

Medicaid agreement in North Carolina closes in on passage

March 15 2023, by Gary D. Robertson



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The details of a deal reached by North Carolina legislative Republicans to expand Medicaid to hundreds of thousands of low-income adults received overwhelming initial approval from the state Senate on

Tuesday.

The 43-2 vote on [formal legislation](#) comes less than two weeks after House and Senate leaders unveiled an agreement that could cover 600,000 people who make too much to qualify for conventional Medicaid but not enough to obtain highly subsidized private insurance.

North Carolina, currently with 2.9 million enrollees in traditional Medicaid coverage, is one of 11 states that haven't yet adopted expansion.

"We have been talking about this for a long time," said Sen. Joyce Krawiec, a Forsyth County Republican. She shepherded the bill on the Senate floor Tuesday after opposing the expansion idea for many years.

Republicans in charge of the legislature were skeptical over the past decade about expansion, made available through the 2010 Affordable Care Act. But the tide changed over the past year as lawmakers became more comfortable with the idea. They also were tempted with the receipt of an additional \$1.8 billion over two years from Congress if North Carolina signed on now. Many [state officials](#) want to earmark a great deal of that money for [mental health services](#) statewide.

An agreement reached after weeks of negotiations earlier this month also included provisions that eased or eliminated certain "certificate of need" laws that require health regulators to sign off on plans for medical entities to build locations or purchase equipment. The Senate demanded such changes as a way to increase the supply of services for the larger covered population.

The measure must pass the Senate a second time, probably on Wednesday, before it goes to the House for likely final action by the General Assembly. Democratic Gov. Roy Cooper, a longtime expansion

advocate, would be asked to sign the bill into law.

While expressing support for the legislature's agreement, Cooper is unhappy with language in the bill that delays enactment of expansion until a separate state budget bill is enacted into law. That's likely to happen in June or July.

Republicans also now express confidence that the state's share of [medical expenses](#) for the expansion recipients will remain at 10%. The state's hospitals will cover that share through assessments they will pay.

"For a long time, we worried about the [financial impact](#) that Medicaid expansion would have on North Carolina. We weren't sure. But the [federal government](#) has continued to make it better and better for us," Krawiec said.

Democratic Sen. Gladys Robinson of Guilford County pushed for expansion in years when Republicans were cool to the idea. She said that while "there are some pieces that that I may not agree with, but I support getting this done."

"It's a little late," Robinson said, "but we'll take it."

Robinson and others who spoke said expansion would benefit the working poor, many of whom work for small businesses but whose owners can't afford to provide insurance.

Hospitals, particularly in [rural areas](#), also will benefit from other bill language that directs the state to enter a federal program by which hospitals would receive additional Medicaid reimbursement funds. The state would seek at least \$3.2 billion in hospital reimbursements during the next fiscal year thanks to the program, and that's before expansion enrollees are considered, according to the legislature's fiscal staff.

The measure also would beef up efforts to help expansion recipients land employment that will allow them to leave Medicaid coverage. It directs Cooper's administration to attempt to negotiate with [federal regulators](#) to add a work requirement as a condition of participation in the expansion program to be called NC Health Works.

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Citation: Medicaid agreement in North Carolina closes in on passage (2023, March 15) retrieved 10 May 2024 from <https://medicalxpress.com/news/2023-03-medicaid-agreement-north-carolina-passage.html>

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