DAN’S HEALTHCARE PLAN
Dan McCready’s Healthcare Plan

As I campaign every day throughout North Carolina’s 9th District, I meet people who can’t afford their healthcare. A diabetic on Medicare has to skip doses because the cost of her prescription drugs went up 500% in a single year; a father has insurance but can’t afford the out-of-pocket cost of his medication; a working dad skips taking his children to the doctor because he can’t afford their insurance… these are just a few of countless examples.

Too many North Carolinians are forced to choose between affording healthcare and putting food on the table, and the situation is dire. Health care costs are rising each year, crushing the budgets of North Carolina families. Per-person spending on healthcare in North Carolina has increased by 2.6% a year above inflation from 1997 to 2014. Health care spending rose to $72 billion in 2014, or 15% of North Carolina's GDP, up from 11% of GDP in 1997. In North Carolina’s 9th Congressional District, an estimated 44,000 people are in danger of losing health insurance if politicians repeal the Affordable Care Act and remove coverage for pre-existing conditions.

Healthcare is the most important issue in this race. We deserve a leader in Washington who will fight for every North Carolinian to have access to affordable and quality healthcare. We deserve a leader who will put country over party and reach across the aisle to find solutions to lower healthcare costs.

But instead of fixing our broken healthcare system, career politicians’ answer is to cave to special interests and lobbyists and play partisan games. There is no one worse than my opponent, State Senator Bishop. As the Chair of the healthcare committee in the North Carolina Senate, he’s stood time and time again with the special interests like big drug companies to increase prices on families struggling with healthcare costs. Half of people under 65 in the 9th District have a pre-existing condition, but Bishop has voted to take away people’s coverage for pre-existing conditions. State Senator Dan Bishop:

- Voted to remove coverage for up to 44,000 people in the 9th District with pre-existing conditions.
- Has blocked Medicaid expansion, sending our tax dollars to California and leaving 200,000 North Carolinians without coverage.
- Took the only vote in the Raleigh legislature against a bipartisan bill for more affordable prescription drugs.
Voted with only nine others to allow insurance companies to hike prices on lifesaving cancer treatments.

There is no issue where the difference between my opponent and me is clearer and more important. While Bishop has led the effort to harm North Carolinians’ healthcare, I believe everyone must have access to affordable and quality coverage.

My healthcare plan includes seven common-sense and non-partisan initiatives to lower out-of-control healthcare costs and provide quality coverage:

I. Protect People With Pre-Existing Conditions
II. Take On Big Pharma To Lower Prescription Drug Prices
III. Reap The Benefits From Expanding Medicaid
IV. Save Rural Healthcare
V. Lower Costs And Improve Outcomes With Primary Care
VI. Fix Incentives With Value-Based Care
VII. Better Care For Our Veterans

If I have the honor of serving, I will work with both sides of the aisle to work on these and other solutions in Congress. With the right leadership, there’s no reason we can’t get them done. North Carolinians deserve nothing less.
I. Protect People With Pre-Existing Conditions

Jessica Lynn-Lato is a healthcare advocate from Charlotte who has type 1 diabetes, a pre-existing condition. She would lose coverage if State Senator Dan Bishop succeeds in taking away people’s coverage for pre-existing conditions as he’s voted to do in the legislature. Here Jessica holds a photograph of her nephew, George, who she tragically lost after he rationed his insulin because he couldn’t afford it.

One of the few things Washington got right in recent years was protecting Americans with pre-existing conditions. This popular healthcare reform required insurance companies to offer quality coverage to Americans with pre-existing conditions like asthma, cancer, diabetes, and pregnancy. Yet, career politicians who are beholden to special interests are trying to remove protections for Americans with pre-existing conditions by repealing the Affordable Care Act, attacking the Act in court, and promoting junk “affordable health plans” that leave people with pre-existing conditions hanging.

Their success would devastate the people of the 9th District. An estimated 49% of non-elderly people in the 9th District have a pre-existing condition (see Table 1). Statewide, an estimated 50% of non-elderly people have a pre-existing condition.¹

¹ Nationwide, up to half of non-elderly Americans may have a pre-existing condition according to a government study.
Table 1: Number of people with pre-existing conditions, by age (years)

