



Background: On March 23, 2023, Medicaid expansion passed both chambers of the N.C. General Assembly when the House voted 87-24 in favor of House Bill 76. The [final version of the bill](#) that Governor Cooper signed into law on March 27, 2023, is mostly the same as the [previous version of HB 76](#) but contains some key changes.

Medicaid expansion does not become effective immediately.ⁱ

NC Health Works, the formal name for North Carolina's Medicaid expansion program, **becomes effective on the latter of two dates:** 1) when the state budget becomes law or 2) when the federal Centers for Medicare and Medicaid Services (CMS) approves the program. **If N.C. lawmakers and Governor Cooper do not agree on a state budget by June 30, 2024**, HB 76 will expire, and the legislative process must start again.

Amendment 1 to authorize work reporting requirements made it into the final bill.ⁱⁱ

Amendment 1 (authorizing *future* work reporting requirements) remains in the final version of HB 76. As of now, CMS and the Biden administration have not allowed for work reporting requirements as a condition of Medicaid coverage. If CMS allows work reporting requirements in the future, North Carolina must submit plans to require work reporting.

The North Carolina Justice Center *does not* support this amendment. An overwhelming body of research has shown that work reporting requirements are administratively expensive, difficult to implement, and an unnecessary barrier to care and coverage.ⁱⁱⁱ

The Department of Health and Human Services (DHHS) is authorized to work with the Health Insurance Marketplace to verify Medicaid eligibility.^{iv}

Counties will accept verification from the Marketplace that individuals are eligible for Medicaid. This means county departments of social services (DSS) will not be required to work the case again, which **decreases the burden on understaffed county DSS offices.**

The final version of HB 76 includes Certificate of Need (CON) reform.^v

Healthcare providers generally need a CON to implement capability improvements and add services or enhancements. The final version of HB 76 includes reforms to create CON exemptions. The threshold where a facility does not need a CON goes from \$2 million to \$3 million. **Other new exempt uses** include:

- Home care for children
- Chemical dependency or substance use disorder treatment for people who are incarcerated
- Anything used for nursing homes
- Adult home care
- Intermediate care for intellectual disability
- Changes that do not result in bed capacity
- Daily life needs like room conversion, dining spaces, and common areas for residents

ⁱ [Page 17, lines 7-11, House Bill 76](#)

ⁱⁱ [Page 20, lines 14-25, House Bill 76](#)

ⁱⁱⁱ [Arkansas's Failed Experiment: Work Reporting Requirements in Medicaid](#)

^{iv} [Pages 15-16; lines 45-50, 1-50; House Bill 76](#)

^v [Pages 21-26, House Bill 76](#)