

Fragile N.C. Residents Lose Medicaid Support for Food and Housing

One year after Hurricane Helene, people in the hard-hit western region of North Carolina can no longer rely on a successful program that helped keep them afloat.



Krista Shalda, a single mother of two boys with complex medical needs, often sent photos to friends of the healthy foods filling her fridge from the HOP program.

By [Andrew Jacobs](#) Photographs by Allison Joyce

Sept. 29, 2025 Updated 9:07 a.m. ET

Five years ago, North Carolina embarked on a bold experiment to road test the idea that providing nutritious food, safe housing and transportation for doctors' visits can help fragile Medicaid recipients stay healthy and avoid costly hospital stays.

For Krista Shalda, a single mother of two boys with complex medical needs, that meant receiving a weekly box of fresh produce. The provisions made it easier to stick to the special diet that reduced her 15-year-old's trips to the emergency room.

Kellie Prince, who learned she had become homeless while recuperating from spinal surgery, was given a motel room for several weeks so she and her family didn't have to sleep in a car in the hospital parking lot.

And for Debra Hensley, 60, who is partially blind and physically disabled, the new roof and electrical work paid for by the Medicaid program, the Healthy Opportunities Pilot, or HOP, allowed her to stay in the aging trailer she shares with her teenage grandson.

"It's not an exaggeration to say that HOP saved my life," said Ms. Hensley, gesturing to holes in the ceiling that had previously channeled rain water into her living room.

By many accounts, the \$650 million set aside for North Carolina's Medicaid experiment was a success, and it enjoyed bipartisan support in the state's Republican-led General Assembly.

An [analysis](#) by the UNC School of Medicine found the program saved \$1,000 annually for each of the 13,000 Medicaid recipients enrolled in the pilot, which covers three rural swaths of the state.



Debra Hensley; Ms. Shalda and her two sons; Kellie Prince, preparing dinner for her family.

But the program is shutting down, an early casualty of the cuts to Medicaid that Congress approved in July. In declining to renew funding, state Republican leaders cited looming reductions in federal health care spending in President Trump's [legislation](#), which extends tax cuts and slashes social safety net programs.

State lawmakers have until Sept. 30 to reverse course and fund the pilot for another five years, but many participating organizations have already discontinued services, and some have shut down entirely.

“There’s a lot of heartache and disappointment to watch the demise of something that was stabilizing the community and helping people get back on their feet,” said Laurie Stradley, chief executive of Impact Health, a nonprofit in Asheville that helped administer the program in western North Carolina. “We’re going to see ripple effects for years to come.”

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The cuts are part of a \$320 million reduction in Medicaid spending by the North Carolina Legislature that health care analysts say will significantly erode benefits for the state’s three million Medicaid recipients.

The pilot’s cancellation has been especially dispiriting for residents of Asheville, N.C., and the surrounding counties, a mountainous region still recovering from the catastrophic flooding brought by Helene almost exactly one year ago.

Many people here say they feel abandoned by the Federal Emergency Management Agency, which in May announced it would no longer [share](#) the cost of recovery efforts with the state.

In recent years, the area has become a magnet for affluent retirees and digital nomads drawn to the beauty of the Blue Ridge Mountains and Asheville’s bustling arts scene. But in a state with a \$7.25 minimum wage, the dizzying rise in housing prices has made the area increasingly unaffordable to low-wage workers.

State Senator Ralph Hise, whose district is included in the pilot, and a half-dozen other Republican leaders in the General Assembly did not respond to interview requests.

In public comments, some have cast doubts on the pilot’s effectiveness.

“It’s not clear from our side that any folks are really benefiting from that program anyway,” House Speaker Destin Hall said in June.



Ms. Hensley in her trailer, which is getting a new roof paid for by HOP; Ms. Prince picking up her grandchildren from school.

North Carolina's decision offers a preview of the seismic changes facing American health care as more than \$900 million in expected cuts to Medicaid take effect in the next decade. According to the [Congressional Budget Office](#), nearly eight million people are projected to lose Medicaid coverage by 2034.

After floodwaters coursed through her suburban Asheville house and sent the family fleeing into the dark, Ms. Shalda and her two sons, both of whom have autism, spent months living in shelters and motels. Since November, they have been camping out in a donated recreational vehicle parked next to their water-damaged home.

“North Carolina legislators seem to think we’re just a bunch of hillbillies and don’t deserve a helping hand,” Ms. Shalda said of the decision to end the program.

