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November 30, 2009

Carla Hultberg, Chief Clerk  
2157 Rayburn House Office Building  
Washington, DC 20515

RE: Testimony of Dr. Roxane Townsend  
Committee on Oversight and Government Reform  
"Post Katrina Recovery: Restoring Health Care in the New Orleans Region"  
December 3, 2009, 10:00am

Dear Ms. Hultberg:

Please find enclosed 100 copies of my testimony to be delivered on Thursday, December 3, 2009 before the Committee on Oversight and Government Reform.

If you have any questions, please feel free to contact me at 225-578-8886.

Sincerely,

ROXANE A. TOWNSEND, MD  
Assistant Vice President, Health Systems  
Louisiana State University Health System

**The Committee on Oversight and Government Reform**  
**“Post-Katrina Recovery: Restoring Health Care in the New Orleans Region”**  
**Outline of Testimony for**  
**Roxane A. Townsend, M.D.**  
**Assistant Vice President for Health Systems**  
**Louisiana State University Health System**  
**December 3, 2009**

- I. Brief introduction and overview of the LSU Health System and the impact of Hurricane Katrina on the services provided by the LSU public hospital operating in New Orleans including pre Katrina volume statistics.
- II. Actions of LSU following Hurricane Katrina to restore hospital and clinic services to the region including current capacity.
- III. Overview of current outpatient activity including establishment of community based primary care clinics as result of the Primary Care Access and Stabilization Grant (PCASG) including volume statistics.
- IV. Analysis of financial and programmatic impact of loss of PCASG funds on future operations of LSU community clinics
- V. Concluding comments on future commitment of LSU to delivery of health care in the New Orleans region.

Attachments:

- (1) PCASG community clinic trend data
- (2) Map reflecting PCASG patients by zip code
- (3) Total Interim LSU Public Hospital clinic and hospital trend data
- (4) Residency programs operating at Interim LSU Public Hospital

**The Committee on Oversight and Government Reform**  
**“Post-Katrina Recovery: Restoring Health Care in the New Orleans Region”**  
**Testimony of**  
**Roxane A. Townsend, M.D.**  
**Assistant Vice President for Health Systems**  
**Louisiana State University Health System**  
**December 3, 2009**

Thank you, Mr. Chairman and members for the opportunity to address the Committee regarding the status of primary health care in New Orleans on behalf of the Louisiana State University Health System. The LSU Health System is comprised of 2 health sciences centers and 10 public hospitals across the state including the Interim LSU Public Hospital (ILH) in New Orleans that is striving to provide the care that was formerly provided at the Medical Center of Louisiana at New Orleans (MCLNO).

***The Impact of Hurricane Katrina***

Until August of 2005 when Hurricane Katrina forced the closure of the Medical Center of Louisiana at New Orleans (MCLNO), the facilities served as the major site for teaching medical students and residents for both LSU and Tulane Schools of Medicine in New Orleans. As would be expected, the hospital and clinics of MCLNO also served as the region’s safety net providing care to a large volume of uninsured patients in both the inpatient and outpatient settings. In the academic year that ended June 30, 2005, just 2 months before Hurricane Katrina made landfall, MCLNO had 23,337 admissions, 264,800 outpatient visits, 119,815 emergency department visits and more than 640 medical residents and fellows training there.

***The Current State of Public Health Care in New Orleans***

In November of 2006, through the collaboration of Louisiana Office of Facility Planning and Control, FEMA and LSU, the Interim LSU Public Hospital opened its doors in the building formerly operated as University Hospital. University Hospital along with Charity Hospital (the Reverend Avery C. Alexander Medical Center) comprised the MCLNO. ILH initially opened with 60 beds and today has grown to 275 regularly staffed beds including 36 ICU beds, 38 acute adult inpatient psychiatric beds, and 20 medical substance abuse detoxification (detox) beds. The occupancy rate at the hospital today is consistently between 75% and 85%. The ILH also operates the region’s only Level 1 Trauma Center serving the 9 parish area.

The extensive outpatient clinic activity of the hospital is provided in multiple venues as opposed to the hospital-based centralization of clinic services prior to Katrina. These outpatient clinic

sites include a former Lord and Taylor department store that serves as a primary care and multi-specialty clinic; another off-site clinic for specialty care including HIV treatment and hospital-based specialty clinics that are provided on transformed inpatient wards within ILH. With the recent opening of the University Medical Office Building, some of these clinics will move to more appropriate outpatient space.

