



# Closing The Coverage Gap In North Carolina

*Updates and Speculation in Today's Political Climate*

Friday January 20, 2017

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# The ACA & NC

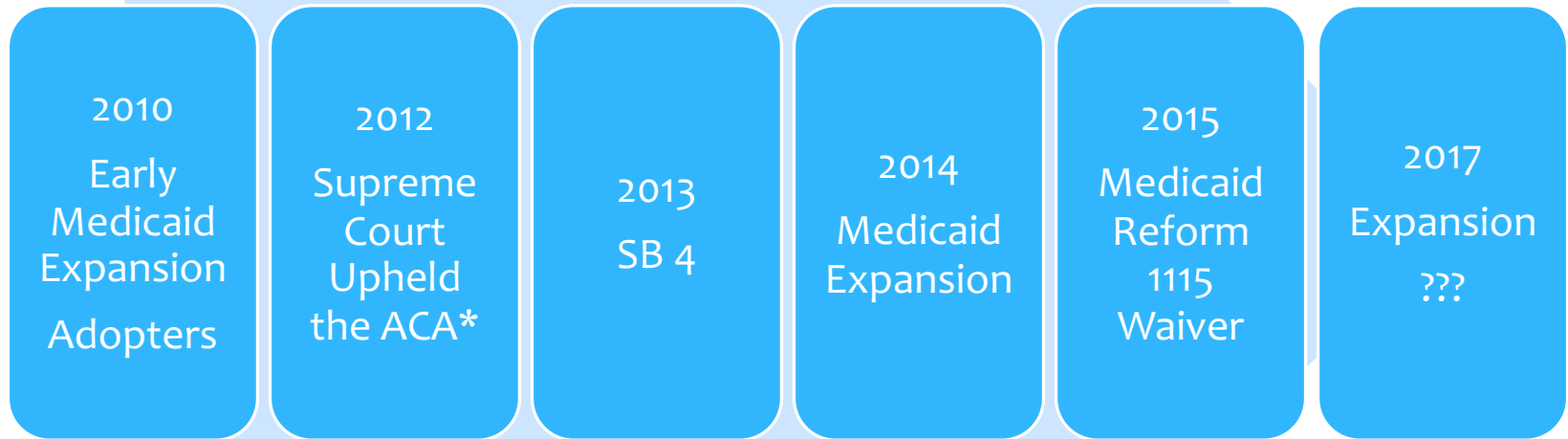
2010  
ACA  
Became  
Law

2012  
Supreme  
Court  
Upheld the  
ACA\*

2013  
OE1

2016  
Cooper &  
Trump are  
Elected

# Medicaid Expansion & NC



# Sec. Burwell, Gov. Cooper, Medicaid Expansion & The GOP

January 4, 2017  
Gov. Cooper's  
MedEx  
Announcement

January 6, 2017  
Gov. Cooper  
notified CMS  
about MedEx

January 9, 2017  
Sec. Burwell will  
review NC plan  
"expeditiously"

January 13, 2017  
Berger and  
Moore file  
lawsuit

January 16, 2017  
State & federal  
governments  
file request

# What's Next?



Preventing 500K North Carolinians  
from getting health coverage?  
Now *that's* cold!

Stop the  
#MedicaidBlockade

Call:

Sen. Phil Berger (919) 733-5708

Rep. Tim Moore (919) 733-3451

#keepNCcovered

# What's Next?

\* Yes

\* No

My Story Book

Understanding the North Carolina Health Insurance COVERAGE GAP

## ● Parents with Low Incomes

North Carolina's Medicaid program only provides health insurance coverage to parents whose annual incomes are less than 45% of the federal poverty level (about \$10,000 per year for a family of three).<sup>7</sup>



### Michelle Mom & Small Business Owner

Michelle is 32 years old and has been uninsured for four years. She owns a hair salon and works there full-time, often working 14 hour days because she enjoys what she does. She had Medicaid when she was pregnant but lost it the year after her daughter was born.

