

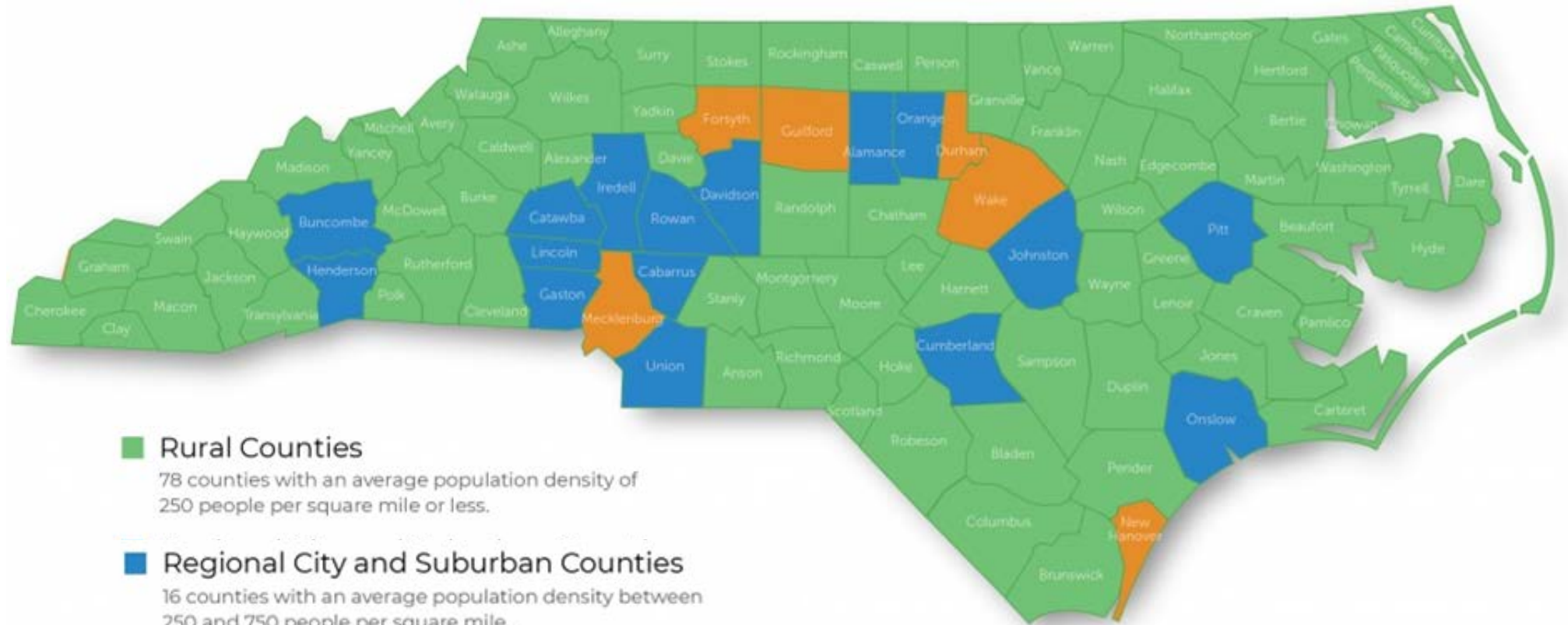


Medicaid Expansion in *Rural* North Carolina

Patrick Woodie, President

NC RURAL CENTER

North Carolina remains a “persistently rural” state



■ Rural Counties

78 counties with an average population density of 250 people per square mile or less.

■ Regional City and Suburban Counties

16 counties with an average population density between 250 and 750 people per square mile.

