State of Louisiana
Louisiana Department of Health
Office of the Secretary

September 18, 2017

Senator William “Bill” Cassidy, M.D.
520 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Cassidy:

First, I want to thank you for your continued dialog on the health care needs of Louisianans. Though we have shared goals of improving outcomes and enhancing coverage, I write today to express deep concerns about the latest draft of the Graham-Cassidy-Heller-Johnson amendment unveiled last week. Specifically, I am concerned that the legislation:

- Ends our successful Medicaid expansion, jeopardizing coverage for more than 433,000 individuals;
- Deploys the same per capita caps contained in the “Better Care Reconciliation Act” (BCRA) of this past summer that would result in profound cuts to Louisiana’s most vulnerable citizens, including children, the disabled, and pregnant women;
- Introduces the specter of state-based waiver of patient-centered protections affecting those with pre-existing conditions or complex and costly conditions; and
- Singles out Louisiana for disproportional cuts to our Federal funding.

In its current form, the harm to Louisiana from this legislation far outweighs any benefit; therefore, I must register our deep concerns and hope we can find a better path forward towards fixing the broken parts of our healthcare system.

First and foremost, my concern deals with the bills’ treatment of the Medicaid Expansion. As you know, in only one year, we’ve been able to provide more than 433,000 Louisianans with coverage, resulting in more than one hundred thousand primary care visits, tens of thousands of screenings for cancer, and thousands of new mental health services. These treatments have saved lives. Because this bill eliminates Medicaid expansion in 2020, all of our efforts would end, and thousands of Louisiana citizens would lose coverage and access to critical health care services. This would be a detrimental step backwards for Louisiana.

Further, this legislation uses the same punitive funding formula for “per capita” caps found in BCRA. We have previously spoken about how these caps would punish Louisiana for running a lean Medicaid program with low-overhead and introduce profound budget instability. As many prior models have shown, the caps are poorly formulated and jeopardize coverage for some of our most vulnerable citizens.

Rebecca Casey @bbkaksky • 18h
Replying to @rebekahgeemd @BillCassidy
Cassidy is acting like a physician at a dine n dash paid for by insurance cos instead of pharma. Makes one wonder what he’s getting.
This bill also weakens a state's ability to waive essential health benefits (EHBs) and price protections for individuals with pre-existing conditions if they receive funding through the new market-based grant program. Weakening these consumer protections, by allowing insurers to charge individuals more based on age and health status, would inevitably increase the cost of care for those who need it most—lying driving these individuals out of the workforce and into the increasingly battered and tattered safety net of public assistance. The potential to waive EHBs could also affect coverage for maternity services, threatening the health of the unborn and their mothers. This would end our attempt to transition away from acute, episodic care towards care provided at a medical home by putting coverage for preventative services at risk.

Finally, this bill, like ones before it, uniquely and disproportionately hurts Louisiana due to our recent expansion and high burden of extreme poverty. The market-based grant program would underestimate our expansion funding given that we were still ramping up enrollment last year, the “base year” for our expansion allotment. Also, this program initially allocates funding based on a state’s percentage of population between 50% and 138% FPL. Louisiana has the 2nd highest rate of individuals under 50% FPL, some of whom are currently enrolled in expansion and need financial assistance but do not factor into the funding formula.

The combined effects of the per capita caps and eliminating expansion would result in a projected loss of $3.2B in Federal funding through 2026—making Louisiana the 8th biggest loser of those states affected by the Legislation and by far the poorest and sickest state affected by these cuts. All seven of the states with larger nominal cuts, including NY, TX, and CA, are far larger and wealthier. The cuts would threaten critical access and care for our most vulnerable Medicaid populations including the disabled, children, and pregnant women.

Senator Cassidy, as you know, I deeply respect your acumen on and commitment to health care reform. I appreciate your determination to see reform happen. Nevertheless, the legislation you’ve introduced this past week gravely threatens health care access and coverage for our state and its people. It also relies on the closed-door and hurried process of budget reconciliation. A generational bill as transformative as this one, that would overhaul aspects of nearly one-fifth of this country’s economy, should be done through regular order with public hearings.

Therefore, I hope you’ll consider my deep reservations regarding this legislation as an opportunity for continued dialogue about the path toward health care reform. We must tackle the underlying issues driving unaffordability and the lack of access by focusing on the chronic conditions of uncontrolled pharmaceutical costs, lack of commitment to evidence-based treatments, and the reliance on antique and broken care-delivery models.

Through engagement, I know we can find common ground to move forward on our shared goals. I look forward to the dialog.

Sincerely,

Dr. Rebekah Gee
Secretary, Louisiana Department of Health

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