



North Carolina Department of Health and Human Services The North Carolina Medical Care Commission

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Statement of Position of the North Carolina Medical Care Commission on Medicaid Reform

The North Carolina Medical Care Commission (the Commission) is comprised of 17 members who are gubernatorial appointments. The Commission is a bipartisan Commission, 11 members having been appointed by a Democratic Governor and 6 by a Republican Governor.

The Commission has served the healthcare industry for over 50 years approving the issuance of tax-exempt bonds for the construction of facilities and by promulgating rules and regulations for the operations of those facilities. Currently, there are over \$7 billion in bonds outstanding through the Commission. As such, the Commission is concerned about the financial health of our healthcare facilities. Consequently, a special called meeting of the Commission was held on February 11-12, 2015 to discuss the future of Medicaid in North Carolina.

We congratulate the Administration and General Assembly for recognizing the importance of Medicaid Reform. The current Medicaid System in NC has had a positive impact on the citizens of North Carolina. We believe going forward, careful and thoughtful reform can have an even greater impact.

Toward that end the Commission, after consulting with respected statewide and national authorities, makes the following recommendations:

The North Carolina Medical Care Commission supports the transition of NC Medicaid into a patient centered, provider driven, physician directed program. The Commission has confidence in the current providers in North Carolina to fulfill this mission. As a bond conduit the Commission participates in the creation of highly developed hospital, educational, and other provider systems; investments that should be capitalized upon. Medicaid Reform should create predictability, sustainability, administrative ease and efficiency, access, quality and improved health outcomes.

Given the current synergies of our health systems, we believe we have within our State the ability to provide home grown solutions to best serve our citizens. North Carolina currently has over 20 active Accountable Care Organizations (ACOs) in addition to the nationally acclaimed Community Care of North Carolina, five medical schools, and no fewer than 10 regional hospital systems ready to take on this task.

As a second recommendation the Commission supports increasing access to quality healthcare and Medicaid expansion, and supports the current structure for oversight of the Medicaid program.

Adopted this 13th day of February 2015.