One of the exciting opportunities to emerge from the challenges of Katrina was the placement of six community-based clinics located throughout New Orleans instead of located adjacent to the hospital. The ability of LSU to establish and operate these six clinics is a direct result of the Primary Care Access and Stabilization Grant (PCASG) made possible through generous funding from Congress for the New Orleans area. Since their inception, these six community clinics have provided over 29,000 encounters serving an average of 7,800 individual patients each year.

The PCASG funds have also provided assistance for LSU to operate multiple specialized services that support primary care. The specialty services include behavioral health, dental, ophthalmology for patients with diabetes and HIV treatment. The services to patients infected with HIV include both primary care and dental services. These specialized services occur in multiple locations including the Lord and Taylor multi-specialty clinic, the Mental Health Emergency Room Extension, and in the HIV Outpatient (HOP) clinic. In addition to the services provided in the community clinics, these specialized clinics have provided over 112,000 encounters for an average of 18,000 patients annually. The overall outpatient clinic volume at ILH is now approximately 228,000 visits per year; 86% of pre-storm volumes.

With more than 66% of the clinic visits for patients who are uninsured and the limited flexibility of DSH funds available for their outpatient care, the PCASG funds provided critical capital and operating funds for these uninsured patients to be seen in the appropriate outpatient setting. As a result of the PCASG, quality primary care is being delivered closer to patients' homes. All six of the LSU community clinics are Level 1 NCQA certified as Patient Centered Medical Homes. In these Medical Homes, our patients are assigned to doctors who know the patients, coordinate their care and participate in our extensive system-wide disease management programs.

Another important outcome of the ability to provide primary care in multiple settings is the opportunity to partner for behavioral health services which are integrated into the care provided at our clinics. Contracts have been executed between ILH and Metropolitan Human Services District (the local entity responsible for outpatient behavioral health services) to fund Licensed Clinical Social Workers for three of the community clinics. Social workers provide services at Murray Henderson, Martin Behrman Elementary School and Douglas Elementary. The latter two are school-based health centers. All children registered in these clinics are screened by the Social Workers. Decision support for behavioral health and addictive disorders

is provided to adults and children and referrals and linkages to services are facilitated. In addition, a psychiatrist provides services upon referral from the ILH Community Clinics. The psychiatrist's services are provided through the Metropolitan Human Services District and when appropriate, fees are paid by PCASG funds. The entire process is well coordinated between agencies and affords improved care to the patients with physical and behavioral health issues.

ILH participated in the Collaborative to Improve Behavioral Health Access (CIBHA), an LPHI-Robert Wood Johnson initiative. This learning collaborative is designed to improve behavioral health access and has been made available to all PCASG participants. Through this effort, all patients who entered our community clinics were screened for depression. A toolkit was made available and used to stratify and treat patients.

### ***Sustainability of Clinics Funded by PCASG***

The funding from the PCASG has allowed the community clinics to be sustained despite significant budgetary constraints for the Interim Hospital. These clinics are run by staff level practitioners and are not used for resident or student education. The cost of the services provided by physicians that are not engaged in medical education is a non-allowable expense and is not eligible for federal matching funds. Without PCASG funding, the total costs of all of these services would have to be covered by scarce state general fund dollars.

### ***Sustainability of Community Clinics***

Recognizing that the funding for the PCASG would end in September of 2010, LSU took on a detailed analysis of the expenses of the clinics in order to determine sustainability post grant. Total expenses of the six community clinics on an annual basis are approximately \$3.7 million and expected to increase to \$4.1 million by 2013. The clinics receive approximately \$1.1 million from patient revenues, DSH reimbursement for allowable costs, and state funds from the Office of Public Health (for school-based health clinics). The PCASG has provided another approximately \$1 million dollars in reimbursement annually to support the clinics. However, to support the ongoing operation of the clinics, there remains a state fund obligation of over \$1.5 million this year alone. As the state of Louisiana faces a budget crisis like most states across the country, it is clear that they will not be able to fund the clinics at full operation given the gap in revenue and the loss of the \$1 million PCASG grant. With inflationary and volume increases that are expected, the amount of state general funds needed would increase to \$2.6 million by 2013. As occurred this past year, we expect our state fund support to decrease, not increase next year. Therefore, our analysis is indentifying other non-LSU safety net clinics operating in the vicinity of LSU clinics that have the capacity to accept the patients we are currently serving in our clinics. Conversations with these other PCASG clinics are continuing and partnerships are likely. LSU expects to maintain two clinics in New Orleans; one on the East Bank and one the

West Bank of the Mississippi River. Given our access to specialists, LSU will also focus on providing specialty care access to patients being seen at all of the PCASG clinics. This would appear to be a prudent use of state resources; to allow community partners to focus on primary care while the Academic Centers focus on supporting the necessary access to specialists for the patients of these clinics.

