



North Carolina is one of only 11 states yet to expand Medicaid. On February 16, 2023, House Bill 76, which expands Medicaid, passed the N.C. House of Representatives for the first time in history.

What Is HB 76?

Also called "Access to Healthcare Options," this is the legislation that expands Medicaid. It passed the House of Representatives by a vote of 96-23 and creates the legislative framework to bring health coverage to over 600,000 North Carolinians with low wages.

What Does HB 76 Do?

- Establishes a program called NC Health Works to expand Medicaid to cover people earning up to 133% of the federal poverty level.
- Develops a workforce development program to provide job training opportunities and other career readiness resources for people who are unemployed or workers with low wages.
- Instructs the state to design incentives such as gift cards to promote preventative care and wellness for Medicaid enrollees.
- Directs the state to work with the Navigators Consortium to help Medicaid enrollees transition to the Health Insurance Marketplace once they become eligible.
- The state would pay its 10% share of the program through hospital assessments, savings offset by the Medicaid expansion program, and gross premium taxes paid by the Medicaid managed care companies.
- If the state is ever unable to come up with its 10% share of the cost to expand Medicaid, then the state would discontinue its Medicaid expansion program as soon as possible.
- Allocates \$4 million to county-level departments of social services to support implementation.
- Creates a Temporary Savings Fund for the Medicaid expansion incentive from the American Rescue Plan Act. Only the General Assembly can allocate these funds.
- If the federal government's share of the expansion program ever falls below 90%, then the state would discontinue its Medicaid expansion as soon as possible.
- Sets out a strict deadline for expansion. If the General Assembly doesn't pass a budget by December 31, 2023, the expansion law will expire.

Amendments to HB 76

- **Amendment 1:** Requires the state to submit a plan to the Centers for Medicare & Medicaid Services, the federal agency that oversees state Medicaid programs, if/when it looks like work reporting requirements will be allowable for the Medicaid expansion population. The Biden Administration does not approve work reporting requirements as a condition of coverage for Medicaid services. **This is the only amendment that the NC Justice Center does not support as an overwhelming body of research¹ has shown that work reporting requirements are administratively expensive, difficult to implement, and an unnecessary barrier to care and coverage.**
- **Amendment 2:** Allocates \$50 million for counties to certify Medicaid eligibility and pay for medical care for people who are incarcerated.
- **Amendment 3:** Creates a pilot program to attract medical providers including physicians and nurses to practice in rural counties across N.C. by offering a special loan and loan forgiveness program.

What Is HASP?

The Healthcare Access and Stabilization Program is a fund that improves access to care for Medicaid patients by reimbursing hospitals at an enhanced rate for serving these patients. By expanding Medicaid, the state and hospitals can substantially increase the amount of money they receive from the federal government. North Carolina will see \$60 million added to the General Fundⁱⁱ and North Carolina's hospitals will see more than \$1.8 billion in federal dollars.

ⁱ <https://www.ncjustice.org/publications/arkansas-failed-experiment-work-reporting-requirements-in-medicaid/>

ⁱⁱ <https://www.wral.com/what-is-hasp-and-why-does-it-matter-for-north-carolina/20531017/>