

Healthcare Access and Stabilization Program – 2023 Legislative Brief

Duke supports the Healthcare Access and Stabilization Program, which would provide hospitals with enhanced Medicaid reimbursements by paying hospitals the difference between their current Medicare equivalent rates and the average commercial rate they would receive for those services.

Context & Insights

The Healthcare Access and Stabilization Program (HASP) is a directed payment program that would provide hospitals in North Carolina with enhanced Medicaid reimbursements. The current Medicaid Program, with a state share primarily funded by assessments on hospitals, reimburses hospitals at Medicare equivalent rates i.e., at cost for services to Medicaid patients. HASP will pay hospitals the difference between their current Medicare equivalent rates and the average commercial rate they would receive for those services, bringing hospitals in North Carolina over \$2B annually.

HASP would help hospitals overcome financial liabilities, unreimbursed costs for uninsured patients, and the significant reimbursement gap for providing safety-net services. The program would be implemented at no cost to the State and could provide the NC General Fund up to \$60 million. HASP also puts hospitals in the right financial condition to consider using the hospital assessment tax to pay for the entire State share of Medicaid expansion.