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GOVERNOR

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OFFICE OF THE GOVERNOR
September 30, 2009

The Honorable Steve Scalise
429 Cannon House Office Building
Washington, DC 20515

Dear Congressman Scalise,

I join many of my fellow Republican and Democrat governors in expressing concern with any health care legislation being signed into law that would serve as an unfunded mandate to states.

Louisiana is similar to many other states around the country in that we are attempting to address budgetary deficits in large part by working to streamline government to be more efficient and cost-effective. In short, we are trying to emulate many of our working families, small businesses and seniors by watching our spending, doing more with less, and making every dollar count.

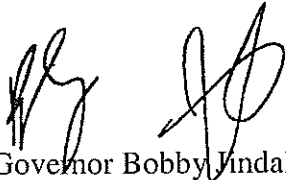
However, Louisiana's budgetary situation is uniquely challenged due to an unprecedented FMAP rate drop from 72 to 63.1 percent beginning next fiscal year that will cost Louisiana at least \$700 million annually. This additional cost will place significant pressures on our ability to expand our economy, create new jobs and protect critical services in our state.

Louisiana is proud of its commitment to its citizens' health in the face of long-standing issues of extreme poverty experienced in few other states. Our state is a national model for insuring children with over a 95% rate of child insurance and we were recently recognized for achieving the 2nd highest child immunization rates in the nation after an intensive state-wide private-public effort.

My Department of Health & Hospitals has submitted a Medicaid waiver to the US Department of Health & Human Services that can help improve the cost and quality delivered in the Medicaid program. This waiver proposes national best practices of coordinated care, medical homes, provider payment reform, electronic medical records, and consumer incentives to manage cost and improve quality. This proposal can help improve the efficiency in Medicaid and utilize those savings, along with the shifting of DSH dollars from expensive hospital based care to community based outpatient care, to expand coverage through private insurance to tens of thousands of adults in our state.

Again, I ask that you consider the budgetary pressures being felt by Louisiana and many other states and avoid passing any health care legislation that would serve as an unfunded mandate to the states.

Best regards,



Governor Bobby Jindal