Michelle tried to purchase health insurance on the Marketplace but could only afford dental coverage. She used that coverage to have a few dental procedures done, but she can't afford the medical insurance she really needs. The premium costs are too high because she doesn't qualify for financial help due to her low income. Michelle has four children and after paying for rent, utilities, and food, she doesn't have enough money left over to afford full-price coverage.

Michelle wants to get check-ups and annual exams to make sure she stays healthy but she's skipped these preventive services because of the high out-of-pocket costs. With health insurance coverage, Michelle would be able to take care of all of her preventive care needs.

Michelle says, "I've been lucky I haven't had a significant health problem since I've been uninsured, but that's not to say that there isn't something going on that I might not know about. I also want to be compliant with the law that requires me to have health insurance."

If Michelle could talk with a member of the legislature, she would ask them to hear the voices of the people who are working hard and struggling to access regular, preventive care. She says, "Everyone's situation is different but we all have the same basic needs."

When parents are insured, children are more likely to be enrolled in health insurance as well.

### Kent Construction Worker in Family-Owned Business

Kent is 41 years old and works in construction for a small, family-owned business in Lenoir County. He enjoys the work, but his health problems keep him from working full time. He works as much as he can, up to as many as 25 to 30 hours per week.

With limited income and no employer-sponsored insurance options, Kent is unable to afford a health insurance plan on the Marketplace. Kent's diabetes led to peripheral neuropathy in his feet and legs, making it difficult to work in a job requiring him to stand for long hours.

Closing the Coverage Gap would allow for approximately 27,000 diabetics to get much needed medications.<sup>6</sup>

Although he needs to take eight prescriptions to manage his condition, Kent sometimes delays purchasing prescriptions because he doesn't have enough money to pay for them. When Kent is sick, often due to his diabetes complications, he has to get by without an income.

Although Kent receives primary care at the Kinston Community Health Center, he is constantly worried that there will be limited availability of some of his prescriptions. And when Kent needs to visit a specialist, he must pay up front before he can even make an appointment.

Sometimes he is unable to afford the \$200 to do so and therefore can't access needed specialty care. When talking about his experience being uninsured, Kent said, "It feels like the rug can be snatched out from under me at any time."

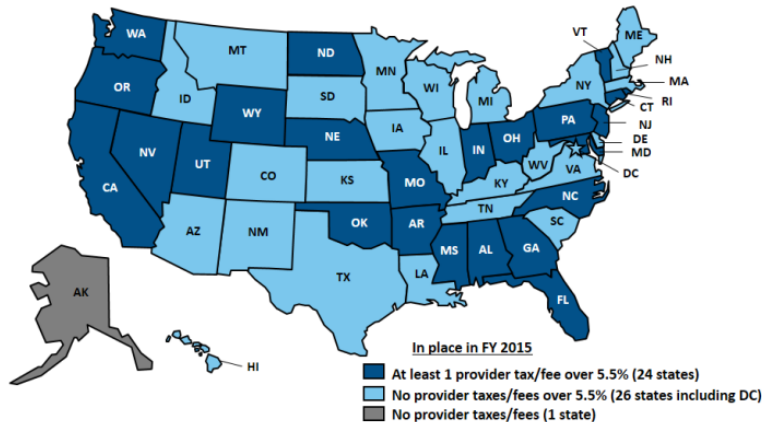
Kent worries that being uninsured is keeping him from doing the work he wants to do. He is thankful to have a job but wishes he could work more without limitations based on his medical conditions. He thinks many people like himself are falling between the cracks in North Carolina.



# Feeling “Optimistic”?

Figure 2

**States with at least 1 provider tax or fee over 5.5% net patient revenues**



NOTES: Includes Medicaid provider taxes as reported by states. It is possible that there are other sources of revenue from taxes collected on health insurance premiums or health insurance claims that are not reflected here.  
SOURCE: KCMU survey of Medicaid officials in 50 states and DC conducted by Health Management Associates, October 2015.