We have historical experience working with our partner clinics - even before Katina - through the PATH program (Partnership for Access to Health Care). This effort allows non-ILH physicians to order outpatient diagnostic and lab testing at the hospital and provides electronic access to test results for PATH clinic providers. This type of primary care-specialist support will be the emerging role of LSU in contemplation of a loss of the PCASG funds.

### ***Ongoing Health Care Recovery in New Orleans***

Ideally, a network of quality health care providers offering a continuum of coordinated care will continue to operate in New Orleans and LSU is committed to being an integral part of that network. As the primary training site for medical professionals in South Louisiana, the ILH is focused on establishing and maintaining the best clinical experience for our residents and students. The LSU Interim Public Hospital and its affiliated specialty and primary care sites support two medical schools in 55 residency programs and thousands of students from seven different schools of medicine, nursing, allied health, pharmacy, and dentistry. The model of linking patient care and training provides important benefits not only to the patients we serve but for the communities that rely on us to supply their medical workforce. Ninety-seven percent of Louisiana is designated a HPSA medical professional shortage area. Given this great need, we will continue to focus our recovery on bringing back needed services for patients but also on restoring our education and training capacity. We don't feel we can accomplish one without the other.

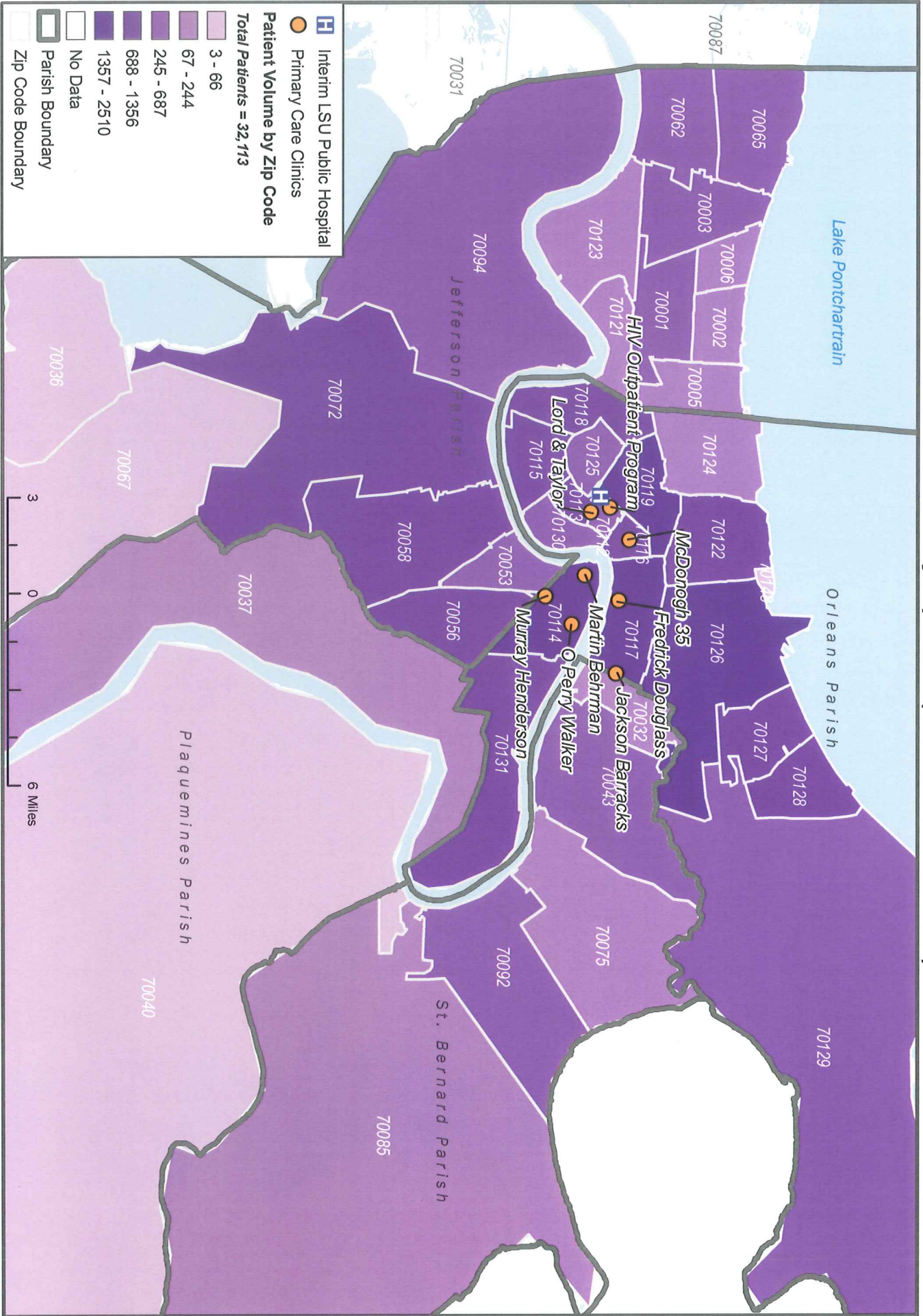
Attachments:

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LSU PCASG COMMUNITY CLINIC VISITS	FY 05 (Pre-K)	9/07-9/08	9/08-9/09
MCLNO Primary Care Clinics		0	0
Jackson Barracks (opened 1/24/08)	0	2,289	4,922
Martin Behrman (opened 2/25/08)	0	973	4,725
Federick Douglas Sr High (opened 1/24/08)	0	2,285	3,359
Murray Henderson (opened 3/3/08)	0	909	1,128
O. Perry Walker School-based Clinic (opened 10/22/07)	0	1,214	1,188
New Orleans East (4/28/08)*	0	2,591	3,502
<b>TOTAL:</b>		<b>10,261</b>	<b>18,824</b>
*Closes clinic due to loss of lease			
<b>Other LSU clinics supported by PCSAG</b>			
Lord & Taylor Clinic	-	16,285	20,164
MHERE	-	1,537	1,624
HOP		9,621	9,224
HOP Dental		2,981	3,348
Dental		35,685	9,294
Ophthalmology			2,985
<b>Grand Total</b>		<b>76,370</b>	<b>65,463</b>

LSU PCASG COMMUNITY CLINIC UNIQUE PATIENTS	FY 05 (Pre-K)	9/07-9/08	9/08-9/09
MCLNO Primary Care Clinics			
Jackson Barracks (opened 1/24/08)	0	1,010	2,621
Martin Behrman (opened 2/25/08)	0	545	2,069
Frederick Douglas Sr. High (opened 1/24/08)	0	1,252	2,064
Murray Henderson (opened 3/3/08)	0	464	1,095
O. Perry Walker School-based Clinic (opened 10/22/07)	0	642	706
New Orleans East (4/28/08)*	0	1,364	1,772
<b>Total:</b>		<b>5,277</b>	<b>10,327</b>
*Closed clinic due to loss of lease			
<b>Other clinics supported by PCSAG</b>			
Lord & Taylor Clinic	-	8,179	9,554
MHERE	-	1,288	1,332
HOP		2,615	2,758
HOP Dental		577	641
Dental		3,841	4,622
Ophthalmology		-	1,000
<b>Grand Total</b>		<b>21,777</b>	<b>30,234</b>

**Interim LSU Public Hospital Ambulatory Primary Care Clinics  
Patients Served by Zip Code (9/21/2007 - 9/20/2009)**



Sources: Louisiana Public Health Institute; ESRI (other features and boundaries).



