



LOUISIANA HOSPITAL ASSOCIATION

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FOR IMMEDIATE RELEASE

Statement from Louisiana Hospital Association Regarding Budget Announcement July 13, 2012

Statement from LHA President & CEO John Matessino

Today Department of Health and Hospitals Secretary Bruce Greenstein announced the Jindal Administration's strategy to deal with the \$859 million in cuts to the Medicaid program, as a result of a recent congressional action relative to the Transportation Bill, which dealt a huge blow to health services in our state.

The DSH cuts to rural hospitals will be critical and will lead to reductions in services and possible hospital closures. This could leave gaps in healthcare delivery for patients in rural areas, as well as economic losses to those communities.

We are also disappointed that another 3.7 percent cut to non-state, non-rural community hospitals was made, which is on top of a 20 percent Medicaid reduction that hospitals have faced over the past several years.

As for the DSH reductions to the state's charity hospital system, the LHA has had a long-standing policy calling for the elimination of duplicative services in the state run hospital system and for the consolidation of higher cost inpatient services, while maintaining outpatient primary care services. Changes to the charity system need to be considered both locally and regionally to see how it can be transformed to coordinate with other community hospitals and serve the population's needs.

We realize that the Administration had to make tough decisions. Our community hospitals have had to make these same decisions over and over again for the past few years. Our healthcare system is lean, and we anticipate the loss of services as a result of these additional reductions.

Hospitals in Louisiana will continue to do what they have always done – care for patients. We will continue to develop strategies, efficiencies and solutions that will improve Louisiana healthcare.

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