■ Urban Counties

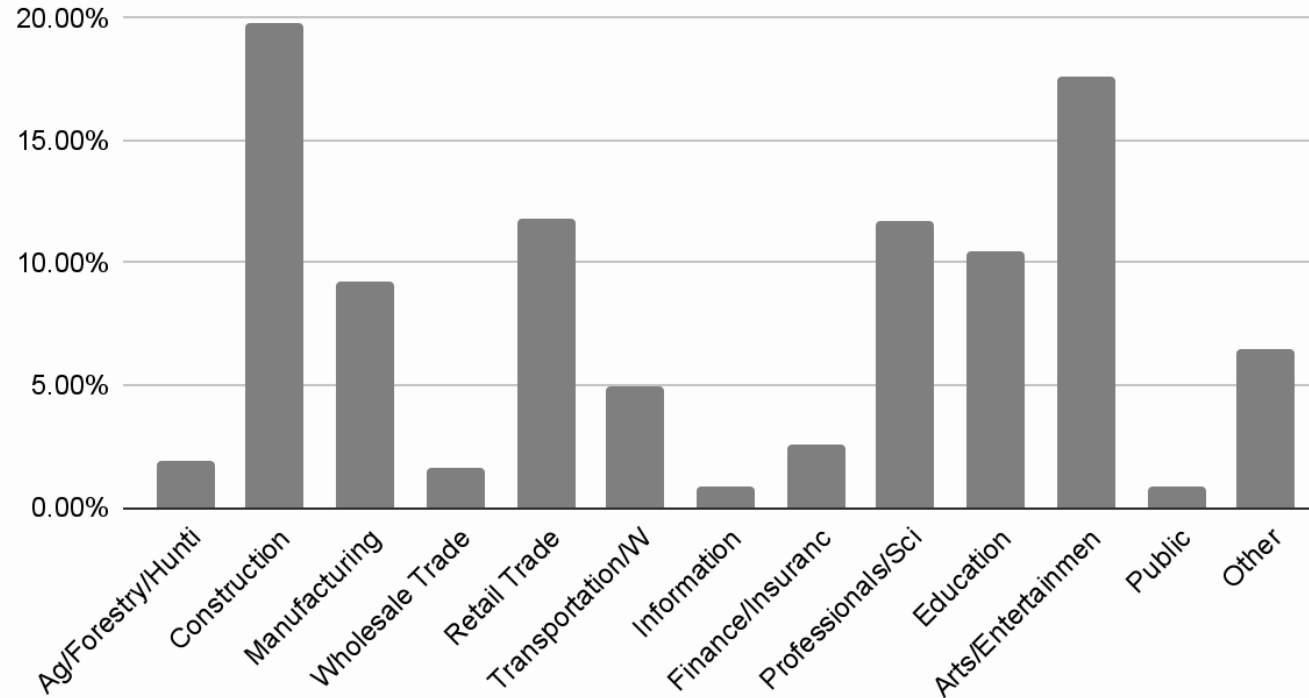
6 counties with an average population density that exceeds 750 people per square mile.

Densities calculated by the Rural Center based on the 2020 U.S. Census.

Who makes up the coverage gap?

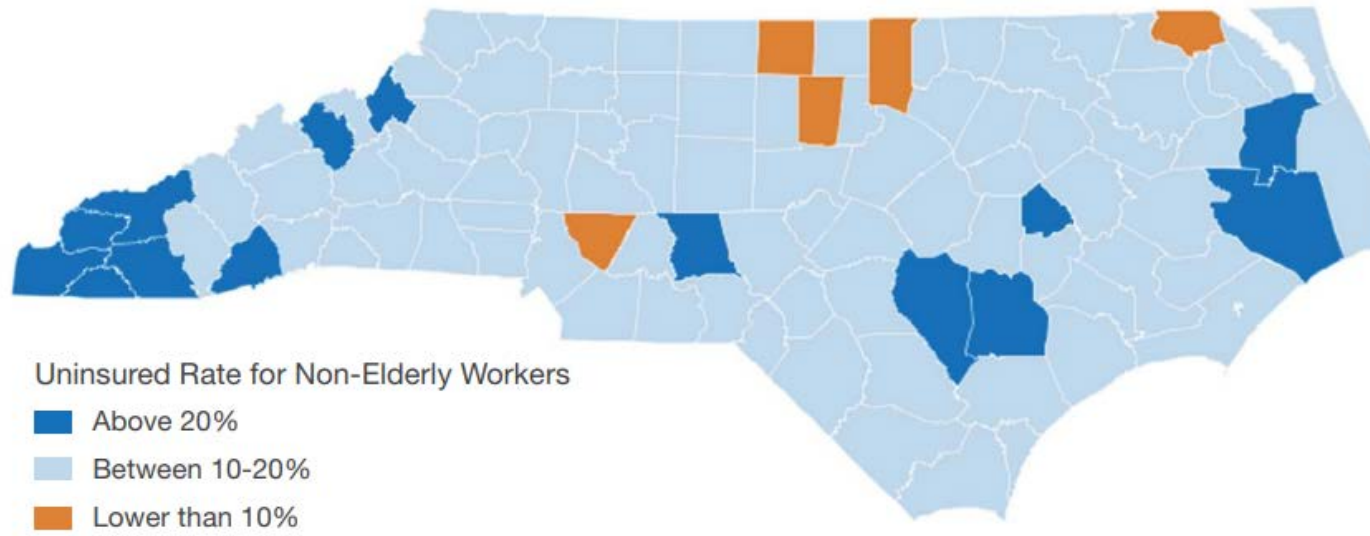
- Employed North Carolinians
 - Of the total uninsured in NC, 65% are **in the labor force and employed.**²

