

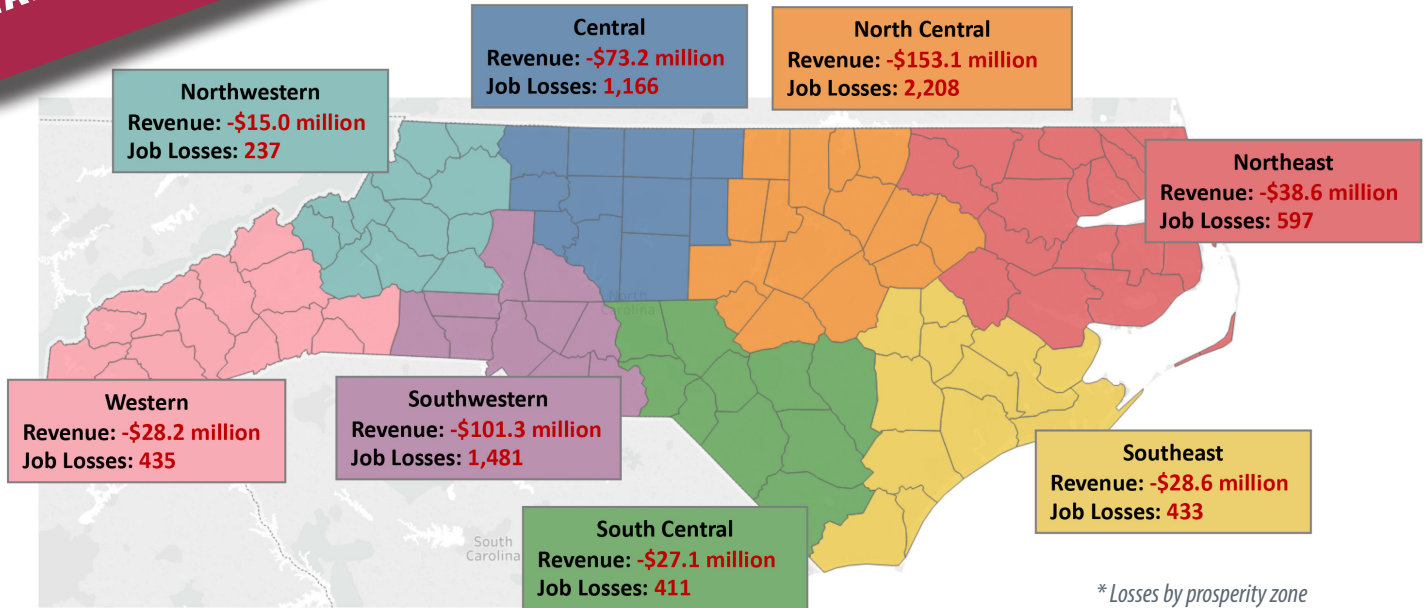
THE ECONOMIC IMPACT

OF PROPOSED POLICY CHANGES ON NORTH CAROLINA'S HOSPITALS AND HEALTH SYSTEMS

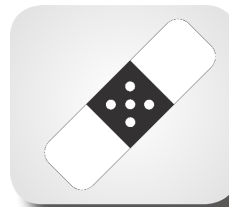


STATE HEALTH PLAN

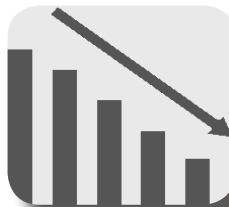
The current State Health Plan proposal would reduce hospital revenues by **\$465 million**, which translates to an estimated **7,000 jobs lost** statewide.¹



Proposed State Health Plan changes are not focused on healthier North Carolinians



All hospitals participate in North Carolina's safety net. Rural and urban hospitals are interdependent



5 NC hospitals have closed in the past 9 years. 8 more are at high risk of financial distress.



North Carolina's population is aging and growing

Source: NCHA economic impact analysis using IMPLAN software, February 2019. Jobs include direct, indirect and induced impacts. State Health Plan revenue impacts from NC hospitals and health systems. Medicaid financial analysis developed by Technical Data Working Team on behalf of MRI/GAP Technical Advisory Committee. Information obtained from 2018 MRI/GAP plan and Medicaid Managed Care Rate Book (SFY 2020) issued by the Division of Health and Human Services



SUPPORT H.B. 184

PROTECT ACCESS TO HEALTHCARE

With its latest proposal to implement reference-based pricing, administrators of North Carolina’s State Health Plan are playing a risky game of chicken with the healthcare of millions of North Carolinians.

By forcing care providers to choose between accepting low Medicare-based rates, or being deemed out-of-network for more than 720,000 people, it is easy to see that SHP is leveraging its significant negotiating power at the risk of limiting healthcare access not only for its members, but for all North Carolinians.

Under the new SHP network proposal, hospitals and health systems – whether or not they choose to participate – will have to make the difficult decision to discontinue some services. Some smaller hospitals, already operating on razor-thin margins, could close.

With hospitals and health systems among the largest employers in 72 of the state’s 100 counties, the economic impact could be devastating.

Support Access to Care. Support H.B. 184.
Our state’s healthcare providers stand ready to help build a better State Health Plan, with sustainable changes to improve care and preserve access.

House Bill 184 would do just that...allow hospitals, health systems, providers and State Health Plan administrators to come together and build a better health plan that will support healthier North Carolinians.

