



September 2004

STATE FACT SHEET: Women's Access to Medicaid in North Carolina

General Facts about Medicaid in North Carolina

The North Carolina Medicaid program provided coverage to 887,343 females in 2003, 61% of its total recipients.¹ However, while 10.5% of women of reproductive age (age 15-44) are enrolled in Medicaid, 22% of this same population has neither private health insurance nor Medicaid.²

Parents and Medicaid

While efforts have been made to increase eligibility for and enrollment in children's health coverage through programs such as North Carolina Health Choice for Children, eligibility requirements remain stringent and application procedures burdensome for low-income parents.

- Medicaid's minimum eligibility standards for parents result in only the poorest parents being covered.
 - ◆ *A family of 3 must have an income of less than 42% of the federal poverty level (FPL) for the parents to qualify. In 2004, this amounts to \$544 a month and \$6,528 annually.*³
- Administrative barriers that have been removed for children's enrollment in Medicaid still remain for parents who apply.
 - ◆ *A joint application can be used to apply for coverage for children and parents. However, parents must complete additional forms or take additional steps, such as to provide information on assets, prior to an eligibility determination for themselves.*⁴
 - ◆ *While no asset test is required for SCHIP or Medicaid for children, it is required for Medicaid for parents.*⁵
 - ◆ *As opposed to Medicaid for children, which has 12-month continuous eligibility, parents must renew their eligibility every 6 months.*⁶

For more information, please refer to the Medicaid Access Project fact sheet, "Eliminating Barriers to Medicaid Enrollment for Eligible Parents."

Medicaid and Family Planning

Although Medicaid pays for a broad range of services for North Carolina women, reproductive health services are particularly important. 42% of prenatal care and 46% of deliveries are paid for by Medicaid.⁷ Publicly funded family planning clinics help women avoid 41,800 unintended pregnancies each year. Title X-supported clinics avert 27,600 unintended pregnancies each year.⁸

This comprehensive set of services includes:

- Outpatient medical visits for family planning purposes including an annual physical examination, breast examination, advice and counseling regarding family planning methods and follow-up for contraceptive related complications.

- Pregnancy tests.
- Laboratory tests, including sexually transmitted disease screenings, Pap tests and blood tests.
- Contraceptive coverage through chemical, barrier or other methods.
- Sterilization methods.
- Pharmaceuticals necessary in the treatment of diagnosed sexually transmitted diseases.

Services not covered include:

- Abortions.
- Infertility services (other than Title X's Level 1 Infertility Services).

However, the gap in coverage between those women that actually receive family planning services and those who need services still remains.⁹ 924,450 women are in need of contraceptive services and supplies. Of these, 455,030 women—including 136,500 teenagers—are in need of publicly supported contraceptive services. 44% of pregnant women indicated that their pregnancy was unintended (either mistimed or unwanted).¹⁰

In an effort to decrease this gap in coverage, North Carolina applied for a state Medicaid family planning waiver on May 3, 2000.¹¹ Four years later, the application is still pending and awaiting approval on the federal level. With this delay, the gap in coverage remains unaddressed.

- The waiver would broaden the state eligibility requirements to provide family planning services to all women over the age of 19 and with an income under 185% of FPL.¹²
- North Carolina is one of only three states whose approved or pending waivers require the recipient to be over the age of 19.¹³
- Women in the proposed waiver program would be eligible for all family planning services currently covered by the North Carolina Medicaid program.
- Recipients would not be required to receive a referral from a primary care physician or owe any co-payments for services covered under the program.

For more information about Medicaid and Family Planning, please refer to the Medicaid Access Project fact sheet, "Medicaid's Coverage of Vital Planning Services."

Cost Benefits to Improved Access

Implementation of comprehensive family planning coverage would be extremely cost effective to North Carolina's Medicaid program, as well as other programs in the state that work with women, children and families.