Uninsured by Industry in NC



Who makes up the coverage gap?

- Rural constituents
 - Rural North Carolinians are **disproportionately uninsured** compared to their urban and suburban counterparts.¹⁵
 - **20 of the 22 counties** with the highest percentage of uninsured constituents are rural.²



Note: Includes all workers ages 19-64 regardless of income or citizenship status.

Source: Georgetown University Center for Children and Families analysis of U.S. Census Bureau American Community Survey (ACS) 2015-2019 Table DP03.

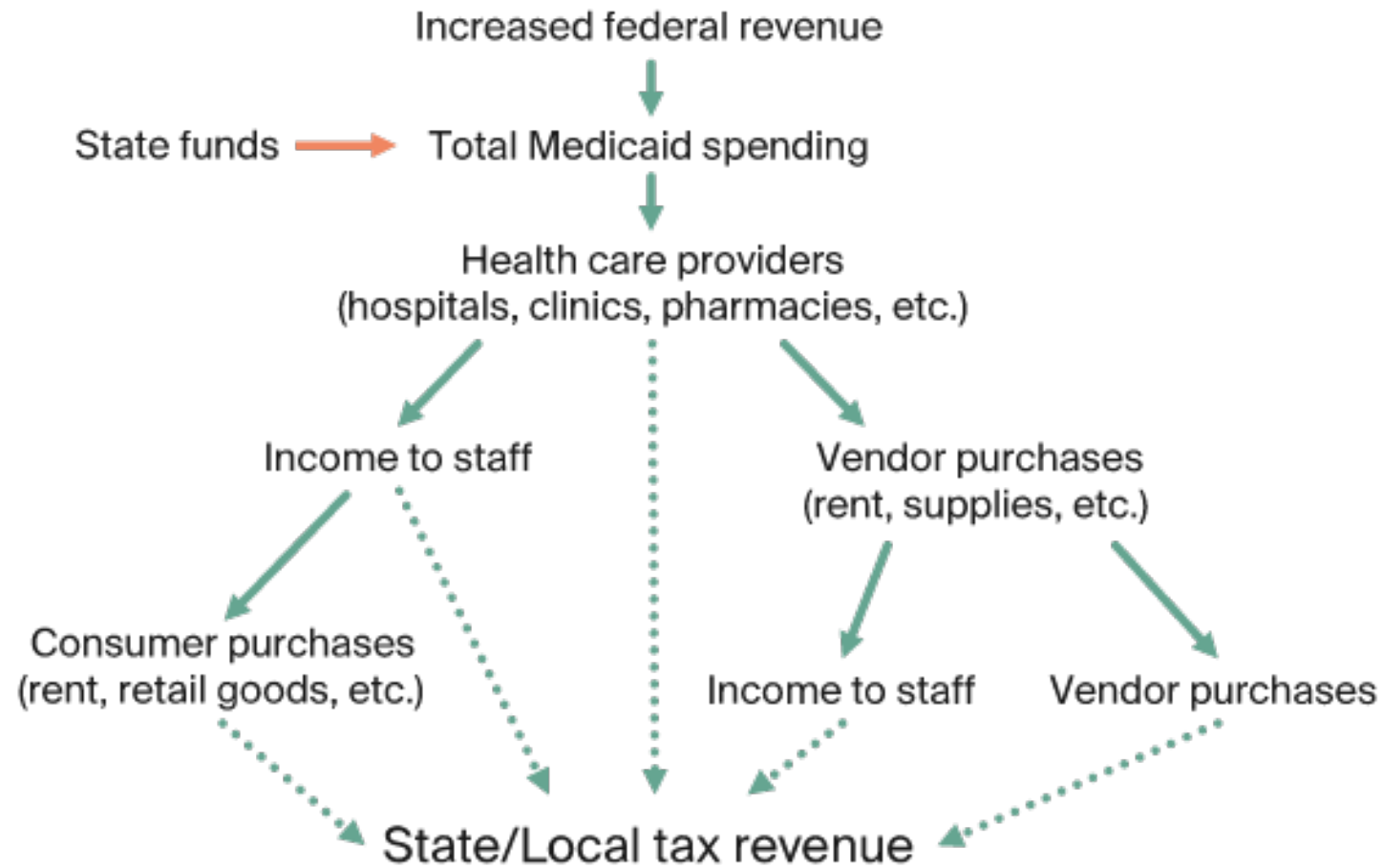
Closing the coverage gap...

