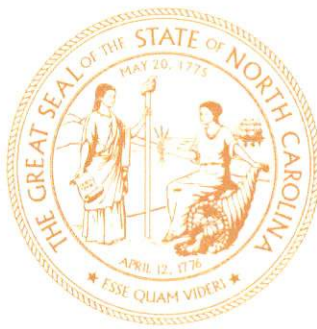




State of North Carolina

JOSH STEIN
GOVERNOR

EXTRA SESSION OF THE NORTH CAROLINA GENERAL ASSEMBLY

2025

BY THE GOVERNOR OF THE STATE OF NORTH CAROLINA

A PROCLAMATION

WHEREAS, state law requires the North Carolina Department of Health and Human Services (NCDHHS) to operate the Medicaid program in a way that does not exceed the amounts appropriated for the program in the certified budget enacted by the General Assembly, *see* N.C. Gen. Stat. §§ 108A-54, 108A-54.1; and

WHEREAS, to continue operating the Medicaid program without the need for substantial provider rate cuts, the General Assembly must appropriate funds equal to the shortfall, which is known as the Medicaid Rebase; and

WHEREAS, due to rising health care costs, increased program utilization, adjustments to the federal match rate, and years of underfunding the Rebase, the cost of North Carolina's Medicaid program initially exceeded the funds the General Assembly had appropriated for the program by \$819 million; and

WHEREAS, in response to months of warnings from the Governor and the Secretary of NCDHHS about the necessity of rate cuts absent funding for the Medicaid Rebase, the General Assembly agreed that additional funding was necessary and appropriated \$500 million for the Medicaid program, *see* N.C. Sess. L. 2025-89, § 2B.10; and

WHEREAS, NCDHHS estimates that the \$500 million appropriation will leave the Medicaid program underfunded by \$319 million; and

WHEREAS, NCDHHS notified the General Assembly that it needed to fully fund Medicaid by the end of September to avoid the imposition of rate cuts to providers on October 1, 2025; yet, the General Assembly failed to act in its late September session; and

WHEREAS, because the Medicaid Rebase remains significantly underfunded, on October 1, 2025, NCDHHS reduced the reimbursement rates providers receive for many services; and

WHEREAS, NCDHHS notified the General Assembly that it needed to fully fund Medicaid by the end of October if it wished to reverse the cuts; yet, the General Assembly failed to act in its late October session; and

WHEREAS, these rate cuts hurt providers and reduce access to critical health care services for the people of North Carolina; and

WHEREAS, both the Senate and the House of Representatives have agreed that hundreds of millions of dollars in additional funding are still needed to fully fund the Medicaid Rebase; and

WHEREAS, the previously imposed rate cuts can still be reversed if the General Assembly appropriates additional funds to the Medicaid program; and

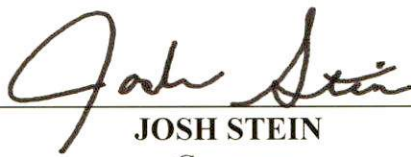
WHEREAS, legislative leaders have indicated that they will not hold additional votes this year;
and

WHEREAS, the Governor has sought the advice of the Council of State on the need for this
extra session; and

WHEREAS, millions of North Carolinians rely on Medicaid for critical health care services.

NOW, THEREFORE, I, JOSH STEIN, Governor of the State of North Carolina, pursuant to Article III, Section 5(7) of the North Carolina State Constitution, do hereby proclaim an “**EXTRA SESSION OF THE NORTH CAROLINA GENERAL ASSEMBLY**” commencing Monday, November 17, 2025, at two o’clock in the afternoon, for the purpose of funding the Medicaid Rebase.





JOSH STEIN
Governor

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of North Carolina at the Capitol in Raleigh this sixth day of November in the year of our Lord two thousand and twenty-fifth and of the Independence of the United States of America the two hundred and fiftieth.