

#### Current Program Enrollment in North Carolina:

- 1.4 million Medicare Beneficiaries, representing 15.3% of the state population.<sup>1</sup>
- 1.8 million Medicaid Beneficiaries, representing 19.5% of the state population.<sup>2</sup>
- 729,000 Medicaid Beneficiaries are children, representing 62% of total enrollees.<sup>3</sup>
  - Exceeds the national average of 59.7%.

#### Projected Program Expansion Following Implementation of the HSR Law (Pub. L. No. 111-148):

- Will extend coverage to 802,000<sup>1</sup> uninsured residents, 766,200 under Medicaid.
  - Brings total state Medicaid enrollment to 2.4 million, representing 58% of the state's uninsured population and 26.3% of total state population.
  - NC will exceed the national average of Medicaid enrollees of 24.7%.<sup>3</sup>
- Nationwide, Medicaid enrollment will increase by 16 million. North Carolina will assume 4.78% of new beneficiaries.<sup>4</sup>
- 179,600 uninsured residents with pre-existing conditions will be eligible to obtain coverage either through high risk pools, Medicaid or private insurance plans by 2014.<sup>5</sup>
- 646,600 North Carolinians could remain uninsured due to exemptions from personal mandate.<sup>1, 3</sup>

#### Medicaid Costs:

- Medicaid spends \$ 6,424 per enrollee<sup>2</sup>; increased enrollment of 766,200 people could cost the program at least \$ 4.9 billion.
  - The federal government will pay 100% of costs through 2016, 95% in 2017, 94% in 2018, 93% in 2019, and 90% in 2020 and subsequent years.
  - States can begin expanding coverage for children July 2010 and adults in 2011 – but will NOT receive an increased FMAP for doing so before 2014.

#### Physician Payment Updates:

- Primary Care and General Surgery
  - 100% Medicaid payment rate to primary care physicians in 2013 and 2014.
  - 10% Medicare payment bonuses for primary care providers 2011-2016.
    - Could affect as many as 7,346 North Carolina physicians.<sup>6</sup>
  - 10% Medicare payment bonus for general surgeons 2011-2016.
    - Could affect as many as 670 North Carolina physicians.<sup>6</sup>
  - 10% Medicare bonus payment for primary care providers and general surgeons in Health Professional Shortage Areas.
    - Could affect as many as 1,757 North Carolina physicians and 497,797 patients.<sup>6</sup>

<sup>1</sup> Centers for Medicare and Medicaid Services, based on total population estimate of 9.2 million North Carolinians. <http://www.cms.gov/ResearchGenInfo>

<sup>2</sup> NC Medicaid Annual Report, SFY 2008. <http://www.dhhs.state.nc.us/dma/2008report/2008report.pdf>

<sup>3</sup> Kaiser Family Foundation, North Carolina State Medicaid Fact Sheet. <http://www.kaiserfamilyfoundation.org/mfs/medicaid.jsp?r1=NC&r2=US>

<sup>4</sup> Congressional Budget Office. <http://www.cbo.gov/ftpdocs/113xx/doc11379/Manager'sAmendmenttoReconciliationProposal.pdf>

<sup>5</sup> U.S. House Committee on Energy and Commerce District Reports, March 2010. [http://energycommerce.house.gov/Press\\_111/health\\_care/districts/new/NC1.Butterfield.pdf](http://energycommerce.house.gov/Press_111/health_care/districts/new/NC1.Butterfield.pdf) etc.

<sup>6</sup> Dependent upon coding use. North Carolina Health Professionals Data System, 2008 Annual Profile. <http://www.shepscenter.unc.edu/hp/prof08.htm> and <http://hpsafind.hrsa.gov>.