



## NC IOM Task Force Recommendations to Cover Low-Income Adults

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## Task Force Findings

- Currently more than 1.5 million uninsured in North Carolina
- More than half (58%) of the uninsured are in low-income families, with family incomes  $\leq 200\%$  FPG (\$42,400/year for a family of four)
- Most of the uninsured are adults
  - 80% uninsured adults 18-64 (~1.2 million)



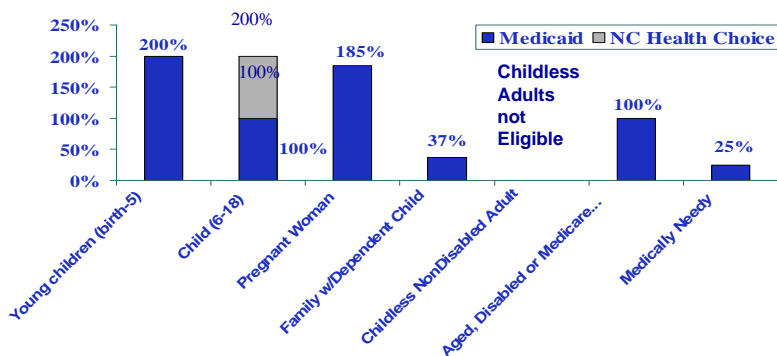
## Coverage for Low-Income Adults

- Medicaid is a publicly-funded entitlement program that provides health insurance to *some* low-income individuals and families
  - Medicaid does *not* cover all low-income families
  - To qualify, a person must meet three basic tests: categorical, income, and resources (assets)
    - ***Single, childless adults who are not disabled or elderly can not qualify, regardless of how poor they are***



## NC Medicaid and NC Health Choice Income Eligibility Limits

(Maximum Countable “Net” Monthly Income As Percentage Federal Poverty Guidelines)



Note: TANF and Medically Needy groups based on 4 person family (2005).



## Recommendations to Cover Low-Income Adults

- The NC General Assembly should expand Medicaid to cover parents and pregnant women with incomes below 200% FPG with a limited benefits package.
- The limited benefit package should:
  - Focus on preventive and primary care, with \$10,000 coverage for inpatient hospitalizations
  - Charge premiums and other cost sharing based on the family's income
- Implement a voluntary premium assistance program to help Medicaid-eligible employees pay premium costs of employer-sponsored insurance



## Recommendations to Cover Low-Income Adults

- North Carolina General Assembly should enact legislation to reduce administrative barriers
  - Eliminate the assets (resource) test for low-income parents
  - Expand eligibility certification process from six to 12 months
- The Division of Medical Assistance should:
  - Increase outreach and further simplify the Medicaid application and recertification process
  - Pilot the use of an individual health risk assessment and coaching to help keep people healthy



## No Legislative Action Taken to Expand Coverage to Adults

- North Carolina General Assembly has not taken any action to expand coverage to low-income adults
  - North Carolina General Assembly has not simplified the eligibility process or extended the recertification period for adults



## Limited Implementation of Other Recommendations

- Some positive movement to increase outreach and simplify recertification
  - Some local agencies pay the non-federal share to outstation eligibility workers in their agency
  - DMA automatically sends out recertification notices to remind Medicaid/SCHIP children to reapply; a similar process is being developed for adults
- The Division of Medical Assistance has implemented health risk assessments in Community Care of North Carolina for high risk populations



## For More Information Contact:

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