EDWARDS: President’s Budget Ignores Louisiana’s Needs

BATON ROUGE — Today, Gov. John Bel Edwards called on Louisiana’s congressional delegation to oppose President Donald Trump’s budget proposal for the fiscal year that begins on October 1, 2017. The president’s budget threatens vital health care services, including cutting federal funding for Medicaid patients and health care providers by eliminating Medicaid expansion coverage and cutting health care for elderly and disabled residents. The proposed budget also significantly impacts the Children’s Health Insurance Program (CHIP), which provides health care to 122,000 Louisiana children, and eliminates Gulf of Mexico Energy Security Act (GOMESA) state payments.

“The president’s first budget, unfortunately, turns a blind eye to the needs of the state of Louisiana,” said Gov. Edwards. “Across our state, thousands of working poor people receive lifesaving health care treatment thanks to Medicaid expansion, and we are saving Louisiana taxpayers a significant amount of money in the process. The president’s budget proposal would rip this health coverage from the hands of the people who need it most, and states like Louisiana would be left with very few options. Further, the proposed budget will harm our seniors and people with disabilities who rely on Medicaid for critical care and help with daily living. Balancing the federal budget is important, but it can’t be done on the backs of the very people the president pledged to protect.

“Notably, this budget robs Louisiana of financial resources promised to us for coastal restoration. In recent years, Louisiana and waters just off its shore have been the second largest producer of crude oil and natural gas in the nation. Republican and Democratic leaders from Louisiana have fought to secure dedicated funding to offset the effects of oil and gas leasing and production along our coast. Permanent sharing of federal revenues is critical to ensure Louisiana’s coast remains fully operational, protects vital national infrastructure and provides the necessary barriers to protect our working coast and citizens.

"This proposal would set us back decades. The resources which must travel through the infrastructure networks in Louisiana require an ongoing federal funding commitment. Ignoring the significance of Louisiana’s coast, its assets and its impact to this country is short sighted. The nation depends on the energy resources found off the coast of our state, but this budget doesn’t reflect that. I will continue to advocate for Louisiana’s priorities to President Trump, and I am asking the Louisiana congressional delegation and our neighboring Gulf Producing States to adopt a responsible budget that doesn’t unnecessarily harm the state of Louisiana.”

The proposed cuts would result in a major rollback of Louisiana federal taxpayer dollars being sent back home to fund some of the most important priorities in the state. The current proposal would have a negative impact on our state economy in the form of economic losses to healthcare providers and industries that rely on the vitality of our coast. Under Louisiana’s Medicaid expansion, more than 428,000 working poor have received lifesaving health coverage and the state is estimated to save more than $300 million in the fiscal year that begins on July 1, 2017. Additionally, the budget eliminates GOMESA payments, revenues from oil and natural gas leasing and production on the Gulf of Mexico Federal Outer Continental Shelf (OCS) with the states of Alabama, Mississippi, Louisiana and Texas (Gulf Producing States, or GPS). Louisiana is in line to receive between $145 and $176 million annually in revenue sharing payments that have already been dedicated to the protection and restoration of our coast.

GOMESA funding in Louisiana is already appropriated in the Fiscal Year 2018 budget toward critical projects that address coastal restoration and hurricane protection but are not eligible for funding under the settlement agreement from the Deepwater Horizon oil spill.

The concept of revenue sharing between the federal government and the energy producing or impacted states is well established yet inconsistently and unfairly applied. Revenues generated from energy production on public lands in Alaska largely remain in Alaska with only 10 percent flowing to the federal treasury. Wyoming typically retains 44 percent of the revenues generated from energy production on its lands and New Mexico retains 47 percent - this amounted to nearly $1 billion for the state of Wyoming and $488 million for the State of New Mexico. Energy production that occurs off the Outer Continental Shelf of the Gulf of Mexico is no less dependent upon the resources, people and environment of the nearby Gulf States and yet revenue sharing prior to Phase II of GOMESA has largely been nonexistent. Over the past five years, OCS Gulf revenues have averaged $6 billion for the federal treasury and only $1.2 million for the four Gulf producing states which is 0.0002 percent. In fiscal year 2016, Louisiana received a paltry $102,700.

Additionally, since expanding the Medicaid program in Louisiana:

- 428,581 patients have enrolled in the program
    - 91,690 having receiving preventive care treatments
    - 6,481 patients receiving breast cancer screenings
        - 104 diagnosed with breast cancer
    - 9,418 colon cancer screenings
        - 84 adults diagnosed with colon cancer
    - 22,823 adults receiving outpatient mental health treatment

More statistics from Medicaid expansion in Louisiana are available by clicking here.