<table>
<thead>
<tr>
<th>Location</th>
<th>Age 0-17</th>
<th>Age 18-24</th>
<th>Age 25-34</th>
<th>Age 34-44</th>
<th>Age 45-54</th>
<th>Age 55-64</th>
<th>Total non-elderly</th>
<th>% non-elderly</th>
</tr>
</thead>
<tbody>
<tr>
<td>State of North Carolina</td>
<td>544,200</td>
<td>362,100</td>
<td>579,400</td>
<td>735,600</td>
<td>904,900</td>
<td>803,300</td>
<td>3,929,400</td>
<td>50%</td>
</tr>
<tr>
<td>North Carolina’s 9th Congressional District</td>
<td>47,000</td>
<td>26,900</td>
<td>45,100</td>
<td>60,100</td>
<td>70,600</td>
<td>56,800</td>
<td>306,400</td>
<td>49%</td>
</tr>
</tbody>
</table>

Number of Americans with Pre-Existing Conditions by Congressional District, Emily Gee, Center for American Progress, 5/5/2017, https://www.americanprogress.org/issues/healthcare/news/2017/04/05/430059/number-americans-pre-existing-conditions-congressional-district/

If the Affordable Care Act were repealed, an estimated 44,000 people would lose health insurance in the 9th District. An estimated 503,000 North Carolinians would lose health insurance. We need to fix the Affordable Care Act in ways discussed in this plan, but any reforms must maintain the protection of coverage for Americans with pre-existing conditions.

Where does State Senator Bishop stand? He voted to remove coverage for people with pre-existing conditions.

- Bishop said he would repeal the Affordable Care Act, which covers Americans with pre-existing conditions.
- As an alternative, he promotes “association health plans,” skimpy plans that are opposed by the American Cancer Society and the American Medical Association and have a history of fraud and abuse. Bishop sponsored the bill to loosen regulations on association health plans.
- Bishop voted against an amendment to require that association health plans cover essential conditions like maternity and newborn care, pediatric services, and prescription drugs. He also voted against an amendment that prohibited the plans from discriminating against people with pre-existing conditions.

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2 Pre-existing condition coverage is meaningless under State Senator Bishop’s association health plans. While association health plans cannot refuse individuals with pre-existing conditions, the plans are not required to cover essential health benefits like prescription drugs, maternity care, pediatric services, and mental health. For example, insurance companies would not be required to cover heart medication for someone with a heart condition. Bishop claims he supports coverage for pre-existing conditions, but his votes clearly show otherwise.
II. Take On Big Pharma To Lower Prescription Drug Prices

McCready visited all eight counties in July to hear from voters about their struggles to afford healthcare. Here Dan talks with a woman who has struggled to cover the cost of the drugs she needed — a struggle for far too many in the 9th District.

Per capita spending on retail prescription drugs has increased by more than 10x since 1960 and by more than 5x since 1985 after adjusting for inflation. Total spending on retail prescription drugs has increased to well over $300 billion annually. Nearly six in 10 Americans who spend more than $100 a month on their prescriptions say it is difficult to afford the cost of their prescription medicine, while nearly three in 10 say that they have skipped taking medication as prescribed during the last year because of cost.

Big Pharma keeps bending the rules in their favor by spending tens of millions of dollars on lobbying to stop Congress from fighting back. That’s allowed them to post record profits while everyday Americans struggle to pay for prescription drugs.

North Carolinians deserve a healthcare system that doesn’t force families to risk bankruptcy to pay for skyrocketing prescription drug costs just so big pharmaceutical companies can line their pockets. In June 2019, Dan McCready released a 10-Point Plan to Lower Prescription Drug Costs. The ten points are common-sense and bipartisan ways to lower U.S. prescription drugs by reforming domestic drug pricing and sales, addressing foreign freeloading whereby foreign countries are taking advantage of

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3 Dan’s Plan to Lower Rx Costs, https://www.danmccready.com/rx
American consumers, and encouraging generic drug alternatives. Lowering prescription drug prices shouldn’t be a partisan issue; a number of these reforms build on the work being done currently by the Trump administration.

Where does Senator Bishop stand? He was the only legislator in Raleigh to vote with Big Pharma and the costly middlemen against lower drug prices.

- He took the only vote in the Raleigh legislature against a bipartisan bill that allowed pharmacists to discuss lower-cost alternative drugs with consumers. Such initiatives were supported by President Trump and both Republican U.S. Senators. Bishop later claimed he didn’t have time to read the bill, which at 546 words was shorter than Green Eggs and Ham.
- Just as alarming, Bishop voted with only nine others to allow insurance companies to hike prices on lifesaving oral chemotherapy treatments.
III. Reap The Benefits From Expanding Medicaid

Hundreds of thousands of North Carolinians live every day in the “coverage gap” – they aren’t able to afford private insurance, and they aren’t eligible for Medicaid because it hasn’t been expanded in our state. Medicaid expansion is the answer. In the 9th District, the benefits of Medicaid expansion are dramatic (see Table 2).