- The average cost of all prenatal care, delivery, neonatal and infant care in North Carolina was approximately \$8,000 per pregnancy.¹⁴
- In contrast, the average cost of reproductive health services was approximately \$280 (\$160 for care provided within a health department and \$320 for care provided outside of the health department) per year per recipient. This price includes all family planning related services including pharmacy, outpatient and inpatient.¹⁵
- It is estimated that a year of family planning services will prevent one unintended pregnancy per year for every fifteen recipients. Additionally, it has been reported that for every dollar spent to provide publicly funded contraceptive services, an average of \$3.00 was saved in Medicaid costs for pregnancy-related health care and medical care for newborns.¹⁶

Current Medicaid Cuts

In 2003, North Carolina reduced its Medicaid coverage from two years to one year for low-income parents who left welfare for work.¹⁷ In addition, the current proposed state budget would lower the Medicaid income level for pregnant women and infants from 185% to 151% of FPL and deny Medicaid to childless, non-disabled 19 and 20 year-olds even if they meet poverty guidelines. Finally, in May 2004, further cuts of \$68 million in Medicaid services and payments, \$17 million in community mental health centers, and \$10 million in child health programs were proposed.¹⁸

¹ North Carolina Department of Health and Human Services, Division of Medical Assistance, "Medicaid in North Carolina Annual Report 2003: Populations, Services, and Expenditures," available at <http://www.dhhs.state.nc.us/dma/2003report/03MedicaidAnnualReport-chap2a.pdf>.

² The Alan Guttmacher Institute, "Contraception Counts: North Carolina," 2004, available at http://www.agi-usa.org/pubs/state_data/states/north_carolina.html and The Alan Guttmacher Institute, "Medicaid: A Critical Source of Support for Family Planning in the United States," *Women's Issue Brief*, April 2004, available at <http://www.guttmacher.org/pubs/medicaid5-04.pdf>.

³ North Carolina Department of Health and Human Services, Division of Medical Assistance, "Frequently Asked Questions for Family and Children's Medicaid," available at <http://www.dhhs.state.nc.us/dma/fcfaqs.htm>; North Carolina Department of Health and Human Services, Division of Medical Assistance, "North Carolina Medicaid Financial Eligibility Standards, SFY 2003," Table 2a, available at <http://www.dhhs.state.nc.us/dma/2003report/table2a.pdf>; and North Carolina Department of Health and Human Services, Division of Medical Assistance, "Financial Eligibility for Medicaid Based on Percentage of Poverty (Annual), SFY 2003," Table 2b, available at <http://www.dhhs.state.nc.us/dma/2003report/table2b.pdf>.

⁴ Donna Cohen Ross and Laura Cox, *Preserving Recent Progress on Health Coverage for Children and Families: New Tensions Emerge* (Washington: Kaiser Commission on Medicaid and the Uninsured, July 2003), 34, 48 [hereinafter *Preserving Recent Progress*].

⁵ *Ibid.*, 34, 47.

⁶ *Ibid.*, 34, 51.

⁷ Kevin H. Gross, "Unintended Pregnancies in North Carolina: Results from the North Carolina PRAMS Survey," *SCHS Studies* 136, November 2002, available at <http://www.schs.state.nc.us/SCHS/pdf/SCHS-136A.pdf>.

⁸ The Alan Guttmacher Institute, "Contraception Counts: North Carolina," 2004, available at http://www.agi-usa.org/pubs/state_data/states/north_carolina.html.

⁹ *Ibid.*

¹⁰ North Carolina Family Planning Waiver Program Proposal, Section 1115(a) Research and Demonstration Waiver Application, "A Proposal to Reduce Unintended Pregnancies and Improve the Wellbeing of Children Families in North Carolina," April 2002, North Carolina Department of Health and Human Services, Division of Medical Assistance, available at <http://www.cms.hhs.gov/medicaid/1115/ncfppro.pdf> [hereinafter Waiver Proposal].

¹¹ *Ibid.*

¹² Rachel Benson Gold, "Medicaid Family Planning Extensions Hit Stride," *The Guttmacher Report on Public Policy* 6, October 2003, available at <http://www.guttmacher.org/pubs/tgr/06/4/gr060411.html>.

¹³ This is out of 21 states with either approved or pending applications for family planning waivers. *Ibid.*

¹⁴ Cost calculated for 1997. Waiver Proposal, *supra* note 10.

¹⁵ *Ibid.*

¹⁶ *Ibid.*

¹⁷ Leighton Ku and Sashi Nimalendran, "Losing Out: States are Cutting 1.2 to 1.6 Million Low-Income People from Medicaid, SCHIP, and Other State Health Insurance Programs," Center on Budget and Policy Priorities, December 2003, available at <http://www.cbpp.org/12-22-03health-states.htm>.

¹⁸ Thomas P. McCormack, "State Medicaid Eligibility Cutbacks & Exclusions-Proposed & Recently-Enacted, 2001-04," draft # 14 June 17, 2004.