

# OPINION

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## READERS' VIEWS

### Levine estimates miss the mark

The Jindal administration's fight against federal health-care reform has ranged from the unfounded to the unseemly.

In the unfounded department, as noted in The Advocate's June 22 editorial, "A GOP take on new costs," Department of Health and Hospitals Secretary Alan Levine predicts health-care reform will cost the state \$7.1 billion over a decade.

But that number is based largely on Medicaid participation rate assumptions that are way too high. A recent analysis by the respected Urban Institute says Medicaid enrollment should increase by 366,318 over nine years — more than 37 percent below Secretary Levine's projection.

Most of this increase will be people newly eligible for Medicaid because of health-care reform. This is important because the federal government pays 100 percent of the cost of newly eligible Medicaid enrollees in the early years, gradually reducing to 90 percent on a permanent basis. That's a significantly higher reimbursement rate than the current Medicaid program, and needs to be figured into state cost estimates.

Another gross overestimate is Secretary Levine's assumption that 80 percent of those with private insurance but eligible for Medicaid will choose Medicaid. In states that have expanded Medicaid coverage to include childless adults, which federal health-care reform will do in Louisiana, much of the increase in Medicaid enrollment came from previously uninsured

persons, not people with private insurance electing to switch to Medicaid.

Finally, Secretary Levine assumes the mix of people served by hospitals will go from 26 percent Medicaid to 40 percent Medicaid. However, DHH's analysis of the New Orleans University Medical Center business plan, the proposed replacement of Big Charity, assumes that the patient mix in the geographic area served by UMC will be 21.7 percent Medicaid/LaCHIP, a far cry from the statewide estimate Secretary Levine uses when he's attacking federal health-care reform.

The study also finds other benefits to the state from federal health-care reform, including saving \$58 million in state general funds between 2014 and 2016; reducing the uninsured population from more than 15 percent to 5 percent; and holding Medicaid and Medicare rate increases to 2 percent, rather than the 3 percent estimated without reform.

On the unseemly side is the secretary appearing before legislative committees making an impassioned states' rights argument in support of nullifying the federal health-care reform law. Such resistance harks back to Louisiana's opposition to the civil-rights laws of the 1960s, an obstructionist strategy that didn't work then and won't work now.

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