

To: Center for Medicare and Medicaid Services

From: Karen Bean, Charlotte, NC

Re: Comments on North Carolina's Medicaid Reform 1115 Demonstration.

North Carolina has proposed a major change to the delivery of Medicaid in our state. One of the goals of the waiver is to connect children and families to better health and, while we appreciate the extension of eligibility to families in the child welfare system, we remain deeply concerned about the hundreds of thousands of North Carolinians who will remain without access to care under the proposed plan. We urge North Carolina's leaders to expand Medicaid eligibility as permitted by the Affordable Care Act, thus providing essential health care access to more than 300,000 individuals in our state who currently have no other options available to them. They do not fall into an eligible category for Medicaid and they earn too little to qualify for financial assistance in the Health Insurance Marketplace. Here in Mecklenburg County, we have over 32,000 individuals in the coverage gap.<sup>1</sup> Left without any options, they must rely on charity, free clinics, and the emergency room for care. Lack of coverage can also result in death. Estimates indicate from 450 to 1,100 North Carolinians die unnecessarily every year because they have no access to care.<sup>2</sup>

Extending coverage will not only benefit the health of North Carolinians, but also family finances as well as county and state-level economies. In NC, we know that closing the Coverage Gap will help nearly 15,000 families avoid financial stress annually as they are less likely to encounter costly medical bills.<sup>3</sup> On the county level, we know that closing the Gap will help 16 rural hospitals keep their doors open.<sup>4</sup> Statewide we know that 43,000 jobs would have been created by 2020 if policymakers would have accepted full federal funding to increase all North Carolinians' access to care in 2016.<sup>5</sup>

The strength and prosperity of a state begins with the health of its citizens. Research provides evidence that "childhood Medicaid eligibility significantly improves health, educational, and financial outcomes in adolescence and adulthood."<sup>6</sup> The 2016 *North Carolina Child Health Report Card* shows that children are healthier if their parents are healthy, and "when children grow up healthy, we collectively benefit from better educated adults, a healthier workforce, and active and engaged communities."<sup>7</sup>

In short: this research found that a parent's access to health care has a direct impact on the health and well-being of their children. Healthy parents are better able to care for their children, and insuring parents provides economic security to families. Additionally, when parents are insured, children are more likely to be insured.

This has a bearing on all North Carolinians. Families and communities thrive when treatment for mental and physical health problems is accessible to everyone. Preventative care frequently averts more serious illnesses that can result in extensive hospital stays, workplace absences, disruption to the family, and even medical bankruptcy.

Without expansion, hundreds of thousands of adults have no other option for coverage. I served as a volunteer Navigator for individuals enrolling in the Marketplace and assisted adults in the gap in person. They were hardworking citizens with health issues but no access to care. By expanding Medicaid eligibility, these citizens could be healthier and more productive in their

communities. Uncompensated care in North Carolina would also likely be reduced because hospitals in Medicaid expansion states saw significantly greater reductions in their uncompensated care costs in 2014.<sup>8</sup>

The recent ASPE literature review of the effects of Medicaid expansion shows greater health and economic benefits for expansion states as compared to non-expansion states.<sup>9</sup> North Carolinians deserve these health and economic benefits. True innovation in Medicaid reform must include the hundreds of thousands of people currently without access to health care. Expanded Medicaid is critical for the health and well-being of North Carolina.

Thank you for your attention and the opportunity to comment on this application. If you have further questions, please contact Karen Bean at [beank@bellsouth.net](mailto:beank@bellsouth.net).

<sup>1</sup><http://www.conehealthfoundation.com/app/files/public/4202/The-Economic-and-Employment-Costs-of-Not-Expanding-Medicaid-in-North-Carolina.pdf>

<sup>2</sup><http://healthaffairs.org/blog/2014/01/30/opting-out-of-medicaid-expansion-the-health-and-financial-impacts/>

<sup>3</sup>[http://www.ncjustice.org/sites/default/files/MEDICAID\\_ExpansionFlyer\\_07.15.15.pdf](http://www.ncjustice.org/sites/default/files/MEDICAID_ExpansionFlyer_07.15.15.pdf)

<sup>4</sup><http://www.ivantageindex.com/north-carolina/>

<sup>5</sup><http://www.conehealthfoundation.com/app/files/public/4202/The-Economic-and-Employment-Costs-of-Not-Expanding-Medicaid-in-North-Carolina.pdf>

<sup>6</sup><http://ccf.georgetown.edu/wp-content/uploads/2015/07/NC-Medicaid-Parent-Paper.pdf>

<sup>7</sup><http://www.ncchild.org/publication/2016-north-carolina-child-health-report-card/>

<sup>8</sup><https://aspe.hhs.gov/economic-impacts-medicaid-expansion-uncompensated-care-costs-and-affordable-care-act-aspe-issue-brief-march-2015>

<sup>9</sup><https://aspe.hhs.gov/sites/default/files/pdf/205141/medicaidexpansion.pdf>