

North Carolina's Health Insurance Coverage Gap

Peg O'Connell, Chair, Care4Carolina

Doctors for America

Wednesday, June 9, 2022



Who are we?

A statewide coalition of 148 organizations dedicated to finding a North Carolina solution for closing North Carolina's Coverage Gap

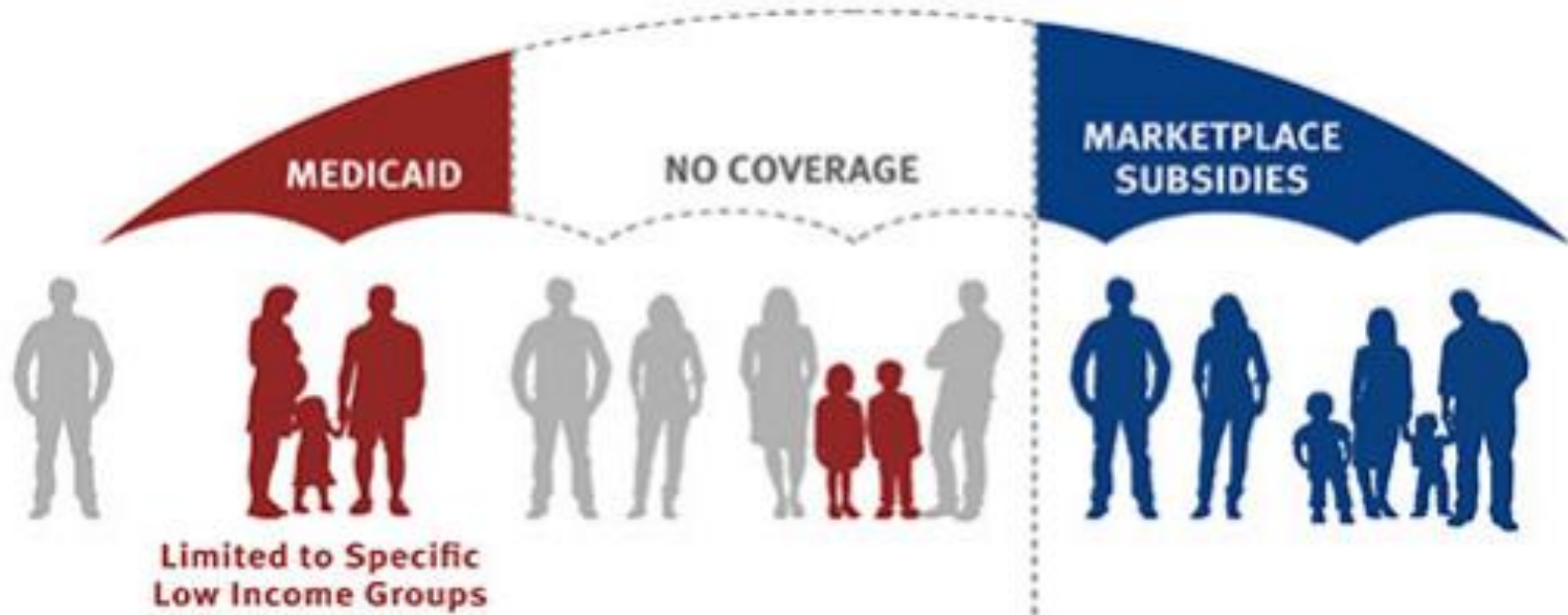
Some of our Partners



Coverage Gap

- Affordable Care Act enacted in 2010
- In June 2012, the US Supreme Court, while upholding the ACA struck down the mandate for states to expand Medicaid to cover people up to 138% of the poverty level
- When mandate was struck down, it created a gap—The Coverage Gap
- In 2011, NC General Assembly passed a law prohibiting the Governor from expanding Medicaid

NC's Coverage Gap







Who's in the Coverage Gap?

People who make too much to qualify for Medicaid, or are otherwise ineligible for North Carolina's Program—such as single adults without children—and who make TOO LITTLE to get a subsidy on the private marketplace.

- Majority are working people who don't have employer-based health insurance
- Farmers, construction workers, front-line workers like grocery store clerks, restaurant workers, childcare workers and nursing home aides. Even pastors of small churches across the state.

Who's in the Coverage Gap?

