

Congress of the United States

Washington, DC 20515

July 15, 2025

The Honorable Josh Stein
Governor of North Carolina
116 W Jones St.
Raleigh, NC 27603

Dear Governor Stein,

We received your letter regarding policies on Medicaid, the Supplemental Nutrition Assistance Program (SNAP), and taxes in H.R. 1, the *One Big Beautiful Bill Act*. We agree we must preserve and strengthen these programs for our shared constituents who depend on them. We also know this bill will greatly benefit our constituents by prioritizing our most vulnerable and their access to resources, bringing in more take-home pay monthly, increasing resources for families with children and preventing the largest tax hike in history.

This landmark legislation protects our most vulnerable and middle-class families. For years, able-bodied independent adults have had better and quicker access to Medicaid services, delaying care for our elderly, disabled, blind, children, and single and pregnant mothers. We have heard numerous stories of vulnerable patients waiting years for hospital at home services, medical equipment, special needs waivers and more. This bill restores integrity and sustainability to our healthcare programs so those vulnerable patients can access care when they need it.

H.R. 1 also ensures SNAP works the way Congress intended it to, by reinforcing work, restoring program integrity, and instituting long-overdue accountability incentives for states to control costs, enhance efficiencies, and improve outcomes. As you know, unlike the Medicaid program, the federal government covers 100 percent of the costs of SNAP benefits, and the states pay zero percent. Since 2019, SNAP rolls have increased by 17 percent, from 36 million to 42 million, and the overall cost of the program has grown by 83 percent, ballooning from \$60 billion to \$110 billion annually. Moreover, states, who administer the SNAP program, collectively make over \$10 billion per year in erroneous payments, both overpayments and underpayments, to participants. The national average error rate of 11 percent has nearly doubled since 2019, and North Carolina's error rate of 10 percent is above its pre-COVID average of under six percent. As the federal government approaches \$38 trillion dollars in debt, Congress can no longer turn a blind eye to this level of federal taxpayer money being diverted from vulnerable families, and you have an opportunity to be a part of the solution.

Just this week, the U.S. Department of Justice announced a case involving \$2 million in Medicaid fraud from a single North Carolina business owner. And as you probably know, the Medicaid uninsured numbers referenced in your letter are based on an inflated outdated number, not the actual impact of the bill, Congressional Budget Office analysis, or the legislation that was signed into law. Regardless, common-sense policies like work requirements are intended to

protect our most vulnerable – not to remove anyone from Medicaid. Back in 2023, the State Treasurer of North Carolina wrote to CMS on the state directed payments increase to commercial rates and the concern that it “will fuel hospital price inflation, increase hospital consolidation and imperil the fiscal sustainability of NC” – this is what happened – and this is what our bill aims to fix. To alleviate the immediate impact, the Rural Transformation fund included in the bill will also provide hospitals a safety net and we will be happy to work with you to ensure our state receives the proper amount to support our providers.

Under this bill, North Carolina stands to gain from historic economic investment in American energy and rural broadband, especially in areas that have been left behind. The legislation slashes mandates, unleashes American energy, and eliminates billions in corporate green welfare that props up China and burdens our grid.

Over 100,000 North Carolinians work in manufacturing and energy-adjacent sectors – and under H.R. 1, we’re finally cutting red tape, streamlining permitting, and rewarding companies that build here, hire here, and stay here.

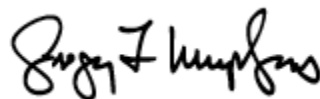
Finally, this bill raises take-home pay for working families by an estimated \$7,200 to \$12,200, removes tax on tips and overtime, and supports small businesses with extended deductions and renewed opportunity zones. President Donald Trump made a promise to the American people to secure our borders and that’s what this legislation does with renewed contracts and increased resources for our federal law enforcement.

Thank you for raising these concerns. However, we believe North Carolinians deserve the truth, not just talking points. As our state’s leader, we look forward to working with you and the state legislature to implement these historic policies as intended to benefit all North Carolinians.


Sincerely,



Richard Hudson



Gregory F. Murphy, M.D.



Dr. Virginia Foxx



Addison McDowell



David Rouzer



Mark Harris



Pat Harrigan



Chuck Edwards



Brad Knott



Tim Moore