- Serves as an **economic solution** with a multiplier effect to support the economy by boosting local and state revenue.
- Creates **opportunities for small businesses** across the state by reducing prohibitive barriers to establishing businesses and building the workforce.
- **Supports healthcare** in rural areas by injecting funds to retain providers, save rural hospitals, and recoup previously uncompensated care.

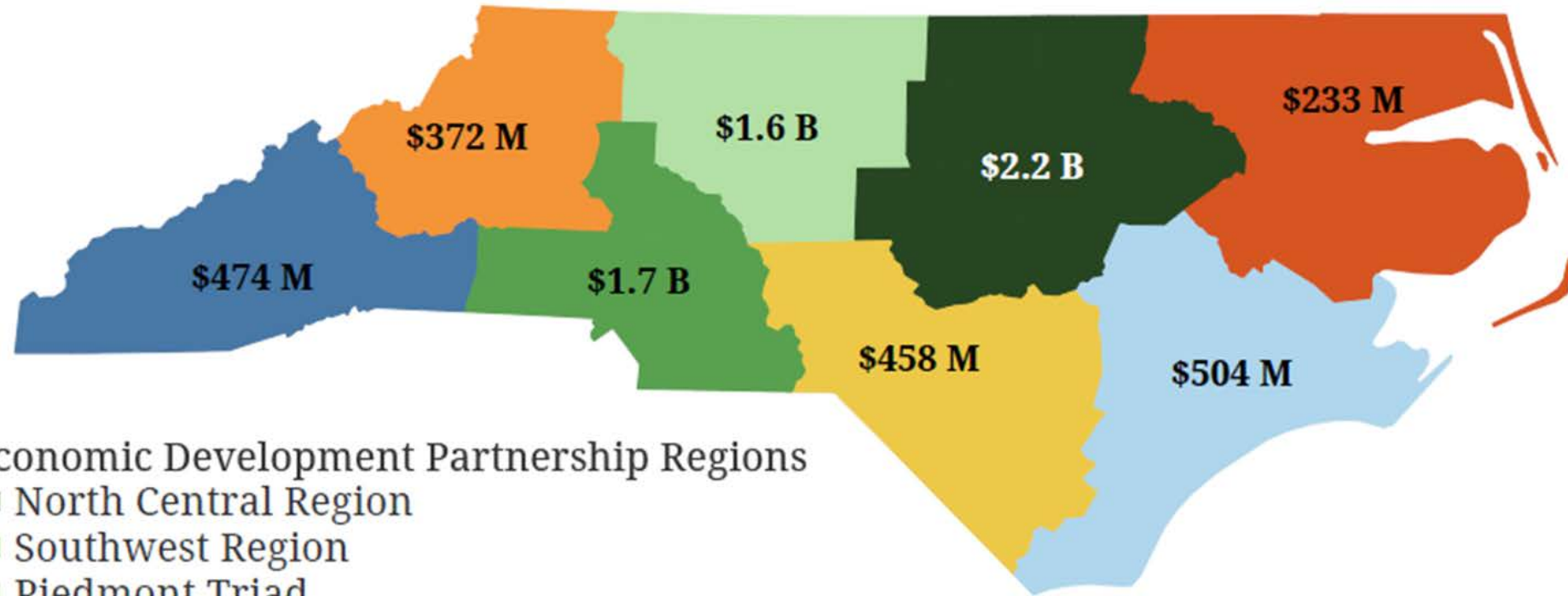
Medicaid Expansion is the economic solution North Carolina needs.