Family Size	Medicaid Up to 42% FPL	Marketplace Subsidy Starting at 100% FPL
 One	Coverage Gap No Assistance	Starting at \$12,760 per year
 Two	Up to \$7,240 per year	Starting at \$17,240 per year
 Three	Up to \$9,122 per year	Starting at \$21,720 per year
 Four	Up to \$11,004 per year	Starting at \$26,200 per year

Parents in the Gap - 1 in 3

How a Parent Falls in the Coverage Gap

Family Size: Two (Single mother with one child)

Hourly Pay: \$7.25 (minimum wage) full-time (40 hours/week)

Earnings: \$1,160/month, \$13,920/year

Assistance: No Assistance, COVERAGE GAP



Up to
\$7,240
per year

Coverage Gap
No Assistance

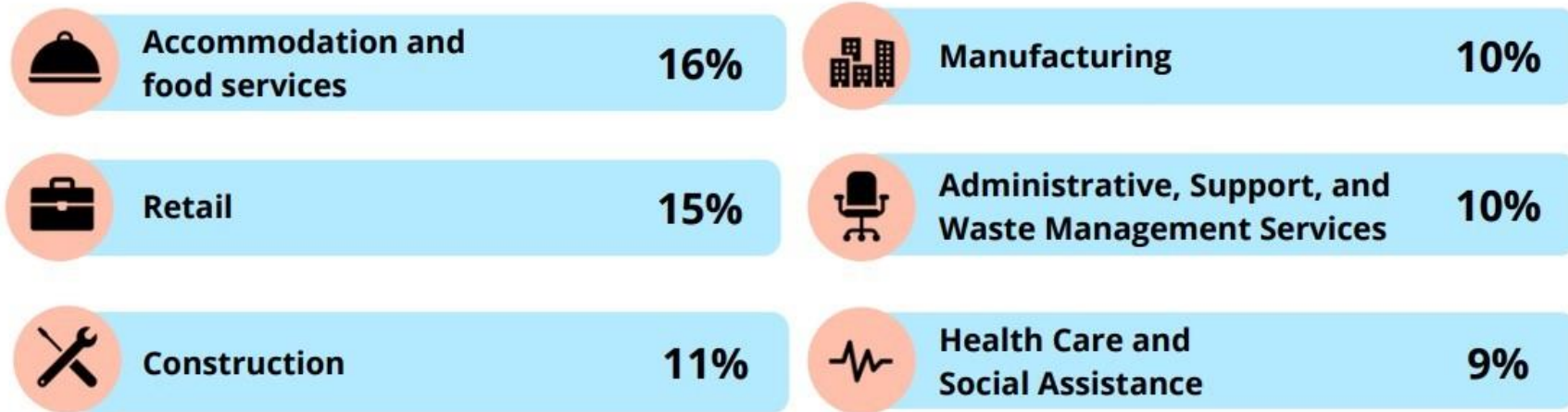
Starting at
\$17,240
per year

Working People in the Gap

76% of adults eligible for Medicaid are working.

Many essential frontline workers would gain health coverage by closing the coverage gap in North Carolina.

By Occupation



Source: Georgetown University. (2021, Apr.) A Profile of North Carolina's Low-Wage Uninsured Workers.

Cost of Private Health Insurance for People in the Coverage Gap

Costs for People in the Coverage Gap in Wayne County

Demographic	Monthly Premium	Annual Deductible	Estimated Annual Cost *Based on low use
Woman (age 30) with One Child	\$388.23	\$8,550.00	\$5,104.00
Man (age 40) with a Family of Four	\$437.13	\$8,550.00	\$5,581.00
Woman (age 55)	\$762.77	\$8,550.00	\$9,499.00

Closing the Gap

Expansion FMAP

- **90% federal match** indefinitely per law

American Rescue Plan Act Incentive

- New expansion states are eligible for eight quarters of 5% increase in federal match on current Medicaid populations
- For North Carolina that would mean \$1.6 - \$1.7 B in additional federal receipts over two years; **\$1.4 - \$1.5 B available for state initiatives**

Closing the Gap

“If there is any other person in North Carolina who has spoken against expanding Medicaid more than I have, I would like to meet that person...But now this is the right thing to do, and it’s not even close.”

