMMISSION

1324 MAIL SERVICE CENTER  
RALEIGH, NC 27699-1324  
WWW.ETHICSCOMMISSION.NC.GOV

April 25, 2017

The Honorable Dale R. Folwell  
Department of State Treasurer  
325 N. Salisbury Street  
Raleigh, NC 27603

*Via Email*

**Re: Evaluation of Your Statement of Economic Interest**  
North Carolina State Treasurer

Dear Treasurer Folwell:

Our office is in receipt of your 2017 Statement of Economic Interest as North Carolina State Treasurer. We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act.

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

The State Government Ethics Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. §138A-31 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. §138A-36(a) prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

You disclosed that you and your spouse own threshold amounts of stock in publicly traded stocks including Apple, Inc., and Valeant. Therefore, you have the potential for a conflict of interest and should exercise appropriate caution in the performance of your public duties, should these entities, or any entity in which you and/or your spouse have a financial interest come before you for official action.

In addition to the conflicts standards noted above, N.C.G.S. §138A-32 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. §138A-32(e).

The Honorable Dale R. Folwell  
April 25, 2017  
Page 2 of 2

Finally, the State Government Ethics Act mandates that all public servants attend an ethics and lobbying education presentation. Please review the attached document for additional information concerning this requirement.

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

Sincerely,



Gretchen D. Aycock  
SEI Attorney

cc: Laura Rowe, Ethics Liaison

Attachment: Ethics Education Flyer



## STATE ETHICS COMMISSION

1324 MAIL SERVICE CENTER  
RALEIGH, NC 27699-1324  
WWW.ETHICSCOMMISSION.NC.GOV

GEORGE L. WAINWRIGHT, JR.  
CHAIRMAN

PERRY Y. NEWSON  
EXECUTIVE DIRECTOR

December 4, 2016

The Honorable Patrick L. McCrory  
Governor of North Carolina  
20301 Mail Service Center  
Raleigh, NC 27699-0301

*Via email*

**Re: Evaluation of Statement of Economic Interest Filed By Elizabeth Fuller Poole**  
State Health Plan Board-At Large Member

Dear Governor McCrory:

Our office is in receipt of Elizabeth Fuller Poole's **2015 Statement of Economic Interest and 2016 No Change Form** filed as a member of the **State Health Plan for Teachers and State Employees Board of Trustees ("the Board")**. We have reviewed them for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act.

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

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

The State Government Ethics Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. §138A-31 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. §138A-36(a) prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

Ms. Poole fills the role of an At-Large member of the Board appointed by the Governor. She has disclosed that she is an employee of Cabarrus County Schools, and is insured by the State Health Plan that she will be administering. In light of this interest, Ms. Poole has the potential for a conflict of interest and should exercise appropriate caution in the performance of her public duties.

In addition to the conflicts standards noted above, N.C.G.S. §138A-32 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. §138A-32(e).

Pursuant to N.C.G.S. 138A-15(c), when an actual or potential conflict of interest is cited by the Commission under N.C.G.S. 138A-24(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the State Government Ethics Act.

Finally, the State Government Ethics Act mandates that all public servants attend an ethics and lobbying education presentation. Please review the attached document for additional information concerning this requirement.

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

Sincerely,

A handwritten signature in blue ink that reads "Gretchen D. Aycock". The signature is written in a cursive style with a large initial "G".

Gretchen D. Aycock  
SEI Attorney

cc: Elizabeth Fuller Poole, Filer  
Laura Rowe, Ethics Liaison  
Janet R. Cowell, Board Chair

Attachment: Ethics Education Flyer



# NORTH CAROLINA

## State Board of Elections & Ethics Enforcement

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

Phone: (919) 733-7173  
Fax: (919) 715-0135

**KIM WESTBROOK STRACH**  
*Executive Director*

July 12, 2017

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

*Via Email*

**Re: Evaluation of Statement of Economic Interest Filed By Ms. Virginia K. Hargett  
Prospective Appointee – State Health Plan Board**

Dear Governor Cooper:

Our office is in receipt of **Ms. Virginia K. Hargett's** 2017 Statement of Economic Interest as a prospective appointee to the **State Health Plan for Teachers and State Employees Board of Trustees ("the Board")**. We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act.

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

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

The State Government Ethics Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. §138A-31 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. §138A-36(a) prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

Ms. Hargett will fill the role of a gubernatorial appointee on the Board. She is a teacher with Union County Public Schools and is currently insured by the State Health Plan that she will be administering. In light of this interest, she has the potential for a conflict of interest and should exercise appropriate caution in the performance of her public duties.

