



April 10, 2019

Dear North Carolina Business & Civic Leaders,

What if I told you there was a way to add \$4 billion a year to the state's economy, create more than 40,000 jobs and provide health care to approximately 400,000 North Carolinians who don't have it? You would say it's too good to be true, right?

But it is true. If the North Carolina General Assembly will support closing the health insurance "coverage gap," we can enhance our ability to sustain the viability of the health care sector for the entire state, not just our major metropolitan hospitals. We can also ensure that our tax dollars that we send to Washington come back to our state.

Closing the coverage gap is a proposition that makes such good business sense that my friends on the political right and the left should be able to agree on it.

Please join me in urging the North Carolina General Assembly to "close the coverage gap" by returning the enclosed endorsement statement. Your leadership on this issue is needed!

A larger, uninsured population makes health insurance more expensive for everyone else. When people don't have insurance, they often go to the one place that won't turn them away: the emergency department. Hospitals offset that loss by charging higher rates for insured patients. This cost shifting translates into higher premiums for every individual and employer who buys health insurance. We are caught in that vicious cycle in our state.

Poor health is a personal and economic issue. When someone isn't healthy enough to work full-time or start a small business, we all suffer the loss of those contributions to our economy and our communities. Closing the gap in North Carolina would give more than 400,000 people access to affordable health insurance, including up to 150,000 people with opioid addictions or other behavioral health needs.

Closing the gap also would be cost-neutral to North Carolina. The federal government would pay 90 percent of costs, and the remaining 10 percent would be funded by an assessment on hospitals and other health care providers. State-run hospitals, which deliver \$50 million a year in uncompensated care, would see that number dramatically reduced. Finally, we know that many of our state's rural hospitals are struggling financially. Enabling more North Carolinians to be covered is a way to ensure that the appropriate revenue comes to our rural systems. If our state is going to continue to flourish in the future, it is absolutely critical that our rural health systems remain viable.

There is emerging bipartisan agreement that closing the coverage gap makes sense for North Carolina. A new proposal in the NC General Assembly called "NC Health Care for Working Families" (HB-655), sponsored by Rep. Donny Lambeth (R-Forsyth) and other Republican House leaders would allow some low-income people to enroll in Medicaid if they meet mandatory work requirements and pay monthly premiums. Many Democrats, including Gov. Roy Cooper, have also offered their support for closing the coverage gap.

HB-655 is a thoughtful, carefully crafted, fiscally prudent proposal. It offers a path forward to address this critical issue and it strengthens our economy while giving more North Carolinians access to affordable health care. It is the right decision for our state, for our businesses, and for our citizens.

Please join me in this effort to improve our citizens' health and boost our economy in the Old North State.

Sincerely,

A handwritten signature in black ink that reads 'Don Flow'.

Don Flow

Don Flow, a resident of Winston-Salem, is chairman and CEO of Flow Automotive Companies.