

# WHAT REPEAL OF THE AFFORDABLE CARE ACT WILL MEAN FOR NORTH CAROLINA

The Trump administration and Republican legislators intend to repeal the Patient Protection and Affordable Care Act, otherwise known as the Affordable Care Act or Obamacare.

## REPEAL WILL HIT HARD IN RURAL NORTH CAROLINA

Since 2010, Americans have experienced numerous gains due to Obamacare. Repealing the law will deliver harsh blows not only to nonwhites or immigrants living in urban coastal cities, but also to whites living in rural and small-town communities – including in states like North Carolina that have not expanded Medicaid with funds from the health reform law.

## PEOPLE WITH MODEST INCOMES WILL LOSE INSURANCE AND SUBSIDIES THEY GET FROM THE FEDERAL MARKETPLACE EXCHANGE

[Health insurance exchange marketplaces](#) created under the Affordable Care Act allow working-class people who are employed less than 30 hours per week (often working several jobs to make ends meet) to purchase affordable private insurance. By March 2016, [545,354](#) North Carolinians had purchased their health insurance this way. Nearly 92% of them received a monthly average of \$400 in tax credits under the law, covering [80% of their premium costs](#).

The Kaiser Family Foundation estimates the total amount of subsidies the federal government provided to these North Carolinians at \$2.4 billion. If reform is repealed, the Center on Budget and Policy Priorities estimates a \$3.4 billion loss in 2018, followed by [\\$38.2 billion](#) more between 2019 and 2028. People will immediately face higher out-of-pocket costs, which [marketplace enrollment lowered](#).

### WHAT EXPERTS SAY:

“The repeal of Obamacare will have disastrous human and financial costs for North Carolina. Over half a million state residents will lose their coverage, jeopardizing their health and their financial security. The state will lose an estimated \$59 billion in federal funding. Here and elsewhere, the stakes of repeal are high for individuals, families, and entire communities.”

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“Federal funding supports more than 21 million vulnerable Americans served by over 9,000 community health centers nationwide. Even in North Carolina, which did not expand Medicaid, ACA-funded navigators and outreach workers help patients of all insurance statuses (including the uninsured) navigate convoluted insurance forms and healthcare services at 33 community health clinics. Repealing the ACA will eliminate millions of dollars and reverse the substantial gains in access these clinics have produced.”

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“The impact of an ACA repeal will be greatest on middle-class and working families in states like North Carolina, who neither created their own exchange marketplaces nor expanded Medicaid. Their state legislatures have already shut them out of many ACA benefits; dismantling opportunity to use the federal exchange and federal tax credits will only worsen health disparities.”

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## REPEAL MEANS BIG LOSSES FOR LOW-INCOME NORTH CAROLINIANS

Repeal will also result in the loss of benefits and subsidies that could be acquired through Medicaid expansion. Medicaid currently provides insurance to some [18-19%](#) of all North Carolinians. In 31 other states where access to Medicaid was expanded using Obamacare funding, Medicaid is now available to poor residents who earn up to 138% above the federal poverty line, including adults without dependents. In [nonexpansion states](#), eligibility for poor adult parents remains lower -- and most poor adults without dependents get no Medicaid help.

Without the Medicaid expansion North Carolinians live in an insurance “[dead zone](#)”:

- [Almost one tenth](#) of all poor white adults within this “coverage gap” nationwide reside in North Carolina, just behind the percentages in Texas and Florida.
- Research shows that [not having insurance](#) means that people are less likely to receive preventive care or treatment for a chronic disease and are less likely to have access to a regular medical care provider.
- People who lack insurance coverage tend to postpone care or forego it altogether; they often end up hospitalized for costly treatments of health problems that could have been handled routinely; they are often charged more for treatments and face higher out of pocket costs. The uninsured can face long-term problems from medical bills and declining overall health.
- Because North Carolina did not expand Medicaid, poor residents have fared worse since 2010 than [poor residents of expansion states](#). In expansion states [fewer residents remain uninsured](#), federal funding is [higher](#), and state spending on uncompensated care is lower.

If Obamacare is repealed, North Carolina will not be able to correct these problems by expanding Medicaid in the future – as the current newly elected governor would like to do.

## HOSPITALS, COMMUNITY HEALTH CENTERS, AND LOCAL TAXPAYERS WILL LOSE

Community Health Centers and safety-net hospital systems are already hard-pressed, especially in rural areas where health care facilities and providers are sparse, patients must travel long distances, and clinics and hospitals depend on federal subsidies to operate. Federal funding under Obamacare in 2016 helps safety-net facilities care for vulnerable patients, including the remaining uninsured. [Over \\$100 million](#) in Obamacare grants went to North Carolina’s community health centers in 2015 alone, and NC hospitals have also benefited from the fact that many previously uninsured patients now have coverage. Under repeal scenarios, the demand for uncompensated care is projected to [grow](#) by [\\$1.1 trillion](#) nationally, because more people who need hospital care will lack insurance coverage.

## REPEAL ALSO MEANS JOB LOSS

According to the Commonwealth Fund, repealing Obamacare will result in job loss for [76,000](#) North Carolinians. Their jobs are currently supported by Obamacare’s marketplace tax credits and Medicaid expansion subsidies.

If the Affordable Care Act is repealed, North Carolinians will suffer economically and in terms of their health and access to care. All citizens will face problems, because local and state governments will be pressured to make up for lost federal funds —especially in poor and rural parts of the state where tax bases are already strained.

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