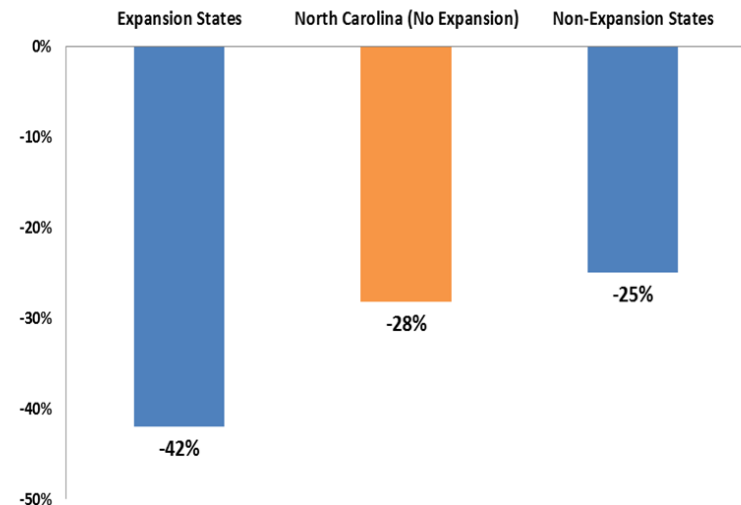
- \* Paying for MedEx
  - \* 95 percent match
  - \* Gov. Cooper doesn't want to raise taxes
  - \* Hospital assessments

# ACA Defense & Medicaid Expansion

- \* 31 states and DC
- \* 16 expansion states have Republican governors
- \* 7 states have provisions to terminate MedEx if FMAP decreases

## Failure to Close the Coverage Gap Leaves NC Behind

Percent Decrease from 2013 to 2015 in Total Uninsured Rate by Expansion Status (%)



@nhealthaccess @ncjustice  
#CloseTheGapNC

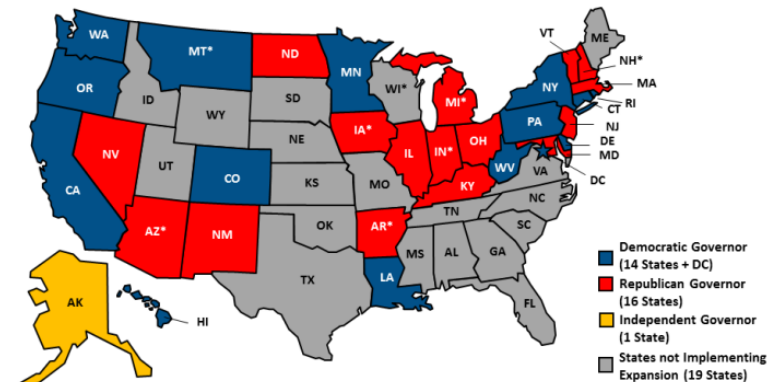
North Carolina Justice Center's Health Advocacy Project  
Source: American Community Survey



# ACA Defense & Medicaid Expansion

Figure 1

Expansion states are split between Republican and Democratic governors as of January 2017.



NOTES: Coverage under the Medicaid expansion became effective January 1, 2014 in all but seven expansion states: Michigan (4/1/2014), New Hampshire (8/15/2014), Pennsylvania (1/1/2015), Indiana (2/1/2015), Alaska (9/1/2015), Montana (1/1/2016), and Louisiana (7/1/2016). Seven states that will have Republican governors as of January 2017 originally implemented expansion under Democratic governors (AR, IL, KY, MA, MD, NH, VT), and one state has a Democratic governor but originally implemented expansion under a Republican governor (PA). \*AR, AZ, IA, IN, MI, MT, and NH have approved Section 1115 expansion waivers.



- \* Lower expansion eligibility
- \* Will more states push for MedEx?
- \* Impact of block grants?
- \* Price & Verma



Health  
Advocacy  
PROJECT

# Reach Out To Us

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  - \* Twitter: @CiaraZachary
    - \* @nchealthaccess

Thank You. Questions?



north carolina

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