



**STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR**

**JOSH STEIN
GOVERNOR**

October 13, 2026

The Honorable Thom Tillis
U.S. Senate

The Honorable Don Davis
U.S. House of Representatives

The Honorable Greg Murphy
U.S. House of Representatives

The Honorable Virginia Foxx
U.S. House of Representatives

The Honorable David Rouzer
U.S. House of Representatives

The Honorable Richard Hudson
U.S. House of Representatives

The Honorable Chuck Edwards
U.S. House of Representatives

The Honorable Brad Knott
U.S. House of Representatives

The Honorable Ted Budd
U.S. Senate

The Honorable Deborah Ross
U.S. House of Representatives

The Honorable Valerie Foushee
U.S. House of Representatives

The Honorable Addison McDowell
U.S. House of Representatives

The Honorable Mark Harris
U.S. House of Representatives

The Honorable Pat Harrigan
U.S. House of Representatives

The Honorable Alma Adams
U.S. House of Representatives

The Honorable Tim Moore
U.S. House of Representatives

Members of North Carolina's congressional delegation:

I write today to reiterate my serious concerns about the impact of H.R. 1 on Medicaid beneficiaries, health care providers, and local communities and economies across North Carolina. Medicaid provides critical health insurance to more than 3 million North Carolinians, or one in four individuals in the state. Starting January 1, 2027, to comply with federal law, North Carolina will implement new requirements for the first time in the Medicaid program's history and check Medicaid eligibility twice as frequently. More than 250,000 North Carolinians could lose their Medicaid coverage due to these changes. I urge you to reverse these cuts due to the immediate and long-term threats they pose to the health and well-being of North Carolinians and the economic stability of our state.

Over the past 15 years, North Carolina has made major strides in reducing our uninsured rate—from 16.8% in 2010, when the ACA passed, to 8.6% in 2024, one year after North Carolina expanded Medicaid. Through Medicaid expansion, nearly 740,000 North Carolina neighbors gained access to affordable health coverage. Now, despite widespread and bipartisan support for NC Medicaid expansion, coverage is at risk due to bureaucratic paperwork hurdles and red tape that will make it harder for people to keep their health insurance. We can expect this because in Arkansas, the first state to implement work requirements in Medicaid in 2018, thousands of people lost Medicaid in a matter of months with no meaningful improvement in employment.

These changes will increase the number of people who are uninsured in North Carolina, unwinding years of progress to improve access to care. Many North Carolinians have *already* lost the health insurance they received under the Affordable Care Act, due to Congress's failure to extend premium tax credits that helped people afford that insurance. North Carolina experienced the greatest drop in ACA enrollments of any state, with 214,000 fewer enrollments in ACA plans in 2026 than 2025, and [premiums](#) skyrocketed, with nearly 30% rate increases across plans in 2026. The Medicaid coverage losses from H.R. 1 will compound this situation.

People do not stop getting sick when they lose their insurance. Instead, they are forced to forgo preventive care and medications to maintain their health, and when they become sicker, they end up in emergency rooms, where care is much more costly. When more people are uninsured, hospitals and clinics face more unpaid care, workers may get sicker and miss more work, families take on more medical debt, and taxpayers and private insurance customers must help cover the cost of care through higher taxes and premiums. This issue is exacerbated in rural counties, which disproportionately benefit from Medicaid expansion, and where providers are especially vulnerable to going out of business if they lose critical Medicaid reimbursement.

In addition to the costs to individuals, H.R. 1 will also have a major economic impact on the state, with North Carolina Medicaid losing out on tens of billions of health care dollars over the next decade. While I am grateful for funding through the Rural Health Transformation Program, the program over 5 years will not come close to making up the difference in lost Medicaid funding over 10 years. North Carolina's rural hospitals alone are projected to lose \$3.7 billion over the next 10 years. For hospitals already operating on thin margins, that can mean cutting services, consolidating, or closing altogether. And when the only hospital or maternity ward within driving distance closes, it is not just Medicaid beneficiaries who suffer, but the entire community, even those with private health insurance.

Our county partners also face challenges in implementing H.R. 1's work requirements and twice-a-year redeterminations, which create significant burdens for county staff without sufficient funding to absorb the increased workload. North Carolina is one of nine states that are state-supervised and county-administered in determining Medicaid eligibility, which occurs across 100 county departments of social services (DSS) and one tribal health and human services office. These Medicaid changes will fall directly on a county caseworker workforce that is already stretched thin and simultaneously focused on the high-stakes requirements to drive down the SNAP payment error rate, among other changes to food assistance as a result of H.R. 1. We know that in North Carolina the costs of H.R. 1 implementation will fall heavily on already-strained county budgets, and counties may need to cut other services to make up the shortfall.

My administration has been working tirelessly for nearly a year and a half to align policy, operations, technology, and finances to implement the sprawling changes from H.R. 1. But make no mistake, these policies will cause

harm to possibly hundreds of thousands of North Carolinians, and we all will pay. Congress has the opportunity to stop the bleeding. I urge Congress to reverse these cuts to Medicaid and to repeal the harmful work requirements from H.R. 1.

Thank you for your attention to this critical issue. I look forward to partnering with you to protect North Carolinians' access to health care.

Sincerely,

A handwritten signature in black ink, reading "Josh Stein". The signature is fluid and cursive, with the first name "Josh" and the last name "Stein" clearly legible.

Josh Stein
Governor