- Research projects that Medicaid Expansion would create **83,000 jobs**¹⁰ in North Carolina.
- It would also boost local and state tax revenues, with an estimated **\$168 million** estimated state and local tax revenue gained by 2025.¹⁰

Medicaid Expansion funnels money back into local economies:



Expected Gross County Product in 3-Year Period



Economic Development Partnership Regions

- North Central Region
- Southwest Region
- Piedmont Triad
- Southeast Region
- Western Region
- South Central Region
- Northwest Region
- Northeast Region

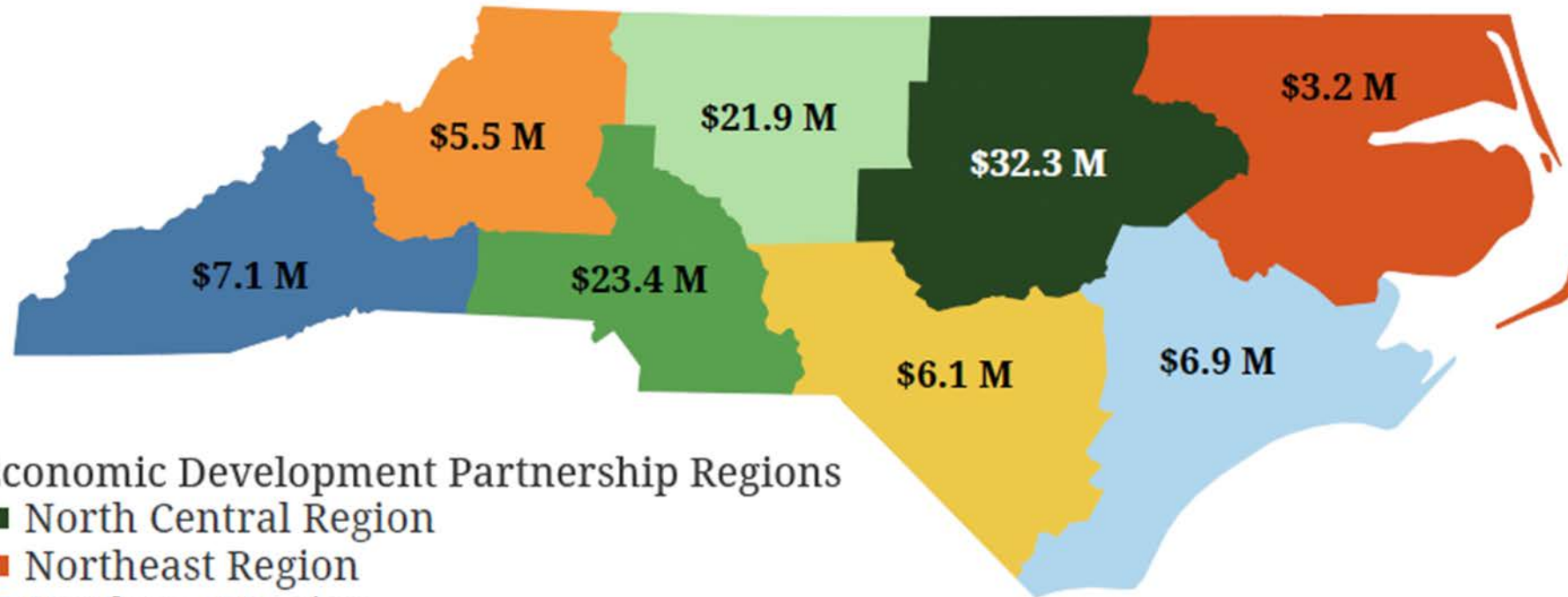


Source: The Economic and Employment Benefits of Expanding Medicaid in North Carolina. Research commissioned by the Cone Health Foundation and Kate B. Reynolds Charitable Trust. Research carried out by the Milken Institute, School of Public Health, The George Washington University.



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Expected New County Tax Revenue in 3-Year Period



Economic Development Partnership Regions

- North Central Region
- Northeast Region
