Weather Alert

Severe Thunderstorm Watch from 3:30PM EDT FRI until 10PM EDT FRI


Medicaid expansion argument continues, with both sides in General Assembly citing reports to bolster their positions

By Richard Craver Winston-Salem Journal  Aug 19, 2019
Day 53 of the state budget stalemate came and went Monday without any attempt to break the logjam on the House floor.

Meanwhile, both sides relied on recent Medicaid expansion reports as dueling proxies for their reasoning for and against supporting House Bill 655.

Republicans need at least seven Democratic House members and at least one Democratic senator to vote for a veto override for it to pass. The next opportunity for a vote would be 2 p.m. today. All 120 members were present at Monday’s floor session.

As the two sides remain entrenched, analysts say it could take weeks, if not months, for a compromise to be reached.

Democratic Gov. Roy Cooper has cited the lack of Medicaid expansion as a primary reason for his June 28 veto. He also said there’s not enough money in the Republican state budget dedicated to public education spending, infrastructure and environmental issues.

Cooper’s compromise proposal, sent to the legislature July 9, included an average 8.5% raise for public-school teachers. The Republican budget offers a 3.8% raise.

Several studies, including by the Kate B. Reynolds Charitable Trust and the Cone Health Foundation, have shown that between an additional 450,000 and 650,000 North Carolinians could be covered by Medicaid if expansion were approved by the state legislature and federal health regulators.
“Let me be clear about something — I am not vetoing this budget just because it fails to expand Medicaid,” Cooper said June 28 in a statement resubmitted by his office Monday.

“I am vetoing this budget because it fails in many ways. This budget is an astonishing failure of common sense and common decency.”

Joseph Kyzer, a spokesman for House speaker Tim Moore, said Aug. 12 that “the speaker will hold the veto override when the votes are secured, and we are steadfastly committed to passing the $24 billion state budget separately from any consideration of Medicaid expansion.”

On Monday, after Rep. Marvin Lucas, D-Cumberland, praised several 120-0 votes on non-controversial bills, Moore suggested that “there is another bill the House could pass 120-0 if you’d like.”

The comment drew wide laughter shortly before the session was adjourned for the evening.

**Against Medicaid expansion**

The office of Senate leader Phil Berger, R-Rockingham, touted Monday a report from the National Bureau of Economic Research that addressed the socioeconomic status of Medicaid expansion participants.

The report examined 12 non-expansion states, including North Carolina, and nine blue, red and purple expansion states. A purple state is one without a strong partisan identity.

The Affordable Care Act makes Medicaid available to households with incomes below 138% of the poverty line, or nearly $36,000 for a family of four.
The NBER report found a significant number of individuals receiving Medicaid-subsidized health coverage in the nine expansion states whose household income made them ineligible for expansion coverage.

They were, however, eligible for coverage through paying premiums in the federal health marketplace exchange.

Researchers determined that “the fact that healthcare.gov is designed to be a one-stop-shop for insurance coverage that routes applicants to either Marketplace or Medicaid coverage as appropriate could lead to some confusion in terms of the applicant’s final source of coverage.”

Researchers said many applicants in the nine expansion states may have under-reported their household income to become eligible, or did so because they anticipate lower household income by the time they would be eligible.
“The fact that multiple private insurance companies sell both Marketplace and Medicaid managed care plans may also contribute to this confusion,” the researchers said. “Both of these explanations may be just as likely to lead to individuals under-reporting Medicaid coverage as over-reporting it.”

Berger’s office pointed to a Wall Street Journal op-ed piece on the report by two right-leaning economists, one who has served in the Trump administration.

Their op-ed referred to the Affordable Care Act as a “Medicaid deception” and “a giant welfare program ... with millions of working- and middle-class Americans improperly receiving Medicaid.”

**Favoring Medicaid expansion**

Meanwhile, state Democratic legislators, including Forsyth County’s Sen. Paul Lowe and Rep. Evelyn Terry, touted a June 26 Cone Health and Kate B. Reynolds report in a recent community town hall on Medicaid expansion.

According to the report, if Medicaid were expanded as early as November 2019, 464,000 North Carolinians would gain coverage by the end of 2020; by the end of 2022, that number would increase to 634,000.

Medicaid already serves 2.14 million North Carolinians, representing about 21% of the state population. Another 1.6 million will be enrolled in Medicaid through a new managed-care program that is projected to be rolled out in the state between November and February.

That rollout, however, is dependent on $218 million in start-up funding in the 2019-20 state budget.
The report determined that expanding Medicaid would create more than 37,000 jobs, including 20,600 in the health-care sector, by the end of 2022, as well as bring in an additional $11.7 billion in federal Medicaid funding from 2020 to 2022.

An earlier report, done in 2014 by the same group, projected 8,962 jobs created and 93,471 more individuals insured by 2020.

“Every community stands to benefit from Medicaid expansion,” said Dr. Laura Gerald, the president of Kate B. Reynolds Charitable Trust. “The evidence shows that closing the Medicaid gap will improve population health, support vulnerable North Carolina families and boost the economy across the major sectors.”

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NBER Medicaid report
Stalemate cost

It’s estimated that it costs $42,000 a day for the N.C. General Assembly to operate.

It has cost $1,050,000 in taxpayer money, as of Monday, after Democratic Gov. Roy Cooper’s June 28 veto of the Republican state budget plan passed by both chambers.

The clock on the additional expenses began when Republican House leadership first put a veto-override vote on the calendar for the July 8 session without taking a vote.

Since then there have been 24 House sessions held, the vast majority without the veto override being heard.

The bipartisan Medicaid expansion legislation House Bill 655 was put on the agenda for the first time July 10. It has not been addressed for 22 consecutive sessions.

Richard Craver