

Testimony Regarding North Carolina Medicaid Expansion By Senator Jim Burgin and Representative Donny Lambeth

- North Carolina has debated expanding Medicaid for almost a decade. Numerous bills to expand Medicaid have been filed over this period of time but none even had a hearing.
- As the General Assembly debated this issue informally, members talked about items within the Bill that some members supported but others found objectionable.
- As a result of some give and take, each new Bill introduced made changes that addressed member concerns.
- Several major issues during these discussions included:
 - Can a work requirement be included;
 - How will our State's share of Expansion be funded;
 - How can we implement Expansion without fixing traditional Medicaid which is in need of major reform; and,
 - What are the political consequences.
- COVID hit us all and North Carolina's federal match increases to fund and add new beneficiaries
- In 2021, North Carolina implemented a major overhaul of its traditional Medicaid Program with a major shift from a fee-for-service payment system to a managed care, risk-based model.

- In 2022, leadership appointed a bipartisan joint task force to study Medicaid Expansion.

Those hearings occurred over approximately one year and included testimonies from other states who had implemented Expansion including Ohio, and Indiana, etc.

- During these hearings, we heard the positives and negatives regarding Expansion in those states. The HHS Secretary under Governor Mike Pence in Indiana shared data on their key outcomes/measurements that were significantly improved . That committee report is available to you if interested.
- As the NC General Assembly convened in 2023, Expansion Bill HB76 (attached) was filed and received hearings in both the House and Senate, was passed and signed by the North Carolina Governor in March 2023
- Key aspects of the final Bill included:
 - A focus around wellness;
 - A jobs training program that provides incentive to participants who would like to return to school and better their education in order to get a better job; and,
 - Funded 10% (ten percent) of the states share by an assessment on providers and the Managed Care plans.
 - No state funds were used to pay for Expansion.
 - In addition, another key factor was the "bonus" money from the feds as a sign on incentive to NC
 - Approximately 80 percent of the individuals who are expected to sign up are actually working