<table>
<thead>
<tr>
<th>County</th>
<th>Jobs created in 2022</th>
<th>More people covered by Medicaid</th>
<th>Growth in county's economy 2020-2022 ($ million)</th>
<th>Increase in county tax revenues 2020-2022 ($ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mecklenburg</td>
<td>3,751</td>
<td>64,281</td>
<td>999.6</td>
<td>11.6</td>
</tr>
<tr>
<td>Union</td>
<td>354</td>
<td>9,643</td>
<td>70.0</td>
<td>1.9</td>
</tr>
<tr>
<td>Anson</td>
<td>43</td>
<td>1,671</td>
<td>7.3</td>
<td>0.1</td>
</tr>
<tr>
<td>Richmond</td>
<td>133</td>
<td>3,696</td>
<td>24.5</td>
<td>0.3</td>
</tr>
<tr>
<td>Scotland</td>
<td>120</td>
<td>2,604</td>
<td>21.6</td>
<td>0.2</td>
</tr>
<tr>
<td>Cumberland</td>
<td>710</td>
<td>18,451</td>
<td>140.6</td>
<td>1.3</td>
</tr>
<tr>
<td>Robeson</td>
<td>616</td>
<td>13,747</td>
<td>97.8</td>
<td>1.4</td>
</tr>
<tr>
<td>Bladen</td>
<td>62</td>
<td>3,034</td>
<td>10.8</td>
<td>0.1</td>
</tr>
</tbody>
</table>

Portions of Mecklenburg, Cumberland, and Bladen County are in the congressional district.


Statewide Medicaid expansion would provide coverage to more than an estimated 600,000 North Carolinians, an estimated 200,000 of whom have no realistic access to health insurance without Medicaid expansion. Medicaid expansion is projected to create more than 35,000 jobs in North Carolina and increase gross state product by $2.9 billion in 2022. It would help keep rural hospitals open after five rural hospitals closed in North Carolina since 2010.

Medicaid expansion will be 90% paid for by the federal government. By not expanding Medicaid, North Carolinians’ federal tax dollars are going to other states like California, even as our hospitals are providing about $1 billion in care every year to patients who can’t pay.

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4 “North Carolina and the ACA’s Medicaid Expansion,” Louise Norris, healthinsurance.org, 5/7/2019
Expanding Medicaid is the right thing economically and morally. Simply put, it’s a no-brainer. While it’s hard to imagine why anyone would oppose it, career politicians beholden to special interests are blocking it. Our elected leaders must use all tools at their disposal to overcome their stonewalling and expand Medicaid.

Where does State Senator Bishop stand? He’s been a leader in blocking Medicaid expansion.

- Bishop is the Chair of the healthcare committee in the North Carolina State Senate, which has refused to expand Medicaid.
- He has railed and voted against Medicaid expansion, sending our federal tax dollars to other states like California, leaving 200,000 North Carolinians uninsured, and keeping 35,000 jobs from North Carolina.
IV. Save Rural Healthcare

People in the rural parts of the 9th District face a special challenge affording healthcare. The percentage of people under 65 without health insurance is highest in these rural counties (see Chart 1). According to the NC Rural Health Research program, rural populations have higher mortality rates than urban populations, with the most dramatic gap found in the South Atlantic region of the United States. The opioids crisis has hit North Carolina’s rural counties particularly hard. Rural hospitals have been in financial distress as young people have moved to the cities and left behind a population dependent on Medicare and Medicaid and where patients seek treatment in emergency rooms instead of preventative care. North Carolina hospitals are providing about $1 billion in care every year to patients who can’t pay. According to the National Rural Health Association, 107 hospitals in rural America have closed since 2010 and another 673 facilities are vulnerable to closure. In North Carolina, five rural hospitals closed since 2010.

5 "Health care deserts are growing in North Carolina," Mandy Mitchell, WRAL, February 14
The following steps will dramatically improve healthcare for patients in the 9th District’s rural counties:

**Expand Medicaid**
As outlined in the prior section, expanding Medicaid will provide countless benefits to people living in rural counties while protecting rural hospitals by increasing their revenue through Medicare reimbursements.

**Support primary care**
As outlined a future section, incentivizing primary care will replace costly emergency room visits in rural counties with preventative care.

