Introduced March 1, 2011, by Councilman Cusimano, seconded by Councilwoman Harbison

RESOLUTION R11-01

A resolution urging the Governor and the Louisiana Legislature to mitigate Medicaid cuts by considering other public policy alternatives, to rebalance the Medicaid reimbursement rates, and to eliminate payment discrepancies between providers located in St. Tammany Parish and other parishes.

WHEREAS, it has been brought to the attention of the Slidell City Council the discrepancies in Medicaid reimbursement rates between St. Tammany Parish hospitals and other Louisiana Parish hospitals; and

WHEREAS, healthcare providers are a major economic influence within St. Tammany Parish; and

WHEREAS, healthcare providers impact overall economic activity, including business transactions, household earnings, jobs and state and local tax collections; and

WHEREAS, hospitals in Louisiana Department of Health and Hospitals Administrative Region 9, including St. Tammany Parish, have annual expenditures of \$632 million; and

WHEREAS, hospitals in Region 9 support \$3.2 billion in annual business sales; and

WHEREAS, hospitals in Region 9 employ more than 31,937 people; and
WHEREAS, Medicaid rates reimburse healthcare providers less than the
costs of providing care and, today, reimburse hospitals less than in 1995; and

WHEREAS, the inadequacy of government reimbursement for healthcare services adversely impacts our local economy as hospitals freeze or reduce capital

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purchases, consider hiring freezes, halt construction or equipment purchases and consider eliminating vacant positions; and

WHEREAS, St. Tammany Parish has supported Governor Jindal as a Member of Congress and as Governor and requests he take into consideration the impact of these policies on one of the fastest growing parishes in Louisiana and a parish that is key to ongoing and future economic growth of businesses along the nationally popular I-10/I-12 corridor.

NOW THEREFORE BE IT RESOLVED that the Slidell City Council hereby expresses its opposition to Medicaid cuts proposed as emergency rules published December 1, 2010 by the Louisiana Department of Health and Hospitals; and

BE IT FURTHER RESOLVED that we urge the Governor and the Louisiana Legislature to mitigate Medicaid cuts by considering the other public policy alternatives such as using the extended Federal Medical Assistance Percentage (FMAP) this state fiscal year to maximize enhanced federal matching funds, accelerate the use of financial mechanisms such as the Upper Payment Limit programs and Certified Public Expenditures, to rebalance the Medicaid reimbursements rates to eliminate payment discrepancies between providers and explore alternative funding sources currently being utilized and expanded in other states.

BE IT FURTHER RESOLVED we urge the Governor and the Legislature to amend current state laws which disproportionately expose healthcare providers to budget cuts by considering spreading reductions across a larger portion of the state general fund such as statutory dedicated and agency generated funds, non-discretionary Portions of the

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State General Fund, the "All Other" category of the discretionary general fund budget and non-constitutionally protected, non-discretionary budget items.

BE IT FINALLY RESOLVED that the Slidell City Council, is in support of growth in healthcare and economic development of St. Tammany Parish.

ADOPTED this 1st day of March, 2011.

Landon Cusimano
President of the Council
Councilman-at-Large

Almo PRemes

Thomas P. Reeves Council Administrator