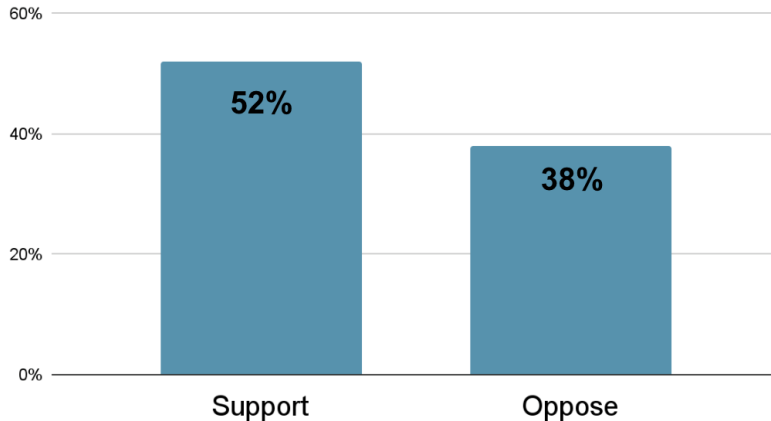
- *Senator Majority Leader Phil Berger (R)*

Medicaid Expansion



Strategic Partners Solutions, LLC

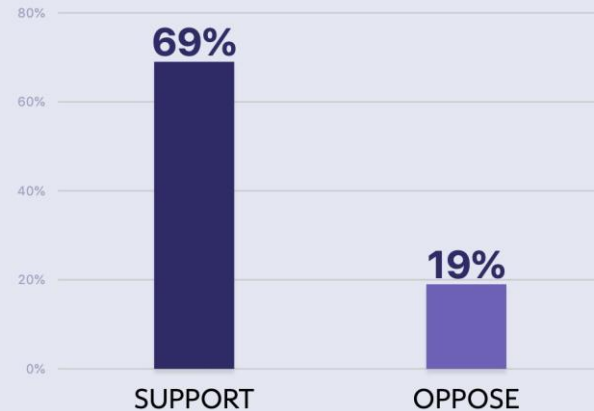
Republican Support for Expanding Medicaid in NC



600 registered Republican voters, October 26 - October 28, 2021, +/- 4.0%

SPECTRUM
NEWS + IPSOS
POLL

EXPANDING MEDICAID ACCESS IN NORTH CAROLINA



NC REGISTERED VOTERS, MAR 31 - APR 12 2022, +/- 4.2%

Medicaid Expansion

Closing the gap would help 150,000 North Carolinians with mental health or substance use disorders access affordable healthcare.

Closing the Gap

- **People with mental illness:**
 - More likely to use mental health services,
 - Less likely to delay necessary care
 - Better access to prescriptions.

- Children are more likely to receive mental health screenings.

- Decreased severe psychological distress, days with poor mental health, and depression diagnosis.

Closing the Gap

- Nearly 70% of uninsured adults with an opioid use disorder also report a mental illness.
- Greater access to comprehensive healthcare can help people with opioid use disorders access the treatment they need to recover.
- People with Medicaid are 14% more likely to receive treatment for opioid use disorder.
- States that closed their coverage gap saw a 6% decrease in deaths from opioid overdose.

Veterans in the Gap

12,000 North Carolina veterans are under the age of 65, have incomes less than \$16,753 for a family of one or \$29,676 for a family of three, and are currently uninsured.

North Carolina has one of the **highest** rates of uninsured veterans in the nation, with **more than 7%** of its veterans lacking health coverage.

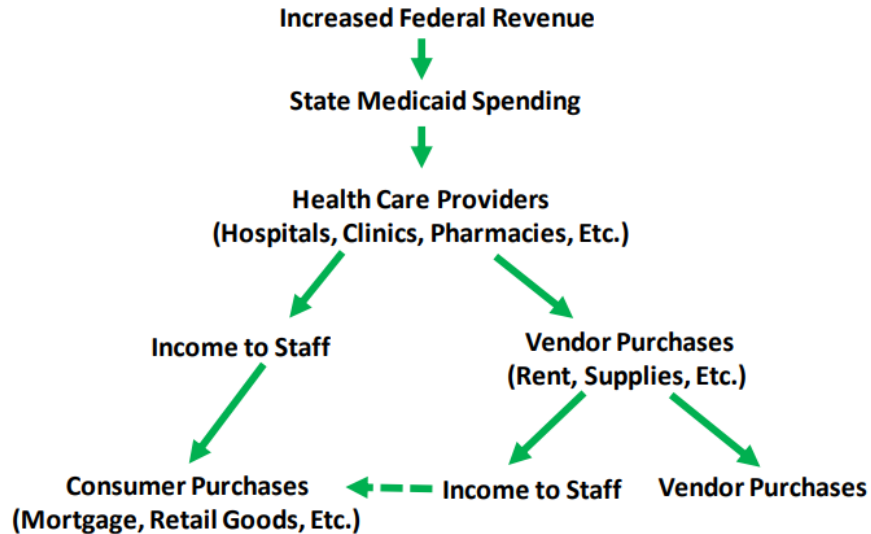


Closing the Gap

- **Iraq and Afghanistan Veterans face high rates of mental illness.**
 - 20% of veterans suffer from either PTSD or depression
 - 25% show signs of a substance use disorder.
 - One in four Iraq and Afghanistan veterans are uninsured