- Northwest Region
- Piedmont Triad
- South Central Region
- Southeast Region
- Southwest Region
- Western Region



Source: The Economic and Employment Benefits of Expanding Medicaid in North Carolina. Research commissioned by the Cone Health Foundation and Kate B. Reynolds Charitable Trust. Research carried out by the Milken Institute, School of Public Health, The George Washington University.

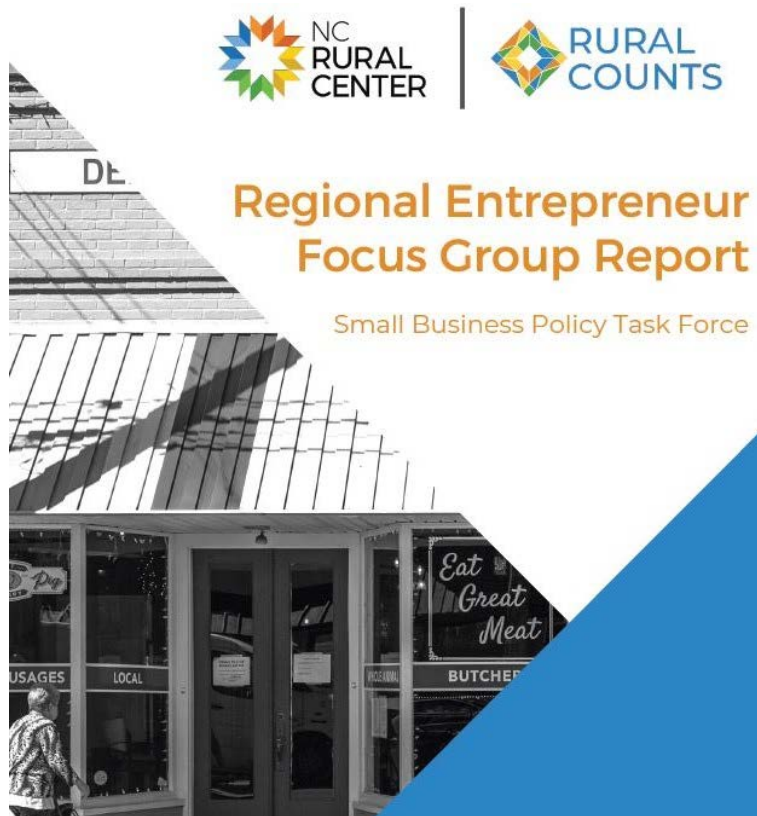


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Medicaid Expansion creates opportunities for small businesses.

- Rural small businesses drive and sustain local economies, but high costs can affect their survival and profitability.
 - **Small business owners have identified the cost of health insurance as one of their top concerns.^{3,9}**

Medicaid Expansion creates opportunities for small businesses.



“Everyone wants health insurance, but no one wants to pay for it. It creates a barrier to cost for small businesses...I would have to cut jobs, provide more benefits, and finding a middle ground is not easy.”

