

PERSONALLY SPEAKING

Special Issue

June 22, 2009

CUTS TO MEDICAID SPENDING IN LOUISIANA WILL HAVE DEADLY CONSEQUENCES FOR PREGNANT WOMEN AND THEIR BABIES

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If it is not amended to remedy deep cuts in Medicaid spending, Governor Jindal's proposed budget for FY 2010 will have *deadly* consequences for pregnant women in Louisiana and their babies. This warning has been expressed in a detailed report sent earlier this month to Jindal bearing the signatures of 21 pediatric specialists and 13 OB/GYN specialists in northeast Louisiana.

The crux of the problem is that the FY 2010 budget effectively limits reimbursement for charges in a neonatal intensive care unit to \$150,000 per baby which is less than one-half the average cost for a NICU baby. Some of the babies born in northeast Louisiana and requiring intensive care will continue to be admitted to the unit at St. Francis forcing the Medical Center to shift any unreimbursed expenses to private insurers and paying patients. The report sent to Jindal estimates that St. Francis stands to lose \$2.5 million in annual revenue under the stricter reimbursement limit. Other babies will be transported to LSUS exposing them to additional life-threatening risks in transit.

Due to the inevitable cost shifting, the stricter cap on reimbursement amounts to a hidden tax for hospital services imposed by a Louisiana state government which tells the public it is committed to no tax increases. It is, in a word, hypocritical.

Transporting already very sick babies 100 miles from Monroe to Shreveport is much more troubling. Louisiana already ranks dead last in infant mortality (10.4 per 1000 live births). For African-Americans infant mortality in Louisiana is even higher (14.0 per 1000 live births). The reasons are complex and vary from one mother/baby to another. However, three factors stand out: prenatal care, age of the mother, and health insurance coverage. One of every five pregnant women receives no prenatal care. In Louisiana, the birth rate for 15-19 year old mothers (57.5 per 1000 live births) is sixth highest in the United States. One of every four women of childbearing age in Louisiana has no health insurance protection. The picture is even worse for African-Americans especially in northeast Louisiana.

Louisiana also has the highest rate of premature births in the United States. Babies born prematurely typically are low-weight babies and low birth weight is a leading cause of infant mortality and the primary factor in even more deadly outcomes for African-Americans. Further, low-weight babies who survive are at risk as adults for several chronic diseases including coronary artery disease and Type II diabetes.

Intervention through an NICU like the one at St. Francis is extremely expensive. There simply are no meaningful savings to be squeezed from digitizing medical records or rolling back administrative overhead. Slashing Medicaid reimbursement for neonatal care to keep from raising taxes or to avoid pushing NICU care ahead of other worthy items in the FY 2010 budget means even more babies will die in Louisiana who could have been saved. Tragically, none of their grieving mothers and fathers is likely to know why their baby was lost. State legislators will know. Are they and Governor Jindal willing to tell those parents that the fault lies in the wheeling and dealing necessary to forge agreement on the State budget? Not likely, we think, because courage like that is rare indeed in elected officials.

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