In addition to the conflicts standards noted above, N.C.G.S. §138A-32 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. §138A-32(e).

The Honorable Roy A. Cooper, III  
July 12, 2017  
Page 2 of 2

Pursuant to N.C.G.S. 138A-15(c), when an actual or potential conflict of interest is cited by the Commission under N.C.G.S. 138A-24(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the State Government Ethics Act.

Finally, the State Government Ethics Act mandates that all public servants attend an ethics and lobbying education presentation. Please review the attached document for additional information concerning this requirement.

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

Sincerely,

A handwritten signature in cursive script that reads "Beth Carpenter".

Beth Carpenter  
SEI Unit

cc: Ms. Virginia K. Hargett

Attachment: Ethics Education Flyer



# NORTH CAROLINA

## State Board of Elections & Ethics Enforcement

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

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

November 16, 2017

The Honorable Dale Folwell  
Department of State Treasurer  
3200 Atlantic Avenue  
Raleigh, NC 27604

*Via email*

**Re: Evaluation of Statement of Economic Interest Filed by Wilbur Brinn**  
Treasurer Appointee—State Health Plan

Dear Treasurer Folwell:

Our office is in receipt of Wilbur Brinn's **2017 Statement of Economic Interest** as a member of the State Health Plan ("the Board"). We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act.

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

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

The State Government Ethics Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. §138A-31 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. §138A-36(a) prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

Wilbur Brinn fills the role of a Treasurer Appointee on the Board. He disclosed that his spouse is self-employed as a medical record scanning contractor, as such, he has the potential for a conflict of interest. Mr. Brinn should exercise appropriate caution in the performance of his public duties should his spouse, or her company come before the Board for official action.

---

In addition to the conflicts standards noted above, N.C.G.S. §138A-32 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. §138A-32(e).

Pursuant to N.C.G.S. 138A-15(c), when an actual or potential conflict of interest is cited by the Commission under N.C.G.S. 138A-24(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the State Government Ethics Act.

Finally, the State Government Ethics Act mandates that all public servants attend an ethics and lobbying education presentation. Please review the attached document for additional information concerning this requirement.

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

Sincerely,

A handwritten signature in blue ink that reads "Dlatta". The signature is written in a cursive, flowing style.

Diana Latta  
Paralegal

cc: Wilbur Brinn, Filer  
Laura Rowe, Ethics Liaison  
Chairman of the Board

Attachment: Ethics Education Flyer



## STATE ETHICS COMMISSION

1324 MAIL SERVICE CENTER  
RALEIGH, NC 27699-1324  
WWW.ETHICSCOMMISSION.NC.GOV

GEORGE L. WAINWRIGHT, JR.  
CHAIRMAN

PERRY Y. NEWSON  
EXECUTIVE DIRECTOR

August 10, 2016

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

*via email*

**Re: Evaluation of Statement of Economic Interest Filed By Dr. Donald L. Martin, Jr.  
State Health Plan Board**

Dear Speaker Moore:

Our office is in receipt of **Dr. Donald L. Martin, Jr.'s** 2016 Statement of Economic Interest as a member of the **State Health Plan for Teachers and State Employees Board of Trustees ("the Board")**. We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act.

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

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

The State Government Ethics Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. §138A-31 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. §138A-36(a) prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

Dr. Martin and his spouse are retired state employees and are insured by the State Health Plan that he will be administering. In light of this interest, Dr. Martin has the potential for a conflict of interest and should exercise appropriate caution in the performance of his public duties.

In addition to the conflicts standards noted above, N.C.G.S. §138A-32 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. §138A-32(e).

The Honorable Tim Moore  
August 10, 2016  
Page 2 of 2

Pursuant to N.C.G.S. 138A-15(c), when an actual or potential conflict of interest is cited by the Commission under N.C.G.S. 138A-24(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the State Government Ethics Act.

Finally, the State Government Ethics Act mandates that all public servants attend an ethics and lobbying education presentation. Please review the attached document for additional information concerning this requirement.

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

Sincerely,

A handwritten signature in cursive script that reads "Beth Carpenter".

