



June 28, 2025

UNITED FOR LOUISIANA'S HEALTH – MEDICAID CUTS THREATEN LIVES AND COMMUNITIES

On behalf of Louisiana's hospitals and largest healthcare systems, we come together as stewards of our communities' health and well-being. Together, we are unified in our concern over the proposed cuts to Medicaid that are being debated in Congress. These cuts would be historic in their devastation and warrant our shared advocacy to protect our patients and the care we provide them at our hospitals and clinics.

Medicaid is not just a budget line—it is a lifeline for children, seniors, people with disabilities, and working families. Cuts of the magnitude currently under discussion would adversely impact our collective ability to provide care, train the next generation of physicians, employ tens-of-thousands of people, and it would stifle the billions in economic impact we generate each year.

Steep cuts will force consolidation of services, staffing reductions and closures, reducing healthcare access to everyone in our communities. Our rural communities will especially feel the impact as many of these hospitals are already in difficult financial situations and are likely to experience a significant reduction of services. The potential impact will be felt by everyone in the state.

Our health systems are key drivers of our state's economy, enabling a healthy workforce by supporting jobs and generating tax revenue. Together, we employ more than 100,000 people and generate billions in annual economic impact. Hospitals account for 5.7 percent of total employment in Louisiana. Louisiana hospitals generate \$38.4 billion in business transactions, \$14.2 billion in annual payroll, and \$1.7 billion in net state and local tax collections.

The impact of provisions in the United States Senate's version of the One Big Beautiful Bill Act reflects an estimated annual loss of more than \$4 billion in total Medicaid funding for Louisiana healthcare providers. This will negatively impact our ability to deliver care and have devastating consequences for our state budget. The American Hospital Association estimates an annual job loss of 16,767 and a 10-year loss of tax revenue at \$50.7 million for every \$1 billion reduction in Medicaid spending. These economic consequences pale in comparison to the harm that will be caused to residents across the state, regardless of insurance status, who will no longer be able to get the care that they need. The House version, while it presented challenges, is a more workable solution which would help to avoid many of these effects.

We are grateful for and stand with our governor who signed into law a state budget which fully supports the Medicaid program, and the state legislators who unanimously passed House Resolution No. 369 and overwhelmingly passed Senate Concurrent Resolution No. 32 this June recognizing the vital role of healthcare services, the vast implications of Medicaid cuts, and encouraging our federal policymakers to avoid such reductions in Medicaid funding. Likewise, we urge policymakers to recognize the essential role public funding plays in providing access to quality, life-saving healthcare for all Americans. Protecting Medicaid is not just about avoiding budget cuts; it is a commitment to our shared values of community, resilience, and economic vitality.

We take no pleasure in having to speculate about the impact of these cuts. However, in light of the cuts being proposed, we must have honest conversations together, and with you – the communities we serve. Louisiana and our healthcare delivery system are at a crossroads. We face the largest cut to healthcare in our state’s history. Will our leaders in Washington choose to protect the health of our people, hospitals and economy? We are counting on them to do so.

Sincerely,

Rock Bordelon
President and CEO
Allegiance Health Management

Greg Feirn
CEO
LCMC Health

E. J. Kuiper
President and CEO
FMOL Health

Randy Morris
Board Chairman
La. Rural Hospital Coalition

Pete November
CEO
Ochsner Health

Rene Ragas
President and CEO
Woman’s Hospital

Paul A. Salles
President and CEO
Louisiana Hospital Association