Seth A. Berkowitz, a primary care doctor at the UNC School of Medicine who has been evaluating the program for the federal Centers for Medicare & Medicaid Services, said the pilot has been successful by helping families in crisis get back on their feet.

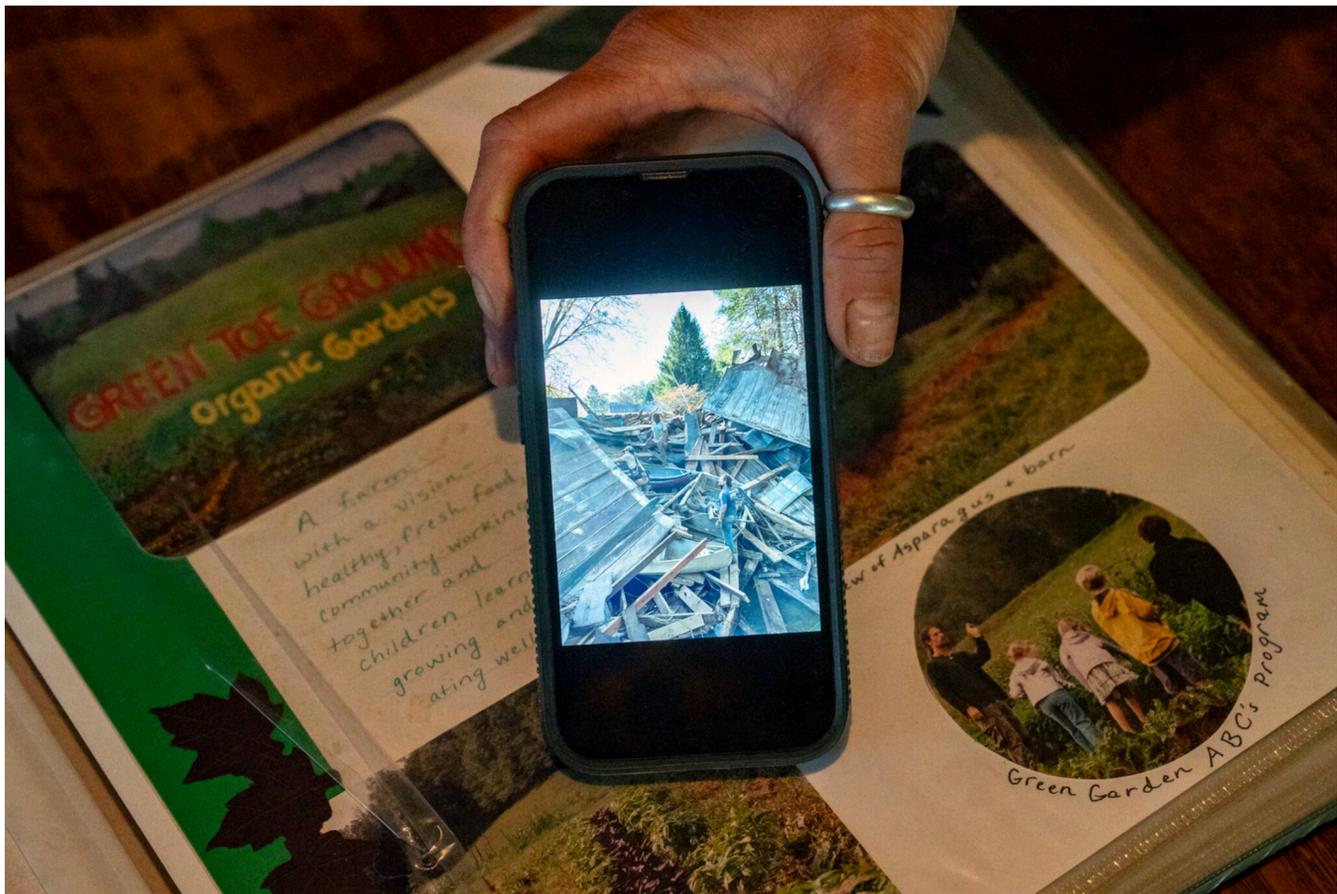
“We’re talking about ‘a straw that broke the camel’s back’ situation, where a family is barely holding it together and then someone loses a job, or their only car breaks down,” he said.

Although spending for each participant initially increased as enrollees received prescribed services — for say, mold removal to ease a child’s asthma symptoms — Dr. Berkowitz found that over time, the spending trend declined.

