



Advocacy Training

Closing the Health Insurance Gap

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The Coverage Landscape

Group Insurance

- Restricted eligibility
- Typically restricted to employees of a company

Individual Insurance

- Private Pay
- ACA Marketplace
 - Restricted eligibility

Medicare

- Strict eligibility requirements
 - Age (65+)
 - Disability
- Fed Govt determines rules and manages the program

Medicaid

- Strict eligibility requirements
 - Income level
 - Elderly - Long-term care
- 67% of funding from Fed Govt to the State
- State determines rules and manages their program
 - CMS Guidelines

The Uninsured

(1,390,000+ total in NC)

- Choose not to purchase Individual or Group Insurance
- Not able to pay for Individual Insurance

In the Insurance Gap (400,000 of the Uninsured)

- **Not eligible** for Group, Medicare, or Medicaid coverage
- **Not eligible** for ACA subsidies on Marketplace



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The Uninsured in NC

- There are 1,390,000+ people in the state that do not have health insurance coverage.
- Of those that are uninsured, the majority are working full-time or part-time jobs.
- In NC the uninsured work primarily in construction, food service, sales, and cleaning and maintenance jobs.
- They are also our veterans, farmers, volunteer fire fighters, fishermen, pastors, and small business owners.



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The Insurance Gap

- In NC currently a coverage gap exists for more than 400,000 low-income individuals that have no affordable health insurance options available to them.
- Medicaid currently covers fewer than half of people in poverty.
- In NC there are nearly 12,000 low-income veterans without access to comprehensive health insurance coverage.



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Who is in the Coverage Gap?

According to the Kaiser Family Foundation the NC analysis based on 2016 Medicaid eligibility levels and 2016 Current Population Survey:

- **77%** Are adults without dependent children
- **38%** Are people of color
- **55%** Are females
- **63%** Are in a working family

<https://www.kff.org/health-reform/state-indicator/characteristics-of-poor-uninsured-nonelderly-adults-in-the-aca-coverage-gap>



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Medicare and Medicaid

Medicare takes care of all persons age 65 and over who are eligible for Social Security and persons who are disabled at any age

Medicaid pays for health care for low income people and for long-term care for the elderly

Medicaid is not a federal program

- It is designed and managed by each individual state
- State programs must comply with CMS guidelines
- The federal government funds 67% of NC Medicaid



Medicaid in NC – Who's eligible

Complex, but in general:

- Children
- Their Parents
 - ONLY IF income is < 44% of FPL (<\$8,985 for a family of 3, <\$10,824 for a family of 4)
- Women who are pregnant
 - IF income is < 201% of FPL (<\$24,241)
- Disabled
 - IF income is <100% FPL (<\$12,060)
- Elderly in nursing home care (not provided by Medicare)
 - IF income is < 100% FPL (<\$12,060)

Note: 2017 Federal Poverty Level according to HealthCare.gov:

- For individual = \$12,060
- For family of 3= \$20,420
- For family of 4= \$24,600



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Medicaid in NC – NOT eligible

- Everyone else, especially adults without children
- If you have a very low income, or no income, either single or married, but you don't have any children, you cannot get Medicaid



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Medicaid in NC – Who's covered

Breakdown of who is covered and their costs to the program:

| Who is covered | Percentage of those covered | Percentage of program costs |
|------------------------|-----------------------------|-----------------------------|
| Children | 48% | 21% |
| Adults (parents) | 27% | 15% |
| Disabled | 15% | 42% |
| Elderly (nursing home) | 9% | 21% |

- In NC, 1 of 5 children, 2 of 5 disabled, and 3 of 5 seniors in nursing homes are covered by the state's Medicaid program
- The disabled and elderly represent 63% of the cost to the program



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The ACA Marketplace

- The ACA makes subsidized private health insurance available only to low income people who earn **more than** 100% of the federal poverty level (FPL).
- If you make **less than** 100% FPL, you are too poor to qualify for subsidized health insurance. (100% FPL is \$12,060 per year for a single person, \$24,600 for a family of four)
- If your income is less than this, and you have no children, you are in the health insurance coverage gap, or below 100% FPL. **There is no health care coverage available for you! You do not automatically get subsidized health insurance through the ACA.**



How Do the Uninsured Get Medical Care?

- Emergency Room
- If hospitalized, the cost is passed on to all of us in the form of higher taxes and health insurance premiums (“cost-shifting”)
- Community Health Centers (only a limited capacity)
- VA facility (only for veterans and only if they meet the criteria)
- Charity care (e.g., UNC)
- Mostly, they don’t get much care at all.



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The Importance of Insurance

- Covering the uninsured means better premium value for North Carolinians with private health insurance by lowering costs for everyone.
- Providing health insurance coverage will help people gain access to the care they need, which improves health outcomes.
- A healthier North Carolina workforce strengthens the economic and social well-being of the state.



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Why Health Insurance?

