

Louisiana: 20,000 nursing home residents face eviction as state legislature slashes Medicaid

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Tens of thousands of Louisiana's poorest and most vulnerable residents were notified this week that their Medicaid benefits could be cut off on July 1, if budget cuts passed by the Louisiana House of Representatives become law. Included in this figure are more than 20,000 nursing home residents who would face eviction. Thousands more who suffer from mental or physical disabilities, and who reside in group homes or receive home health care aid, would also see their benefits eliminated and face homelessness.

The Louisiana Nursing Home Association has stated that if the proposed cuts go through, it could lead to the closure of most nursing homes in the state, which would mean those residents with private insurance would also face eviction. As many as 25,000 nursing home employees could also lose their jobs as a result of the cuts.

The House bill eliminates \$648 million from the state budget, including \$538 million from health care programs. If it is approved by the State Senate, Louisiana would ultimately face a reduction of \$1.8 billion dollars in its health care budget because it would no longer qualify for over \$1 billion in federal funds, according to the *Times-Picayune*. Both houses of the state legislature are controlled by the Republican Party, while Governor John Bel Edwards is a Democrat.

Four major Medicaid programs are scheduled for elimination under the House budget plan. This would include programs that offer substance abuse and mental health treatment. The majority of the cuts would come from the Medicaid Long Term Care Special Income Level Program, which provides Medicaid services to elderly and disabled residents whose incomes range from \$750 to \$2,250 a month. Approximately 80 percent of Louisiana nursing home residents are beneficiaries of this program. The House budget would

end benefits for anyone who earns more than \$750 per month or \$9,000 annually.

The federal government would have to approve the state's plan to eliminate these programs. Considering the Trump administration's recent executive order requiring all federal departments to eliminate social assistance programs that do not have work requirements attached to them, approval seems likely.

Jim Tucker, CEO of a nonprofit that operates nursing homes throughout the state and a former speaker of the Louisiana House, told CNN, "Our patients are old, they are frail. They have multiple health issues, and the stress of coming to realize that they are going to lose their funding that allows them to stay in a nursing home, and have no other known option, I believe could kill people."

Eleven hospitals throughout the state that provide services to the poor and uninsured would face closure as well, with the doctors, nurses, and other staff losing their jobs. This would lead to additional loss of state revenues from lease payments made to the state by the operators of the hospitals, totaling about \$168 million annually.

Funding would also be eliminated for medical residency programs as well as hospitals that pay the staff at medical schools throughout the state. This would result in the state having almost no facilities where medical students receive on-the-job training. The *Times-Picayune* has reported that this could lead to the closure of Louisiana State University's two medical schools, and at a minimum would require them to reduce by half the number of medical students enrolled in their program. The university would also have to make reductions in its dental and nursing schools.

The budget shortfall has been attributed by state legislators to the expiration of taxes passed in 2016.

The Louisiana House of Representatives refused to pass any new taxes, both in a special session held earlier this year as well as during the regular legislative session in 2017.

The budget cuts to health services have been justified by Louisiana's political class as well as the local media as being necessary to fund the TOPS program, which provides tuition assistance to 50,000 residents annually. The proposed budget would allocate \$233 million to the TOPS program.

The supposed conflict between funding college tuition and providing health care services to the poor is a false one. Just as in the rest of the US, there exists in abundance enough money to provide free tuition and universal health care to all of the residents of Louisiana. The state's wealthiest family, the Bensons, could cover the budget shortfall with less than half of the \$2.8 billion dollars they control. Louisiana is home to more than 60,000 millionaires, in a state where the median household income is less than \$40,000 per year. Millionaires pay a state income tax of only 6 percent per year. Additionally, billions of dollars in revenue are generated annually in offshore drilling by the large energy companies, only a fraction of which is remitted to the state.



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