“If you spend resources to get people through a rough patch, that translates down the line to better health and lower health care spending,” he said.

The pilot also boosted the local economy by distributing much of the funding through social service organizations, food banks and farms across the region.

Many farmers had already planted their spring crop when they learned the program would be shutting down. “For us, the timing is terrible,” said Nicole DelCogliano, who grows 30 kinds of organic vegetables in the sandy loam soil along a bend in the South Toe River in Yancey County.



Nicole DelCogliano and her husband, Gaelan Corozine, of Green Toe Ground farm in Burnsville, N.C., which was damaged in Hurricane Helene last year.

The HOP revenue helped the family regain their footing after Helene devastated their farm, causing \$250,000 in damage. “And personally speaking, it was especially gratifying to know our food was going to people who really needed it,” Ms. DelCogliano said.

Much of the farm’s produce ended up in one of a dozen community markets that operate in low-income neighborhoods in and around Asheville. The markets, run by the nonprofit [Bounty & Soul](#), resemble traditional farmers’ markets except that shoppers do not pay for the farm-fresh produce they drop in their shopping bags.

The community markets serve 26,000 people each month, roughly double from before Helene, according to Paula Sellars, the deputy director of Bounty & Soul.

The markets will continue, but the end of the HOP program means that 260 Medicaid recipients with serious health difficulties are no longer receiving the boxes of fruits, vegetables and eggs that Bounty & Soul assembled each week. “With all its micronutrients, fresh produce is the foundation of good health,” Ms. Sellars said. “Rather than chasing disease, supporting people’s well-being is actually the smart economic choice, and the humane choice.”

The produce was a godsend for Ms. Shalda.

Tall, gentle and wise beyond his years, her oldest son, Alex, 15, was born with hydrocephalus, a buildup of fluid inside the brain. Over the years, he has endured a number of hospitalizations and surgeries, and he is especially susceptible to convulsive seizures and kidney stones.

When Alex’s doctor prescribed a complex diet to reduce the frequency of both, Ms. Shalda wept with frustration. Two pages long, the diet was heavy in fresh vegetables, dairy and meat, items she could barely afford on the \$700 in food stamps the family receives each month.



Ms. Shalda and her sons, living in temporary housing while their home is repaired from flood damage; people in line to receive donated food from Bounty and Soul in Asheville.

The HOP food boxes, tailored to the family's exacting dietary needs, contained two dozen eggs, cheese, bread and an array of seasonal produce. Ms. Shalda was so excited she would share photos of her food-packed refrigerator with friends. Over time, the seizures and kidney stones that often sent Alex to the hospital began to decline.

"And it's been such a relief to watch him run around crunching on carrots and peppers instead of eating junk food," she said.

Since the food deliveries ended in July, Ms. Shalda said, she had been serving more frozen and canned vegetables. As she spoke, the boys made a face. "The frozen carrots tasted like mush," Alex said.

