

# Health care reform could cost state

**H**ow will Louisiana fare under the new guidelines set forth by the recent federal health care overhaul?

According to one report, the number of uninsured adults in the state under the age of 65 will be cut in half.

The Kaiser Family Foundation's Commission on Medicaid and the Uninsured and the Urban Institute project that 40 percent of Louisiana's residents will be covered by Medicaid by 2019.

The study says the ranks of the uninsured in Louisiana could be cut by as much as 75 percent.

What does that mean for the state?

The Kaiser study says the costs for Louisiana will be minimal because during the first five years of the program, the federal government will foot more than 95 percent of the bill.

Still, the cost to the state will be \$536 million by 2019, according to the report.

Louisiana Secretary of Health and Hospitals Alan Levine said the Kaiser study mirrors the state's projection on Medicaid enrollees.

But he says it is off-base with its cost estimates.

Levine said the state will have to increase its Medicaid rates. That's because Louisiana, like most states, reimburses hospitals at below cost. He said the rapid expansion of Medicaid rolls could put hospitals in financial jeopardy without the rate increase.

He also said the Kaiser study does not take into consideration administrative costs. He said that adding more than 500,000 people to the state's Medicaid program would require 325 new enrollment workers and a new computer system to deal with the higher numbers.

Meanwhile, a nonpartisan good-government group in Louisiana has called for Gov. Bobby Jindal to create a special commission to help the state handle the results from the health care reform.

The Public Affairs Research Council of Louisiana said the commission should address:

- Calculating the cost of the additional Louisiana residents on the Medicaid rolls.

- The effect of the added numbers on the state's charity hospital system.

- Making sure that insurance exchanges are properly implemented so that costs and benefits of each plan are easy to understand.

PAR also noted that the state has been planning for the changes behind closed doors. It said the appointment of the commission would bring the process out in the open.

"The best way to set the record straight for a worried citizenry is to provide access to facts and ample opportunity for public input," PAR said.

We couldn't agree more. There's no rational explanation for these planning sessions to be conducted in private.