-Owner, Craven County Restaurant

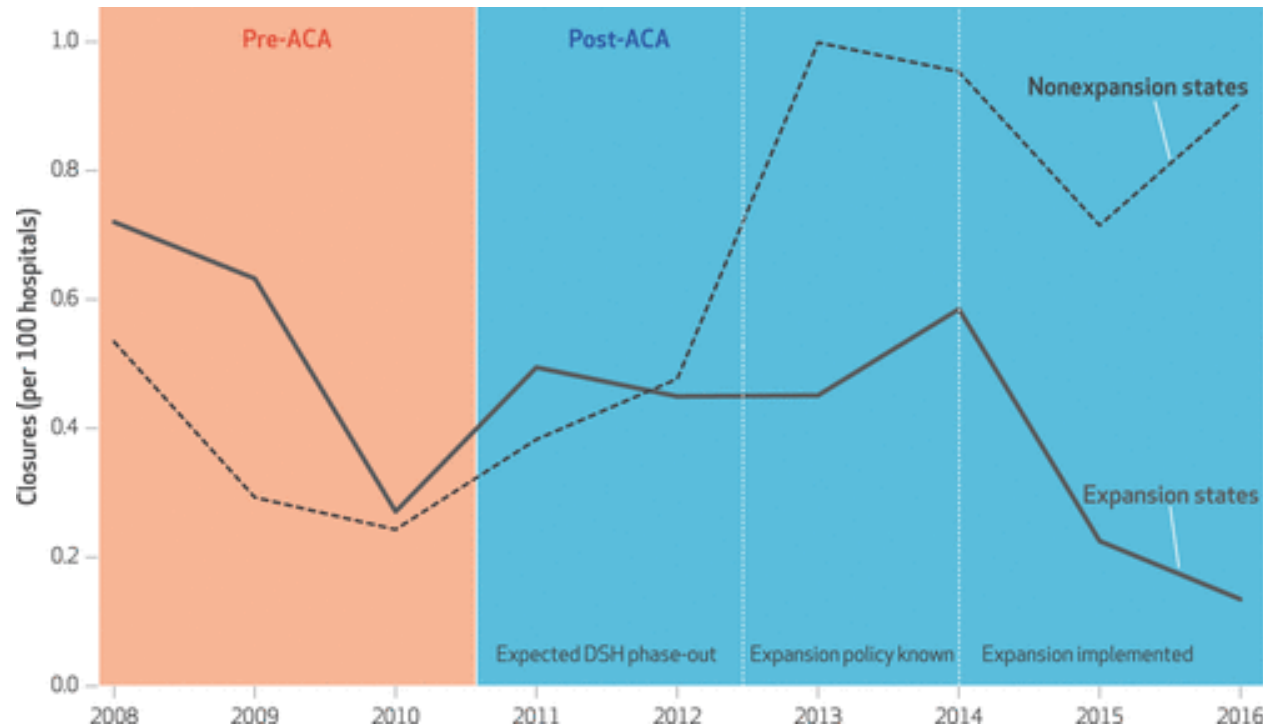


Read our Regional Entrepreneur Focus Group report and NC's New Small Business Plan at bit.ly/small-biz-coalition.



Medicaid Expansion supports rural healthcare by:

- Addressing the rural hospital closure crisis and medical deserts.
 - North Carolina has lost 11 rural hospitals since 2005.¹⁶
 - Uncompensated care from uninsured patients is a substantial financial burden on rural hospitals.¹⁴



Source: Lindrooth, R. C., Perraiillon, M. C., Hardy, R. Y., & Tung, G. J. (2018). Understanding the relationship between Medicaid expansions and hospital closures. *Health Affairs*, 37(1). <https://doi.org/10.1377/hlthaff.2017.0976>

Medicaid Expansion supports rural healthcare by:

- Retaining and supporting the existing workforce.
 - Paying providers through Medicaid expansion strengthens the capacity of our rural health care infrastructure.
 - This is further bolstered by:
 - Allowing existing providers to practice within their full scope to address our state's persistent provider shortage;
 - Boosting appropriations to the Rural Health Loan Assistance Program; and
 - Overcoming barriers to expanding telehealth access and availability. ¹³

Closing the gap supports rural North Carolina.

- Medicaid Expansion can:
 - Close the coverage gap for low-income and rural workers.
 - Serve as an economic solution to boost local economies.
 - Support small businesses to sustain our rural communities and workforce.
 - Prevent future hospital closures and support rural healthcare providers.



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