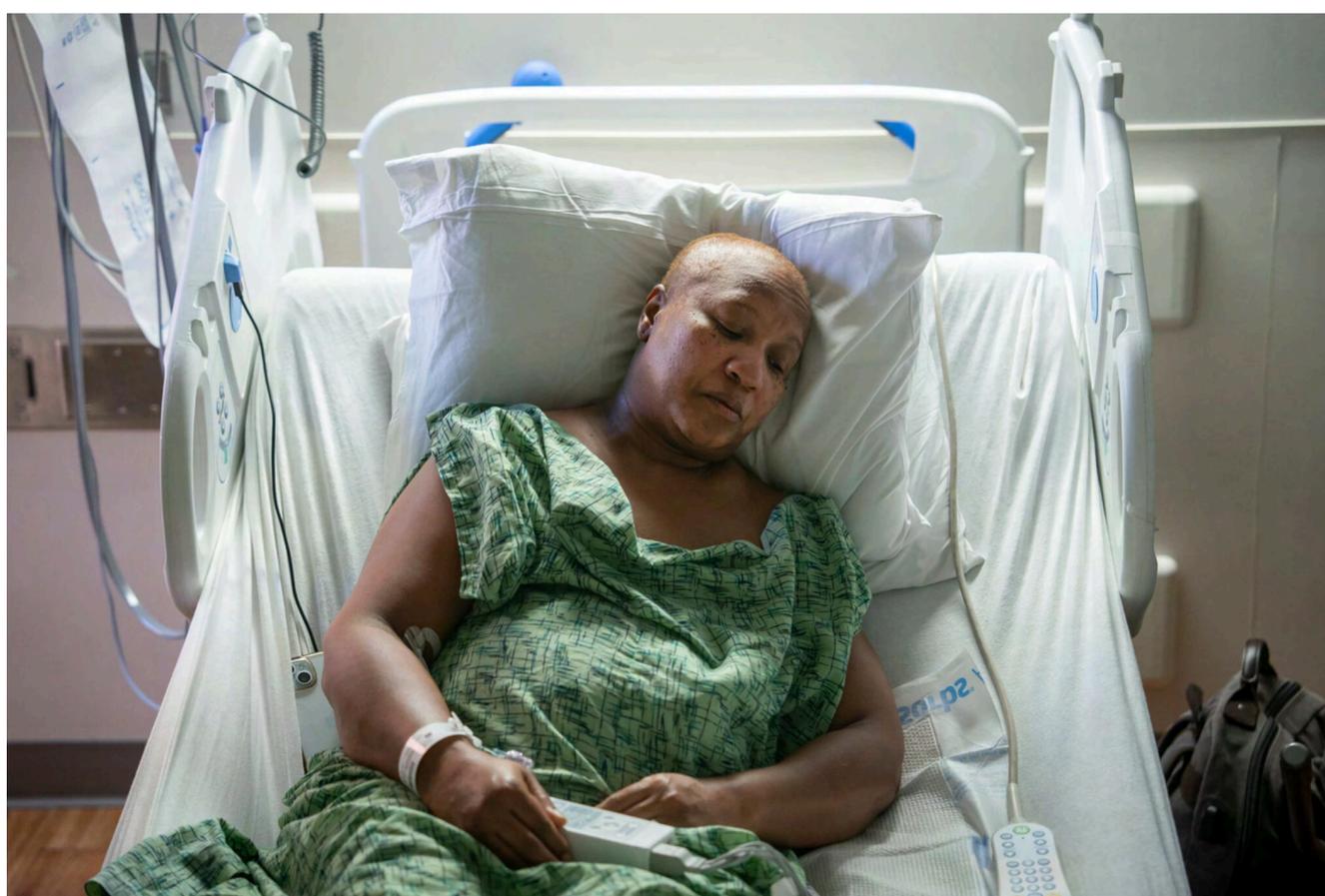
The pain from his chronic kidney stone condition has recently begun to creep up.

Ms. Shalda fears things will only get worse as the federal cuts to Medicaid and food stamps take effect.

"I feel overwhelmed just thinking about the future," she said.

Ms. Prince, who is caring for three grandchildren, shares the anxiety. Since the family stopped receiving the weekly food boxes, Ms. Prince has been making the rounds to local food pantries, but few offer fresh produce and most only allow one visit every two weeks. "The kids really used to look forward to the strawberries, bananas and eggs," she said. "Have you seen the price of eggs lately?"





Ms. Prince with her one of her grandchildren, Clover, and in the hospital, recovering after a spell of small strokes.

After 11 months living in shelters and motels, her husband found a \$20-an-hour job with the Asheville Housing Authority. That allowed the family to rent a two-bedroom apartment in the nearby town of Black Mountain. But Mr. Prince's income then made the family ineligible for the \$173 in monthly food stamps they had been receiving. Ms. Prince also lost \$798 in federal disability payments.

Cheery and seemingly indefatigable, Ms. Prince, 55, has been unable to work in the years since she was injured. in a car accident, leaving her with a host of health issues. In July, she was diagnosed with breast cancer and underwent a double mastectomy.

On a recent afternoon, Ms. Prince described the travails of rearing three children under 8 on a limited income while dealing with complications from her surgery. They include swelling, constant pain and a series of blood clots that alarmed her doctor.

“It’s hard to recover properly when you can’t get any sleep and you’re worried all the time about feeding your family,” she said as Klover, the youngest grandchild, wriggled in her arms.

In many ways, the Prince family personifies the rationale behind the HOP program. It helped the family emerge from homelessness, and the food boxes provided the building blocks for healthy meals.

On the flip side, the loss of that support highlights how the stress of poverty can negatively affect health. “I’m not one to complain, but it’s been hell,” she said in a quiet moment with her grandchildren out of earshot.

A few days later, Ms. Prince was rushed to the emergency room after the right side of her body went numb and she could no longer speak. The doctors said she had suffered a series of small strokes.

After five days in the hospital, they sent her home with strict orders: eat well, rest and avoid stress.