

Office of the Governor  
State of Louisiana

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May 24, 2017

**HAND DELIVERED**

The Honorable Michael R. Pence  
Vice President of the United States  
The White House  
Washington, DC 20500

Dear Vice President Pence:

Thank you for taking the time to visit Louisiana, and in particular, thank you for the administration's support of our ongoing flood recovery efforts. As you visit Louisiana, especially in light of recent policy proposals of the administration – both with regard to health care and the budget – I would like to take this opportunity to highlight the impact these policies will have on this state.

As a former governor who expanded Medicaid, you know the feeling of seeing your hard working constituents work full time, sometimes multiple jobs, only to still find themselves without basic health coverage. It is a heartbreaking reality that we face, but thankfully, it is a reality we can change. To that end, the changes to the Medicaid program, as proposed in both the President's budget and the *American Health Care Act*, would be nothing less than devastating to the people of Louisiana. We expanded Medicaid on July 1, 2016, and the results have been nothing short of remarkable. Today, more than 428,000 working people in Louisiana have access to health care through Medicaid expansion, many for the first time in their lives. This access is changing, and in many cases, saving their lives.

The numbers speak for themselves. In the nearly one year since the program began, more than 91,600 patients have received preventive care treatments, 6,500 women have been screened for breast cancer with 104 women having been diagnosed and now receiving treatment thanks to Medicaid expansion. To date, more than 9,400 patients have been screened for colon cancer with 2,790 patients having pre-cancerous polyps removed, and 2,300 patients have been diagnosed with diabetes that they didn't know they had before Medicaid expansion. Moreover, nearly 22,800 Louisianans have sought mental health treatment through the expansion.

Medicaid expansion is also helping our economy. Jobs in the health care sector in Louisiana are at an all-time high, and it is estimated that \$1.8 billion in increased economic activity will result from expansion. For an energy state struggling with low oil prices, Medicaid expansion is not just a critical source of care for our workers, but a needed source of jobs. Medicaid expansion is also a direct investment in our most precious resources, our human capital. The majority of people enrolled in Medicaid expansion are working, including in critical industries for our state like tourism and construction. Helping our people better manage chronic conditions like diabetes, hypertension and mental illness means a healthier and more productive workforce for our state.

Finally, I would implore the administration to reconsider its elimination of the state payment under the Gulf of Mexico Energy Security Act of 2006 (GOMESA). As you are aware, this legislation established permanent sharing of Federal 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).

This proposal sets us back decades, threatens our way of life and could have devastating economic effects across the entire country. To put it simply, this budget proposal is negligent. The resources which must travel through the infrastructure networks in Louisiana require an ongoing federal funding commitment in order to maintain the environments and communities which make that possible. Ignoring the significance of Louisiana's coast, its assets and its impact to this country is short sighted, and turns its back on the people of the Gulf Coast and consequently, our nation's citizens who depend on energy resources found off the coast of our state.

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. The effort to secure this funding was a bipartisan, multi-state effort to offset the adverse 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. The nation depends on the energy resources found off the coast of our state, and the resources which must travel through the infrastructure networks in Louisiana require an ongoing federal funding commitment.

Most importantly, eliminating these payments would result in the continuation of an inconsistent and unfair practice of disproportionately sharing revenue with energy producing states. For example, 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

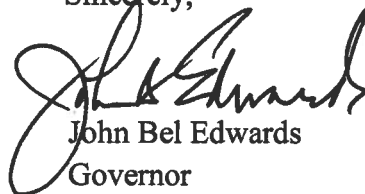
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environment of the nearby Gulf States and yet revenue sharing prior to Phase II of GOMESA, which the administration is proposing to eliminate, has largely been nonexistent. Over the past five years OCS Gulf revenues have averaged \$6 billion for the 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.

To put it simply, the budget proposal presented this week, and the pending health care reform legislation in its current form, would set Louisiana back decades. States like Indiana and Louisiana can say, with certainty, that people's lives are being changed thanks to Medicaid expansion. In Louisiana, where we serve as a gateway from the Gulf of Mexico to the entire country, we're determined to restore our coast to better the nation's economy. If allowed to continue, Louisiana's deteriorating coast will be a liability borne by the entire United States, I would ask the administration to partner with us in these endeavors.

Should you have any questions, or need additional information, I am always willing to work with the administration on behalf of the people of Louisiana. Again, thank you for your visit and continued commitment to our recovery.

Sincerely,



John Bel Edwards  
Governor

cc: The Honorable Bill Cassidy  
The Honorable John Kennedy  
The Honorable Steve Scalise  
The Honorable Cedric Richmond  
The Honorable Clay Higgins  
The Honorable Mike Johnson  
The Honorable Ralph Abraham  
The Honorable Garret Graves