Closing the Gap

Figure 3. Illustration of Multiplier Effect in Medicaid



- Slightly half of the job growth (20,600 jobs) would be in the health care
- Would stabilize safety net health care providers.

Closing the Gap

- 76% of North Carolinians in the coverage gap are already working.
 - 9% are Healthcare and social assistance workers.
- Lack of affordable health insurance options disincentivizes Medicaid enrollees from working.

We need to do everything we can to increase access to health insurance and provide options for the people of NC. Yes, I do support Medicaid Expansion.

– NC Labor Commissioner Josh Dobson (R)

Closing the Gap

- Medicaid expansion would save our businesses **\$1,685 in lost productivity** per employee per year.
- The indirect costs associated with preventable chronic diseases is estimated to **exceed \$1 trillion per year.**

*A healthy workforce is essential for businesses to thrive.
Closing the gap is the right thing to do, and it will support
healthy employees, healthy families and healthy businesses.*
– **Former NC Secretary of Commerce Sharon Decker (R)**

Strategy for North Carolina

So where are we and where do we go from here?

- **Passed the Senate as part of a larger Omnibus Health Care Package**
- **Next steps in the House**
- **High level negotiations**
- **Pray**

Closing the Coverage Gap



March 21, 2022

The Time is Right for Social Work and Medicaid Expansion

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Agenda

- Who We Are
- What is Medicaid and Medicaid Expansion
- Our Campaign So Far
- How Medicaid Expansion Helps South Dakota

Who We Are

Who We Are



What is Medicaid and Medicaid Expansion?

What is Medicaid

- Medicaid is a federal and state-funded program providing health coverage for people who meet certain eligibility standards
- Eligible groups include low-income families, pregnant women, children (CHIP), and elderly, blind, or disabled individuals

What is Medicaid Expansion?

- Medicaid Expansion expands eligibility to adults up to age 64 with incomes up to 138% of the federal poverty level — which is \$18k/ year for an individual or \$37k for a family of four
- Expansion group will be paid with a 90/10 split:
 - SD: 10% share
 - Federal government: 90% share
- The American Rescue Plan Act (ARPA) provides an additional 5% increase to states who newly expand Medicaid

Our Campaign So Far



Our Campaign So Far

- Launched April 2021 with a **broad coalition** of patients, providers, farmers, and small business owners
- Issued fiscal note (by SD state agency) that shows **\$1.3b in tax dollars will return to the state** at a cost of only \$3.8m
- Qualified for the ballot with **46,119 signatures** from South Dakotans
- Now, we're educating voters on the **importance of voting YES on Amendment D in November**

How Medicaid Expansion Helps South Dakota



The Toplines

- More than 40,000 working adults will be able to access affordable, quality health care
- Medicaid expansion will return millions of tax dollars back to South Dakota
- Medicaid expansion protects rural healthcare
- Medicaid expansion helps small businesses

Covers 40k Working Adults

- Over 40,000 South Dakotans or **42,500 South Dakotans**
- Individuals earning less than **\$18,000 a year**
- Families of 4 earning less than **\$37,000 a year**

Returns Millions of Tax Dollars

- Over the first five years \$1.3 Billion will come back to our state
- Saves the state \$63 million over the first two years
- Taxes we already paid coming back to the state
- Stop losing money to California and New York

Protects Rural Healthcare

- Helps protect **vulnerable rural hospitals**
- Every second counts in a medical emergency
- **Uninsured South Dakotans more likely to be rural**
- This is about ensuring **jobs and healthcare access remain available** in rural South Dakota

Helps Small Businesses

- Business owners want to do the right thing but providing insurance is expensive
- Keeps employees happy, healthy, and on the job
- Thousands of dollars in healthcare costs and medical debt could be going into stores and shops across South Dakota

GET INVOLVED!
southdakotansdecide.org