**Support telehealth**
In rural areas, patients often lack access to specialty and behavioral healthcare and must drive long distances to receive the care they need. Telehealth solutions can enable access to excellent levels of care, even for complex services, without patients...
having to drive to a city like Charlotte. Using telehealth solutions, a patient can consult with a specialist over internet video with the nurse at the patient’s side or even at the patient’s home. Such consultations can be done hand in glove with the primary care physician. Telehealth solutions, including for behavioral health, are being deployed in hospitals in the 9th District, including in Wadesboro and Mint Hill (see image above). Despite the benefits of telehealth, Medicare and private insurance companies only reimburse limited amounts of telehealth\(^6\) -- legislation should reform these reimbursement issues.

Fight for the 9th District’s fair share of federal funds and obtain full federal recognition for the Lumbee Tribe

The 9th District deserves its fair share of federal funding for rural healthcare. Yet currently the 9th District is without representation and faces the prospect of a congressional representative in State Senator Bishop who will vote against the healthcare needs of people in the district. Our representative must fight for grant money to train rural doctors, take on the opioid epidemic, and more. Critically, deserved federal healthcare funds are not being delivered to Robeson and Scotland Counties because the Lumbee Tribe, the largest Indian tribe east of the Mississippi with 55,000 members, lacks full federal recognition.\(^7\) Congress must fully recognize the Lumbee Tribe and enable key healthcare and other funds to reach the tribe and Robeson and Scotland Counties.

“The Lumbee have respectfully and patiently sought federal recognition for 128 years. During this pursuit, we have endured an array of research, pseudoscientific studies, and even congressional legislation that has ultimately resulted in the marginalization of our people. As a result of this and an ever-diminishing regional economy, the Lumbee people currently endure high levels of unemployment resulting in low socio-economic status, low educational attainment, and significant health-related issues.” – Harvey J. Godwin Jr. Chairman, Lumbee Tribe of North Carolina\(^8\)

Expand national service programs that target rural health

Civilian national service programs like AmeriCorps are already active in eastern North Carolina. [FEMA Corps members volunteered](#) to help with disaster recovery after

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\(^6\) “Telehealth Reimbursement Fact Sheet,” Center for Connected Health Policy, [February 2019](#); conversation with industry participants.


\(^8\) Harvey Godwin, Jr. Written Testimony before the Committee on Indian Affairs, United States Senate, [9/7/2016](#)
Hurricanes Matthew and Florence devastated eastern North Carolina. The Congress should adopt Dan McCready’s National Service Plan to dramatically expand the number of civilian volunteers working on healthcare matters in eastern North Carolina through not just disaster relief, but also work to address the service gap in lower-income communities in areas like food assistance, insurance enrollment, and health education.
V. Lower Costs And Improve Outcomes With Primary Care

It has long been proven that access to primary care lowers cost and leads to better outcomes. According to the American Academy of Family Physicians, accumulated healthcare-related costs are a third lower for adults who have a primary care physician. Primary care-based systems lead to fewer hospitalizations, less duplicative treatment, and better technology use. Primary care can help treat diseases early for lower-cost and better outcomes. It’s been known for decades that outcomes improve when primary care physicians manage patients through “thick and thin” and direct patients through the healthcare system and ensure coordination with specialists and information sharing.

“If you don’t take care of them early, it costs you ten times as much to take care of them late. Sometimes it is the difference between cure or death from cancer when uninsured or under-insured folks don’t get early treatment.”
– Derek Raghavan, President, Levine Cancer Institute

Unfortunately, high-deductible plans, a centerpiece of the Affordable Care Act, disincentivize primary care. A study found that patients with high-deductible plans but no health savings accounts see primary care physicians less. Expensive primary care dis-encourages employees to add family members to employer-sponsored plans because the Affordable Care Act will ensure coverage if a child gets sick down the road.

We need to amend the Affordable Care Act to support primary care. Legislation should require primary care visits to be excluded from deductibles. To encourage more primary care and create a positive primary care relationship, a patient should have to pay no more than a $25 or $30 co-pay to see a family physician, pediatrician, general internist, or OB/GYN.

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9 Quoted to authors, July 19, 2019
10 Conversations with industry participants.
VI. Fix Incentives With Value-Based Care

Brian is an Iraq War veteran. He and his wife both have health insurance through their jobs, but they have to pay thousands out of pocket so their twins can see specialists. Value-based care would lower healthcare costs for families like Brian’s that struggle to afford healthcare.

In our current payment model that has been in place for centuries, doctors are generally paid based on the number of patients seen, tests ordered, and services performed. If a patient goes to the hospital for an appendectomy but gets an infection and has to go back, the patient is billed twice. Those incentives are all wrong. The patient should only be billed once for that.