- Improves Financial Health
 - Studies show 80% of the insured are less likely to have catastrophic expenses
 - 50% are less likely to borrow money or fail to pay other bills because of medical debt
- Controls Costs
 - Results of a study in Oregon suggest a decrease in average health care costs per year
 - In Year 1 costs decreased expenses up to \$8900
- Reduces Death Rate
 - Those who are uninsured and suffer a stroke experience greater neurological impairments, longer hospital stays and a 24-56% higher risk of death.



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A Sound Investment for NC

Expanding insurance coverage
creates a healthier workforce and strengthens the state's economy

The Center for Health Policy Research estimated that between 2016 and 2020,
bridging the coverage gap in North Carolina would have resulted in:



\$21,506,700,000
State Business
Activity



\$860,000,000
Potential State
Revenue



43,000+
Jobs Created by
2020




The Local Picture

Rural Center Health Coverage Gap Database

bit.ly/NCHealthGap

CLOSING THE HEALTH INSURANCE GAP IN NORTH CAROLINA

| | | | | |
|--------------|---|-----------------|---------------|------------------------|
| INTRODUCTION | A SNAPSHOT OF NORTH CAROLINA'S POPULATION ELIGIBLE FOR MEDICAID EXPANSION | THE BIG PICTURE | A DEEPER DIVE | COUNTY ECONOMIC IMPACT |
|--------------|---|-----------------|---------------|------------------------|

INTRODUCTION 

Data to support a critical public conversation – why is it important?

This tool is the North Carolina Rural Center's contribution to the public conversation about one of the most important public policy issues facing our state:
How do we effectively and efficiently make health insurance available and affordable for citizens with limited financial means?

Advancing rural health is one of **the Center's strategic priorities** for improving the lives of rural North Carolinians. We know that a healthy workforce and strong, financially secure health institutions are fundamental to creating competitive rural economies. We cannot retain the rural businesses we have or attract or grow new ones if our health provider network is financially vulnerable.





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The Issue of Access

- The problem is even greater for those with health conditions who don't receive regular treatment and care.
- Without the stability of health insurance, many access needed care through emergency rooms.
- They face potential greater complications from their conditions and higher mortality rates.



Access and Cardiovascular Disease

- A recent pilot study from AHA in Multnomah County, Oregon found that health insurance expansion was associated with significant cardiac health benefits. After implementation of the ACA in the county, AHA found there was a 17% decrease in the incidence of Out-of-Hospital Cardiac Arrest (OHCA). AHA will continue to study larger populations.
- The uninsured with CVD experience poorer blood pressure control than their insured counterparts.
- Those who suffer a stroke experience greater neurological impairments, longer hospital stays and a 24-56% higher risk of death than the insured.
- A 12-year study of more than 7,000 Americans showed that individuals without health insurance, especially those with heart disease, stroke, high blood pressure or diabetes, experienced a dramatic improvement in health when they become eligible for Medicare coverage at age 65.



Access and Cancer

Cancer is the leading cause of death in North Carolina. In 2018 it is estimated that 55,130 North Carolinians will be diagnosed with cancer, and 20,380 will die from cancer.

In a large national study conducted by the American Cancer Society, adolescents and young adults who do not have insurance are more one and a half to two times more likely than those who have private insurance to be diagnosed with cancer after it has spread to other parts of their body – when it is more deadly and harder to treat.

Uninsured patients generally have poorer outcomes and are more likely to die prematurely than persons with insurance, largely because of delayed diagnosis.



Access and Opioid/ Substance Use Disorder

- 144,000 uninsured North Carolinians who need SUD treatment or behavioral health services could gain access if we closed the gap
- 27% of North Carolinians in the coverage gap reported behavioral health concerns or SUD
- 12,000 NC veterans are living in the coverage gap. About 1 in 15 veterans has a substance use disorder – therefore, roughly 800 NC veterans may lack coverage for their SUD.
- Only 13% of uninsured North Carolinians with behavioral health concerns and substance use disorder are receiving the treatment they need.



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What's Happening at the NCGA?

House Bill 662: Carolina Cares –

A proposal to cover low income working North Carolinians in the Gap

Who is eligible?

- Individuals between the ages of 19-64
- Persons committed to a healthy lifestyle as there are requirements for preventative care and wellness activities such as annual physical exams, mammograms, and weight management
- All individuals below 138% FPL

What does Carolina Cares cost?

- For individuals above 50% FPL, there is a premium (2% of monthly household income)
- Hardship exceptions possible for those who can't afford premiums (<50%FPL)
- Lockout after 60 days of non-payment
- Must pay back premiums to re-enroll
- Copayments for services similar to the Medicaid program



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What's Happening at the NCGA?

House Bill 662: Carolina Cares – Continued

Is there a work requirement?

- Yes; participants must be employed or engaged in activities to promote employment
- Work requirement exceptions possible for caretakers, medically frail, and those with SUD and in active treatment

How will Carolina Cares be funded?

- Federal funds would finance the majority of the program
- State share would be funded through provider assessments and premium payments



How you can help

- Endorse the work of the C4C coalition by signing the Care4CarolinaResolution
- Join the L WVNC “Project Health Care NC” initiative
- Join the advocacy network of your organization
- Go out and advocate to close the health insurance gap in NC



For more information:

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Thank You!