Beth Carpenter  
SEI Unit

cc: Dr. Donald L. Martin, Jr.  
Ms. Laura Rowe, Ethics Liaison  
The Honorable Janet Cowell, Chair

Attachment: Ethics Education Flyer



## STATE ETHICS COMMISSION

1324 MAIL SERVICE CENTER  
RALEIGH, NC 27699-1324  
WWW.ETHICSCOMMISSION.NC.GOV

GEORGE L. WAINWRIGHT, JR.  
CHAIRMAN

PERRY Y. NEWSON  
EXECUTIVE DIRECTOR

November 30, 2016

The Honorable Phil Berger  
President Pro Tempore of the Senate  
16 W. Jones Street, Room 2008  
Raleigh, NC 27601

*Via email*

**Re: Evaluation of Statement of Economic Interest Filed By Mrs. Margaret H. Way  
Senate Appointee – State Health Plan Board**

Dear Senator Berger:

Our office is in receipt of **Mrs. Margaret H. Way's** 2016 Statement of Economic Interest as an appointee to the **State Health Plan for Teachers and State Employees Board of Trustees ("the Board")**. We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act.

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

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

The State Government Ethics Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. §138A-31 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. §138A-36(a) prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

Mrs. Way will fill the role of a retired state employee on the Board. As such, she is currently ensured by the State Health Plan that she will be administering. Thus, she has the potential for a conflict of interest and should exercise appropriate caution in the performance of her public duties should any issues involving her benefits come before the Board for official action.

In addition to the conflicts standards noted above, N.C.G.S. §138A-32 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. §138A-32(e).

Pursuant to N.C.G.S. 138A-15(c), when an actual or potential conflict of interest is cited by the Commission under N.C.G.S. 138A-24(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the State Government Ethics Act.

Finally, the State Government Ethics Act mandates that all public servants attend an ethics and lobbying education presentation. Please review the attached document for additional information concerning this requirement.

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

Sincerely,



Beth Carpenter  
SEI Unit

cc: Mrs. Margaret H. Way  
Ms. Janet R. Cowell, Chair  
Ms. Laura Rowe, Ethics Liaison

Attachment: Ethics Education Flyer



## STATE ETHICS COMMISSION

1324 MAIL SERVICE CENTER  
RALEIGH, NC 27699-1324  
WWW.ETHICSCOMMISSION.NC.GOV

GEORGE L. WAINWRIGHT, JR.  
CHAIRMAN

PERRY Y. NEWSON  
EXECUTIVE DIRECTOR

October 27, 2015

The Honorable Phil Berger  
President Pro Tempore of the Senate  
16 W. Jones Street, Room 2008  
Raleigh, NC 27601

*Via email*

**Re: Evaluation of Statement of Economic Interest Filed By Mr. Aaron N. McKethan  
Senate Appointee – State Health Plan Board**

Dear Senator Berger:

Our office is in receipt of **Mr. Aaron N. McKeithan's** 2015 Statement of Economic Interest as an appointee to the **State Health Plan for Teachers and State Employees Board of Trustees ("the Board")**. We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act.

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

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

The State Government Ethics Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. §138A-31 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. §138A-36(a) prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

Mr. McKethan will fill the role of a public member on the Board. He is the President of RxAnte, LLC, an analytics and software company, whose parent company, Millennium Health, may provide diagnostic services to Medicaid providers in North Carolina. Thus, Mr. McKethan has the potential for a conflict of interest and should exercise appropriate caution in the exercise of his public duties should RxAnte or any entity in which he holds a financial interest come before the Board for official action.

The Honorable Phil Berger  
October 27, 2015  
Page 2 of 2

In addition to the conflicts standards noted above, N.C.G.S. §138A-32 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. §138A-32(e).

Pursuant to N.C.G.S. 138A-15(c), when an actual or potential conflict of interest is cited by the Commission under N.C.G.S. 138A-24(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the State Government Ethics Act.

Finally, the State Government Ethics Act mandates that all public servants attend an ethics and lobbying education presentation. Please review the attached document for additional information concerning this requirement.

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

Sincerely,



Pamela B. Cashwell  
SEI Unit

cc: Mr. Aaron N. McKethan  
Ms. Janet R. Cowell, Chair  
Ms. Sandra Johnson, Ethics Liaison

Attachment: Ethics Education Flyer



# NORTH CAROLINA

## State Board of Elections & Ethics Enforcement

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

Phone: (919) 733-7173  
Fax: (919) 715-0135

**KIM WESTBROOK STRACH**  
*Executive Director*

August 8, 2017

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

*Via Email*

**Re: Evaluation of Statement of Economic Interest Filed By Mr. Peter W. Chauncey**  
State Health Plan Board—House Appointee

Dear Speaker Moore:

Our office is in receipt of Mr. Peter W. Chauncey's **2017 Statement of Economic Interest** as a House appointee to the **State Health Plan for Teachers and State Employees Board of Trustees ("the Board")**. We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act.

