

NC Democratic Delegation: Senate Budget Bill Will Bankrupt North Carolina Nursing Homes and Rural Hospitals



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NC Democratic Delegation: Senate Budget Bill Will Bankrupt North Carolina Nursing Homes and Rural Hospitals

Lawmakers call on the Senate Republican Leadership to eliminate draconian cuts to Medicaid that will devastate the state's health care system

WASHINGTON, DC—Today, Representatives Alma Adams (NC-12), Deborah Ross (NC-02), Valerie Foushee (NC-04), and Don Davis (NC-01) sent a [letter](#) calling on Senate Majority Leader John Thune (R-S.D.) to strike Medicaid-related provisions from the Senate budget reconciliation bill, including cuts to Medicaid funding that would shutter nursing homes and rural hospitals in North Carolina. Under the Republican plan, more than 600,000 North Carolinians would be at-risk of losing their healthcare coverage.

In their letter, the lawmakers wrote, “[The bill’s] **draconian cuts and destructive structural changes will inflict catastrophic harm on North Carolinians, particularly people in our rural communities. We feel compelled to highlight the existential threat that this legislation poses to our state’s health care infrastructure, especially our rural hospitals, and in the hope that significant revisions will be made before your chamber votes on final passage.**”

They continued by highlighting a provision capping provider taxes at 3.5 percent, a change from the current 6 percent cap, which will translate to a loss of billions of dollars in federal Medicaid funding for North Carolina. “**This cap, coupled with overall reductions in federal support, will severely undermine our state’s capacity to sustain its Medicaid program. Without alternative revenue sources, North Carolina faces a set of impossible choices: gut benefits, slash provider rates, or dramatically restrict eligibility.**”

The lawmakers specifically called out provisions in the bill that would devastate rural hospitals, explaining that a proposed phase-down of hospital payments would effectively eliminate North Carolina’s Hospital Access and Stabilization Program (HASP), which was implemented alongside Medicaid expansion. “**For our rural hospitals, these provisions could strike a deadly blow.... Ultimately, this double blow – HASP elimination combined with Medicare-rate imposition – will bankrupt rural hospitals in our state.**”

The lawmakers concluded their letter by emphasizing the impact that this bill would have on individuals and communities across the state. “**Again, rural North Carolinians will bear the brunt of closed hospitals, lost jobs, and eroded community health.... In North Carolina, this means more mothers dying in childbirth, more working families bankrupted by health care costs, and more communities deprived of their largest employers. Both the viability of our state’s health care system and the long-term health of millions of North Carolinians hangs in the balance.**”

Full text of the letter is available [here](#).

For press requests, contact Congresswoman Adams Communications Director Kaleb Harmon by email at kaleb.harmon@mail.house.gov.

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Congresswoman Alma S. Adams, Ph.D. represents North Carolina's 12th Congressional District (Charlotte, Mecklenburg County) and serves on the House Committee on Agriculture and the House Committee on Education & Workforce, where she serves as ranking member of the Higher Education and Workforce Development (HEWD) Subcommittee.

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