

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

H.B. 470  
Mar 31, 2021  
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30187-MR-8

Short Title: Medicaid Expansion.

(Public)

Sponsors: Representative Graham.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXPAND MEDICAID TO QUALIFIED INDIVIDUALS IN THE MEDICAID  
3 COVERAGE GAP.

4 Whereas, the coronavirus disease 2019 (COVID-19) pandemic has caused an  
5 unprecedented spike in unemployment in North Carolina; and

6 Whereas, many people who have relied on employer-based health insurance are now  
7 without insurance and fall into what has become known as the "coverage gap"; and

8 Whereas, an increasing uninsured population will further tax an already strained  
9 health care system; and

10 Whereas, many workers perform essential but unrecognized services in our  
11 communities in positions without affordable employer-based health care insurance; and

12 Whereas, the State of North Carolina has the capacity to provide these essential  
13 workers and their families the basic supports needed to remain healthy; and

14 Whereas, providing Medicaid coverage for essential workers with incomes up to  
15 133% of the federal poverty level will allow the State to draw down millions of federal funds  
16 with a 90% federal medical assistance percentage (FMAP); and

17 Whereas, a hospital provider assessment will pay for the additional 10% State share  
18 of the program and administrative costs associated with this Medicaid coverage, resulting in no  
19 direct cost to the State; and

20 Whereas, providing Medicaid coverage for all North Carolinians with incomes up to  
21 133% of the federal poverty level will ensure a greater access to quality health care; Now,  
22 therefore,

23 The General Assembly of North Carolina enacts:

24 **SECTION 1.(a)** Repeal of Prohibition on Closing the Coverage Gap. – Section 3 of  
25 S.L. 2013-5 is repealed.

26 **SECTION 1.(b)** Article 2 of Chapter 108A of the General Statutes is amended by  
27 adding a new section to read:

28 "**§ 108A-54.3B. Benefits provided to qualified individuals in the Medicaid coverage gap.**

29 (a) Individuals shall be considered part of the Medicaid coverage gap and eligible for  
30 Medicaid benefits under this section if all of the following requirements are met:

31 (1) The individual has a modified adjusted gross income that is at or below one  
32 hundred thirty-three percent (133%) of the federal poverty level.

33 (2) The individual is age 19 or older and under age 65.

34 (3) The individual is not entitled to or enrolled in Medicare benefits under Part A  
35 or Part B of Title XVIII of the federal Social Security Act.



1           (4)    The individual is not otherwise eligible for Medicaid coverage under the North  
2                    Carolina State Plan as it existed on January 1, 2020.

3           (b)    Beneficiaries eligible for the Medicaid program under this section shall receive  
4 benefits through an Alternative Benefit Plan that is established by the Department consistent with  
5 federal requirements, unless that beneficiary is exempt from mandatory enrollment in an  
6 Alternative Benefit Plan under 42 C.F.R. § 440.315.

7           (c)    Copayments for benefits provided under the Alternative Benefit Plan required by  
8 subsection (b) of this section shall be the same as copayments required for Medicaid beneficiaries  
9 not under the Alternative Benefit Plan."

10           **SECTION 1.(c)** The Department of Health and Human Services is directed to  
11 provide coverage for individuals who are eligible for Medicaid benefits under G.S. 108A-54.3B  
12 in a manner consistent with S.L. 2015-245, as amended.

13           **SECTION 1.(d)** Medicaid Coverage Gap Assessment. – It is the intent of the General  
14 Assembly to impose upon hospital providers paying the supplemental assessment or base  
15 assessment under Article 7A of Chapter 108A of the General Statutes, as enacted in Section 15.1  
16 of S.L. 2020-88, a Medicaid Coverage Gap Assessment that will pay for the State share of the  
17 program and administrative costs associated with Medicaid expansion.

18           **SECTION 2.** This act becomes effective July 1, 2021.