

# Media Release

## **FOR IMMEDIATE RELEASE**

**August 31, 2009**

For more information, please contact:  
Sadie D. Wilks, Director of Public Affairs  
(225) 763-8500 or (800) 375-9508  
[sadie@lsms.org](mailto:sadie@lsms.org) • [www.lsms.org](http://www.lsms.org)

### **Access to Health Care in “Critical Condition”**

*Louisiana State Medical Society releases results of member survey*

BATON ROUGE, LA. – A new survey of Louisiana State Medical Society (LSMS) members revealed that two-thirds of doctors responding would be unable to accept new Medicaid patients or stop treating Medicaid patients altogether as a result of the recent cuts announced by the Louisiana Department of Health and Hospitals of approximately 10 percent in physician reimbursement rates for Medicaid in fiscal year 2009-10.

“Even before the lingering effects of Hurricanes Katrina and Rita, access to care was an issue in Louisiana,” explained Dr. Roger D. Smith, LSMS President. “This survey shows that these new cuts will exacerbate a long-standing problem. Medicaid patients will have increased difficulty in finding or keeping a physician, and they will become even more dependent on the already overburdened safety net system. Even more patients will begin to seek care in hospital emergency rooms, driving up more expensive hospital costs while the hospitals are receiving less Medicaid reimbursement due to the recent cuts.”

Medical services rendered to Medicaid recipients under the age of 16 are exempt from the cuts, leaving general adult care and specialty care services to bear the brunt of the reductions. In an earlier March 2009 LSMS member survey, 87 percent of respondents found it “difficult” or “almost impossible” to refer patients to physicians for certain specialty care services.

The continued Medicaid funding uncertainty is also affecting Louisiana medical practices. Over 64 percent of respondents to the March 2009 LSMS survey indicated it is difficult to recruit new physicians. The primary reason noted was low reimbursement rates in Louisiana, before the latest round of FY 09-10 Medicaid cuts was announced.

Dr. Smith said that Louisiana already faces a shortage of physicians, particularly in rural areas with large numbers of Medicaid patients. The state’s ratio of physicians per 1,000 of the population is below the national average, and with Louisiana’s Medicaid enrollment near 30 percent of the population, payment cuts will discourage physicians from relocating to Louisiana. Moreover, 42 percent of Louisiana’s practicing physicians are more than 50 years old, an age at which surveys have shown many physicians are considering reducing their patient care activities.

“These budget cuts will have a devastating impact on physicians who treat Medicaid patients,” Dr. Vincent Culotta, chair of the LSMS Council on Legislation, said. “But this is the tip of the iceberg in light of future program cuts. Looming even larger is the financial viability of the Medicaid program. DHH Secretary Alan Levine has been emphasizing for months the upcoming significant loss of critical funding. The scheduled reduction of federal Medicaid matching funds, loss of some federal disproportionate share hospital allocations and the expiration of federal stimulus money will severely cripple the state’s Medicaid program.”

The potential funding loss facing the state by the end of fiscal year 2011 is staggering, with an estimated annual impact of approximately \$1.25 billion. DHH is currently working on several fronts with Louisiana’s Congressional delegation to find solutions to the impending budget crisis. If relief isn’t granted, patients in optional programs in various populations will be in jeopardy of losing services.

#### *About LSMS*

The LSMS is a voluntary association of physicians providing leadership for the advancement of the health of the people of Louisiana and serving as the premier advocate for patients and physicians. For more information about LSMS, please contact Sadie D. Wilks at [sadie@lsms.org](mailto:sadie@lsms.org) or by phone at (225) 763-8500.

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