All LSU Interim Public Hospital (ILH) Outpatient Clinics*	FY 05 (Pre-K)	7/07-6/08	7/08-7/09
Allergy (opened 11/29/07)	5,097	49	191
Cardiology (L&T) - Heart Failure (opened 10/27/08)	n/a	0	447
Cardiology (opened 5/8/06)	4,120	2,877	3,489
Dental (opened 10/17/05)	16,163	6,186	8,851
Dental HOP (opened 11/6/06)	n/a	2,191	3,134
Dermatology (opened 2/3/06)	11,898	4,839	6,337
Diagnostics and Treatment (opened 1/3/07)**	n/a	2,046	4,263
Endocrine (opened 1/3/07)	3,681	901	744
ENT (opened 6/1/09)	6,255	0	54
General Surgery (opened 1/29/07)	12,889	2,991	3,760
Gastrointestinal/Hepatology (1/25/07)**	n/a	2,211	2,125
HOP (HIV Outpatient Program) (opened 4/24/06)	17,267	7,720	9,405
Hyperbarics (10/2/06)**	n/a	6,780	8,890
Medicine (11/2/05)	25,127	10,970	12,051
Neurosurgery (2/14/07)**	n/a	777	2,141
Neurology (opened 2/2/06)	10,237	2,596	2,874
OB/Gyn (opened 7/27/06)	37,204	17,641	22,343
Oncology (opened 8/13/07)	13,649	1,828	5,291
Orthopedics (opened 2/22/07)	14,452	4,210	7,022
Plastic Surgery (opened 1/5/07)**	n/a	1,329	1,751
Pulmonary (opened 1/5/07)	2,180	895	1,190
Renal (opened 8/23/06)**	n/a	1,465	1,100
Rheumatology (opened 10/11/06)**	n/a	573	1,060
Urology (opened 2/26/07 temporarily closed 8/07-1/08)	9,248	1,006	3,374
Breast and Cervical (opened 6/2/08)**	n/a	16	997
Ophthalmology (opened 8/18/08)	14,144	0	4,640
PM&R-Physical Medicine and Rehab (opened 7/22/08)	4,871	0	1,911
Surgical Oncology (opened 10/14/08)**	n/a	0	251
Vascular Surgery (opened 4/1/08)**	n/a	58	891

\*all pre-Katrina outpatient clinics are operational although inpatient services may not be.

\*\*Statistics tracked together prior to 2005

LSU Interim Public Hospital (ILH) Services	2005 - MCLNO	2006-ILH	2007-ILH	2008-ILH	2009-ILH	2010 YTD ILH	2010 Proj ILH
Total Admissions	23337	3897	5043	11941	12921	4881	14643
Total inpatient days	137771	25253	28082	64026	75494	27914	83742
Staffed beds	465	90	93	211	244	275	275

RESIDENCY PROGRAMS AT  
LSU INTERIM PUBLIC HOSPITAL

**LSU RESIDENCY PROGRAMS**

Dermatology  
 Emergency Medicine  
 Family Medicine  
 Internal Medicine  
 Medicine/Pediatrics  
 Med-Allergy & Immunology  
 Med-Cardiology  
 Med-Gastroenterology  
 Med-Infectious Disease  
 Med-Nephrology  
 Med-Pulmonary/Critical Care  
 Neurology  
 Neurosurgery  
 OB/GYN  
 Ophthalmology  
 Orthopedic Surgery  
 Otolaryngology  
 Pathology  
 Pediatrics  
 Ped-Neonatology  
 Phys. Med & Rehab  
 Psychiatry  
 General Surgery  
 Plastic Surgery  
 General Dentistry  
 Oral Surgery  
 Radiology

**TULANE RESIDENCY PROGRAMS**

Anesthesiology  
 Dermatology  
 Medicine  
 Cardiology  
 Endocrinology  
 Gastroenterology  
 Hematology/Oncology  
 Infectious Diseases  
 Nephrology  
 Otolaryngology  
 Pediatrics  
 Pulmonary/Critical Care  
 Neurology  
 Neurosurgery  
 OB/GYN  
 Orthopedic Surgery  
 General Surgery  
 Urology  
 Medicine-Neurology  
 Medicine-Pediatrics  
 Medicine-Allergy & Immunology  
 Ophthalmology  
 Pathology  
 Hemopathology  
 Psychiatry  
 Psychiatry-Child  
 Psychiatry-Forensic  
 Surgery-Plastic Triple Board

**The following programs closed because of Katrina**

Pediatric Radiology  
 Neuroradiology  
 Interventional radiology  
 Musculoskeletal radiology  
 Abdominal Imaging  
 Geriatrics  
 Hematology Oncology  
 Interventional Cardiology  
 Endocrinology  
 Rheumatology  
 Cytopathology