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

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

The State Government Ethics Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. §138A-31 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. §138A-36(a) prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

Mr. Chauncey fills the role of a House appointee on the Board. He is the Principal of PWC Solutions, LLC, a company that provides consulting and management services to organizations and boards in the areas of health care and wealth management. He also owns a threshold financial interest in Aetna, a registered lobbyist principal in North Carolina, and a publicly traded health insurance company. While Aetna has signaled its intent to withdraw from the North Carolina health insurance market beginning in 2018, it is possible that it could seek to market its health insurance plans or other services to the Board. In addition, Mr. Chauncey holds a threshold financial interest in stock options for Patient Pay: a privately held company that provides billing statements for health care companies and medical providers. Patient Pay could also seek to market its services to the Board directly, or as a sub-contractor to a health plan selected by the Board. In light of these interests, he has the potential for a conflict of interest and should exercise appropriate caution in the performance of his public duties should any entity in which he holds a financial interest come before the Board for official action, or seeks to conduct business with the Board.

The Honorable Tim Moore  
August 8, 2017  
Page 2 of 2

In addition to the conflicts standards noted above, N.C.G.S. §138A-32 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. §138A-32(e).

Pursuant to N.C.G.S. 138A-15(c), when an actual or potential conflict of interest is cited by the Commission under N.C.G.S. 138A-24(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the State Government Ethics Act.

Finally, the State Government Ethics Act mandates that all public servants attend an ethics and lobbying education presentation. Please review the attached document for additional information concerning this requirement.

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

Sincerely,

A handwritten signature in blue ink that reads "Gretchen D. Aycock". The signature is written in a cursive style with a large initial "G" and a long horizontal flourish at the end.

Gretchen D. Aycock  
SEI Attorney

cc: Mr. Peter W. Chauncey, Filer  
The Honorable Dale Folwell, NC Treasurer and Board Chairman  
Ms. Laura Rowe, Ethics Liaison

Attachment: Ethics Education Flyer



# NORTH CAROLINA

## State Board of Elections & Ethics Enforcement

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

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

January 12, 2018

The Honorable Dale Folwell  
Department of State Treasurer  
3200 Atlantic Avenue  
Raleigh, NC 27604

*Via email*

**Re: Evaluation of Statement of Economic Interest Filed by Dr. Peter Robie**  
Health benefits medical background Position—State Health Plan

Dear Treasurer Folwell:

Our office is in receipt of Dr. Peter Robie's **2017 Statement of Economic Interest** as a member of State Health Plan ("the Board"). We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act.

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

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

The State Government Ethics Act establishes ethical standards for certain public servants, including conflict of interest standards. N.C.G.S. §138A-31 prohibits public servants from using their positions for their financial benefit or for the benefit of a member of their extended family or a business with which they are associated. N.C.G.S. §138A-36(a) prohibits public servants from participating in certain official actions from which the public servant, his or her client(s), a member of the public servant's extended family, or a business or non-profit with which the public servant or a member of the public servant's immediate family is associated may receive a reasonably foreseeable financial benefit.

Dr. Peter Robie fills the role of a Health benefits medical background Position on the Board. He and his spouse are both employed in the healthcare industry; As such, he has the potential for a conflict of interest. Dr. Robie should exercise appropriate caution in the performance of his public duties should any companies that he or his immediate family have a financial interest in come before the Board for official action or seek to conduct official business with the Board.

---

In addition to the conflicts standards noted above, N.C.G.S. §138A-32 prohibits public servants from accepting gifts, directly or indirectly (1) from anyone in return for being influenced in the discharge of their official responsibilities, (2) from a lobbyist or lobbyist principal, or (3) from a person or entity which is doing or seeking to do business with the public servant's agency, is regulated or controlled by the public servant's agency, or has particular financial interests that may be affected by the public servant's official actions. Exceptions to the gifts restrictions are set out in N.C.G.S. §138A-32(e).

Pursuant to N.C.G.S. 138A-15(c), when an actual or potential conflict of interest is cited by the Commission under N.C.G.S. 138A-24(e) with regard to a public servant sitting on a board, the conflict shall be recorded in the minutes of the applicable board and duly brought to the attention of the membership by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the State Government Ethics Act.

Finally, the State Government Ethics Act mandates that all public servants attend an ethics and lobbying education presentation. Please review the attached document for additional information concerning this requirement.

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

Sincerely,



Diana Latta  
Paralegal

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

Attachment: Ethics Education Flyer