

Budget ball in Senate's court

Jim Beam

The Louisiana Senate has saved the state from financial disaster many times in recent years, and it now faces perhaps its greatest challenge ever. The House has sent the upper chamber a proposed state budget that decimates the health care of the state's most vulnerable citizens.

The poor, sick and disabled, many of them children, and the elderly deserve better.

A member of the AARP visiting the state Capitol last week refused to believe me when I told him at lunchtime that legislators were considering a budget that would actually kick elderly citizens out of nursing homes.

"No way," he said, "there is no way anyone is going to kick people out of nursing homes." He repeated it over and over again.

We can only hope he's right, but the House-approved budget contains health care reductions of federal and state money totaling \$1.9 billion.

Jeff Reynolds, undersecretary and chief financial officer of the state Department of Health, said that would cause 46,000 disabled and elderly citizens to lose their Medicaid benefits, which include nursing home and home health care. Medicaid is the federal-state health care program for poor, low-income and many elderly Americans.

Reynolds did offer those folks a glimmer of hope. He said the federal government that pays a major share of the Medicaid tab wouldn't let that happen. If the cuts can't be made, the state would have to find \$230 million in budget cuts somewhere else.

Some of the most sobering news came from the chancellors in charge of the state's public medical schools at New Orleans and Shreveport. They asked the Legislature not to pass a budget until it held a special session and raised more revenues. Both chancellors said medical residents, students and faculty might start making other plans and looking for jobs in other states.

The private hospitals that took over the former state charity hospital system would lose \$200 million in state funding. Reynolds said the loss of those funds would close hospitals in New Orleans, Shreveport,

Monroe, Lafayette and Bogalusa.

Greg Feirn, the CEO of the private-public hospital in New Orleans, in a letter to The Advocate outlined what that would mean to people they serve and his hospital, the largest of those five.

“To be concrete, it would mean nearly 2,500 employees are laid off, a reduction of roughly \$90 million in lease payments to the state and the elimination of \$160 million in education support to LSU and Tulane University.

Lake Charles Memorial Hospital is the private hospital that took over this area’s charity hospital services. It operates the Moss Clinic that was the former Moss Regional Medical Center. Reynolds said Memorial would survive, but it would have to end those services it has been delivering and close the clinic.

Republican leaders in the House knew they had to make a concession to get enough support to pass that devastating budget, so they cut the TOPS scholarship program by 20 percent. The \$58 million in savings was used for those hospitals and to wipe out a \$25 million cut to higher education. It wasn’t much help.

Senate President John Alario, R-Westwego, and Sen. Eric LaFleur, D-Ville Platte and chairman of the Senate Finance Committee, will have a lot to say about where this budget fiasco goes next. They offered some encouraging news.

Alario said, “I’m not sure we can solve the problems that need to be solved with the makeup of this budget. You can’t move the shells around enough to make all that work. I’m not sure we shouldn’t come to some agreement that we can’t do this now and let’s do this in a special session.”

LaFleur said, “It doesn’t seem to make sense for us to proceed knowing that the document isn’t acceptable to anyone.”

G.E. Ghali, chancellor of the LSU medical school in Shreveport, said, “We need to stop where we are and hit a reset button. We need to not pass this budget.”

All three officials are right. If the Senate were to put a budget together now it wouldn’t have any more revenues with which to work. Republican leaders in the House have to give some idea of how far they are willing to go to raise new revenues to replace temporary taxes that are expiring June 30, which can only happen at a special

session. They have repeatedly refused to make a commitment.

Reps. Cameron Henry, R-Metairie and chairman of the House Appropriations Committee, and Lance Harris, R-Alexandria and leader of the House Republican Delegation, are the architects of this budget disaster. They think it's great.

Refusing to pass a budget during the regular session is the only way to put Henry and Harris on the spot. The state has to have a budget, and it's going to take some replacement revenues in a special session to create one that is responsible and that takes care of the most vulnerable citizens in this state.