

## Closing the Coverage Gap by Expanding Medicaid

4/18/2021

***We call for access to quality healthcare, led by the Quaker testimony of Equality.***

The North Carolina Council of Churches has issued a statement about Medicaid expansion in NC that FCNCL supports:

“It baffles us that N.C. has not accepted the billions of federal dollars that could be flowing into our state, a state filled with citizens who pay their share of federal income taxes. These taxes are being used to fund the 90 percent federal match (*currently 95% under the American Rescue Plan*) on Medicaid expansion enrollees for states that have expanded Medicaid under the Affordable Care Act. Not only does this forfeit money that Washington is trying to send back to North Carolinians who qualify for healthcare coverage under the law of the land, it also leaves nearly half a million of our neighbors without health care coverage. When we consider the positive ripple effect that coverage would have for their communities—dollars out to the clinics, hospitals, pharmacies, providers—it becomes more baffling to us.

For people of faith, however, this goes far beyond the economic argument. It is a moral imperative to restore health whenever possible. The numerous stories found in our gospels show that healing does much more than make people well; healing restores people to community. When Jesus healed the 10 lepers they were so excited about returning to their friends and families that only one of them thought to return and thank Jesus first (Luke 17:11-19). Medicaid expansion can restore people to community by making them well again. ...”

### **What is the current status of Medicaid expansion in North Carolina?**

[North Carolina is one of 12 states that has not adopted Medicaid expansion](#) as allowed by the Obama-era Affordable Care Act.

On March 24, 2021, Democratic Governor Roy Cooper included Medicaid expansion in his biennial state budget proposal for State Fiscal Years (SFY) 2022-2023. The budget assumes that the estimated \$1.3 billion for the state’s share of expansion would be more than offset **with the 95% match** in federal dollars under the incentive in the American Rescue Plan. In 2019, Governor Cooper vetoed the SFY 2020-2021 budget passed by the Republican-controlled legislature due to omission of Medicaid expansion, and the 2019 legislative session resulted in a budget impasse. In August 2020, Governor Cooper once again included Medicaid expansion in his proposal for coronavirus-related adjustments to the FY 2020-2021 budget, but the legislature has not included expansion in any of its coronavirus relief bills.

### **Who would benefit from Medicaid expansion?**

Medicaid expansion would allow many of those in the “coverage gap” to have access to health care - improve the health of North Carolinians:.. Currently more than 600,000 working North Carolinians are unable to pay for private insurance but are not eligible for Medicaid. Many of

those in the coverage gap are working citizens who form the backbone of our economy, our essential workers - grocery store clerks, restaurant workers, gig workers, etc.

### **What could Medicaid expansion accomplish if adopted?**

- More than 15% of North Carolina women ages 19-44 [do not have health insurance](#), and NC ranks 10th among states on this metric according to the United Health Foundation.
- NC has one of the highest infant mortality rates in the country and infant mortality rates of Black babies is almost two and a half times higher than that of White babies. A study from 2018 found that [Black infant mortality rates](#) improved more in states that expanded Medicaid compared to states that didn't expand the health insurance program to more low-income adults. (<https://www.newsobserver.com/news/politics-government/article239388203.html#storylink=cpy>)
- States that expanded Medicaid, which allowed more low-income adults to have health insurance, also had greater overall declines in infant death rates, according to a 2018 study published in the American Journal of Public Health. Those improved rates were [driven by declines in Black babies' deaths](#). (<https://www.newsobserver.com/news/politics-government/article239501218.html#storylink=cpy>)

### **Medicaid Expansion would provide a financial boost to North Carolinians:**

- Federal tax money paid by NC taxpayers would be used to fund 95% of the cost of expanding Medicaid, allowing an estimated 634,000 more people to be eligible for coverage in North Carolina by 2022. This number may even be larger, given the number of people who have lost jobs and associated health plans due to COVID-19. (<https://www.newsobserver.com/news/politics-government/article231929443.html#storylink=cpy>).
- Medical debt is the leading cause of personal bankruptcy disrupting many people's lives. A study by the George Washington University projects that Medicaid expansion could bring 37,200 more jobs to NC by 2022 and increase economic activity to every county in North Carolina, helping citizens to avoid bankruptcy. (<https://www.newsobserver.com/news/politics-government/article231929443.html#storylink=cpy>)
- Medicaid expansion in NC could reduce our uninsured population by more than half; and could reduce prison recidivism by providing economic stability for persons recently released from prison as they seek employment ([NC Justice Center](#)).
- 80 of the 100 NC counties are considered rural. Medicaid expansion would support rural health care providers who treat patients unable to pay for treatments, the costs of which are a loss or are passed on to others. Expansion would also create approximately 15,000 jobs in rural counties which are in serious need of employment opportunities.