**MEDICAID EXPANSION IN NORTH CAROLINA**

After a decade of resisting Medicaid expansion, North Carolina, one of the last 13 states to hold out, is poised to give in .

North Carolina Physicians for Freedom (NCPFF) is opposed to expansion based on current research and data from states that have expanded. Our leadership has provided both the Senate and House leadership with this information, expressing our concerns, and asking for an open debate and discussion before NC expands. Regardless, Senators Phil Berger and Senate Health Committee Chair, Joyce Krawiec, have stated that they will support expansion, and that it will likely pass (even though the legislature is technically out of session), before the end of the year.

The basic rationale presented by these leading GOP legislators includes:

“NC has finally “cleaned up Medicaid,” and is ready to receive more money; many poor people cannot afford insurance; rural hospital are in serious condition and in need of support; it will be a financial boom for the state, enhancing the 90-10 federal match this expansion will guarantee.”

*\* The Foundation for Government Accountability (FGA) and American Association of Physicians and Surgeons (AAPS) have provided date to indicate that this match will only last about 2 years, then it will become a unfunded mandate for NC*.

Additionally, and what appears to be most important points to key legislators, are that, if NC “signs on,” the state will receive a $1.5 billion dollar bonus, and 8 billion dollars over the next 10 years. NCPFF was also assured that if we refuse, our state will be penalized by having a portion of our federal match withdrawn. This may be a valid point, but are the true “costs” worth the strings that will come with this money?

In addition, research and data provided by the Florida-based Foundation for Government Accountability (FGA) refutes these assertions and provides information on what will happen if NC accepts expansion dollars.

**The Six Negative Numbers of Medicaid Expansion**

1. 52 percent of able-bodied Medicaid enrollees don’t work at all: <https://thefga/wp-content/uploads/2017/The> Future of Medicaid Reform: Empowering Through Work

NC Senator Phil Berger acknowledged that we cannot require work to receive Medicaid (a federal provision), but that “we will try to get that included at some point.”

1. Expansion states enroll more than twice as many individuals as projected. In NC, the initial projection is 600,000 new recipients. However, there are no guardrails for illegal participation, fraud and financial need ineligibility once Medicaid is received. <https://thefga.org/research/obamacare> Expansion enrollment is shattering projections.
2. 320,000: The number of low-income North Carolinians wo will be shifted from their free, federally funded private insurance into government health care. <https://thefga.org/paper/medicaid-expansion-private-insurance/>

In addition, under the Biden-proposed “Inflation Reduction Act,” there are new billions for subsidizing Obamacare, supporting the rapid approach of Socialist-style, government run healthcare.

1. 20 K: The number of truly needy individuals who have died while stuck on Medicaid waiting lists in expansion states, even as able-bodied adults cut in line. Content/uploads/2018/03/Waiting for Help

Medicaid is intended for the blind, disabled and low-income, expansion does not profit this population, but a new population of at least 600,000.

1. 86 Billion: The amount of money spent improperly by Medicaid last year alone. In other words, the federal government wasted more money in Medicaid than North Carolina spent on everything. <https://cms.gov/newsroom/fact-sheets/2020-estimated-improper-payment-rates-centers-medicare-medicaid-services-cms-programs>
2. More than 300: The number of federally qualified health care centers and clinics that already provide care to low-income individuals at low of no cost across North Carolina. <https://ncchca.org/health-centers/find-a-health-center/>

**The Bottom Line**

* States that have already expanded report longer wait times (especially for specialists), longer waits for provider reimbursement, and growing enrollee and provider dissatisfaction
* Medicaid expansion would push NC’s budget to the brink and force the state to raise taxes, cut spending on other priorities, or both
* Expansion will push over 500,000 more able-bodied North Carolinians into dependency and out of the workforce.
* Expansion will make NC fall further behind competitors like Florida and Tennessee. If NC expands Medicaid, it will join Louisiana and VA as the only states in the South to fully embrace ObamaCare and a state income tax. Expansion will take $96.9 billion more from NC taxpayers over the next decade. Medicaid expansion enrollment and costs are typically twice as high as state projections because so many individuals already covered by employer-sponsored or federally subsidized plans are shifted to state-funded Medicaid.
* If NC expands Medicaid to able-bodied adults, it will leave individuals with disabilities in longer waiting lines NC already has 10,0000 truly needed individuals with developmental and intellectual disabilities stuck waiting for Medicaid.
* Expansion would crowd out other critical spending and force cuts in education and public safety.
* Expansion will cost hospitals and health care providers because it shifts patients from private insurance into Medicaid, which pays them lower rates. Expansion advocates promise that ObamaCare will solve the problems of hospitals, particularly rural hospitals, and other health providers. Yet to date, experience has proved otherwise. Expansion shifts more and more individuals from private coverage to Medicaid—which has lower reimbursement rates---providers and hospitals actually suffer and shut their doors.
* 75% of NC’s potential expansion population will go out of private coverage into inferior Medicaid coverage. 64-percent of potential enrollees in NC already have access to health insurance through their employer, another 11 percent of potential enrollees have free coverage on the individual market. That means, three in every four potential enrollees already have access to free or low-cost health care.

**Medicaid: Schools and Children**

* **Medicaid covers “sex reassignment surgery/transition.” “*The minimum age has been 18, however, recently revised regulations allow for under 18 in specific cases if medical necessity is demonstrated, and prior approval is received.”***
* **Medicaid supports school counseling and psychological services, and while parental consent may be sought, a growing number of regulations put barriers between parents and their children, citing “privacy rights and confidentiality for the child.” (at any age).**
* **Medicaid pays for free lunches. Emerging information from the FDA suggests Medicaid funding will be tied to the school’s willingness to post LGBTQ, diversity and other agenda-driven posters in lunchrooms.**

Expansion is a loser for NC patients, providers, workers and our economic future.