To lower cost and improve outcomes, legislation must move America away from our costly fee-for-service model, where the incentives for volume drive up cost, to a system of value-based care, where providers are paid based on outcomes and quality. A value-based system can leverage the integrated and connected nature of modern health systems, including sharable electronic medical records, with more preventative, rather than reactive, and lower-cost care.

Healthcare providers around the country have begun to use value-based care methods to improve delivery and lower costs. Intermountain Medical Group clinics saved cost by

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11 "Value-Based Care," Cleveland Clinic, Accessed 7/10/2019
12 Conversations with industry participants; "Value-Based Care," Cleveland Clinic, Accessed 7/10/2019
integrating mental healthcare into primary care, and surgeons at Mayo Clinic saved cost by performing pathology work during instead of after operations.¹³

Strengthening the primary care relationship (see prior section) is an important step toward value-based care. A new dynamic that makes value-based care possible in North Carolina is the large hospital systems’ recent acquisitions and management of independent physician practices. North Carolina’s situation is ripe to design larger, more integrated healthcare systems whereby insurance companies strike deals with the hospital systems for value-based contracts – for example, to care for set patient populations for set fees.

New legislation should require insurance companies and providers to move to value-based care, building on the initiatives in the Affordable Care Act that promoted value-based care. Existing value-based payment models should be extended and expanded. Legislation should require insurance companies and providers to come to a common view of “value” and require providers to demonstrate value for service using evidence-based algorithms.¹⁴

¹³ “Turning Value-Based Health Care into a Real Business Model,” Thomas H. Lee, MD, MSc and Laura S. Kaiser, FACHE, MBA, MHA, NEJM Catalyst, 10/24/2016
¹⁴ Conversations with industry participants.
VII. Better Care For Our Veterans

As a Marine Corps veteran, Dan understands that the veterans who have sacrificed for our country deserve the best care our country has to offer. But too many in North Carolina are being left behind without the care they need. The VA is struggling to handle healthcare for veterans, including veterans of the wars in Iraq and Afghanistan. Because so many of our veterans were wounded and experienced PTSD and traumatic brain injury in these wars, the VA has been overwhelmed with cases that created a massive backlog. Once a veteran sees a doctor, they rate care as "good to excellent," but the VA has long struggled with paperwork, red tape, and operational issues.\(^{15}\)

Dan is no stranger to advocating for veterans. After he went to business school on the GI Bill, he gave away a portion of his company’s sales each year to veterans. Veterans will have no stronger advocate than Dan on health care, mental health, education, jobs, and the transition to civilian life.

We must reform the VA healthcare system. That starts with accountability; the Department of Veterans Affairs Accountability and Whistleblower Protection Act of 2017 was the first step on the path towards more accountability and dependable healthcare for our veterans. The Act should be implemented robustly. Legislation must be introduced to fix the broken transition that veterans experience moving from active duty to the VA, a transition fraught with poor care and lost paperwork that Dan experienced personally. To ensure veterans receive the care they need, we must protect the Veteran Community Care program and the VA Choice Act; endorsed by representatives from both sides of the aisle, the program allows veterans to see private doctors outside the VA system if they experience long wait times or live too far from a VA facility.\(^{16}\)

Congress should conduct a full review in 2020 of progress made as to the 2017 Act and recommend steps for future legislation to build on improvements to accountability and care.

To reduce future casualties and make sure the VA is prepared to handle veterans wounded in future conflicts and prevent backlogs of cases, Congress must reassert its constitutional responsibility for deciding when and how to send our troops into harm’s way, accomplish the mission in a time-limited and decisive fashion, and bring our troops home. Congress must take a long-term view to estimate the lifetime costs of physical and mental healthcare for our veterans before declaring war.

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\(^{15}\) "The crisis at veterans affairs," The Week, Accessed 7/20/2019

\(^{16}\) "Sanders, McCain strike VA deal," Jeremy Herb, Politico, 6/5/2014
The executive branch under Republican and Democratic administrations alike has had too much power and been too hasty to deploy our troops into Iraq and the “forever wars” without clear strategic objectives and long-term planning, while failing to account for the lifetime cost of healthcare for the veterans they deploy. Fortunately, young veterans newly elected to Congress on both sides of the aisle agree and are working together to reform the authorizations of military force passed after 9/11 that the executive branch has stretched beyond their intent. We need more young veterans in Congress to expand their work and reduce future casualties by applying smart and strategic thinking from their own experiences serving in combat operations.