

Major Charity Myths

Myth 1: The new LSU hospital will duplicate the "old Charity model."

Fact: The LSU-VA proposal is not the "old Charity model," as some critics like to call it. The proposed new medical district -- including the VA hospital and the LSU hospital -- will include the only Level 1 trauma center in southeast Louisiana, clinical research, a badly needed crisis intervention unit for psychiatric services, and a modern teaching hospital for medical, nursing and allied health students, with patient rooms large enough for grand rounds, seminar rooms, and audio visual equipment necessary for twenty-first century medical education.

Myth No. 2: The Louisiana hospital system is unique and antiquated.

Fact: Many states have government-run hospitals for the poor and uninsured. However, elsewhere, city or county governments operate the hospitals. Louisiana operates a statewide system. In Colorado, Denver Health operates a 500-bed hospital with extensive services that provide a "safety net" for the poor. A state system is more advantageous than a county or city system. For example, LSU hospitals have increased leverage with federal programs, and uninsured patients have coverage when they cross parish lines, in most other states they don't.

Myth No. 3: Private insurance "vouchers" will insure the uninsured.

Fact: The U.S. Department of Health and Human Services proposed insurance vouchers, which would use \$770 million now spent in the state hospital system, to privately insure 319,000 individuals in Louisiana. Unfortunately, that plan doesn't include more than 300,000 additional uninsured Louisiana citizens. For them, no safety net would exist.

Myth No. 4: The flooded "Big Charity" exemplifies Louisiana's antiquated system of the "haves" getting better care than the "have-nots."

Fact: Big Charity, formally known as the Medical Center of Louisiana at New Orleans (MCLNO), had a Level 1 Trauma Center and employed and trained many of Louisiana's top medical specialists. The level of patient care at MCLNO was as good as at any private hospital and often better.

Myth No. 5: The LSU hospital system is responsible for Louisiana having the highest Medicare costs per patient in the country.

Fact: The Louisiana Health Information Network database reports that the state's private hospitals provided more than 96 percent of all Medicare services from January to June 2005. LSU hospitals provided only 3.4 percent of those services. Louisiana would rank in the top 10 states in the country in Medicare quality outcomes, including costs, if the state ranking was only based on LSU Medicare figures.

Myth No. 6: Louisiana no longer needs a large, public teaching hospital in New Orleans.

Fact: Medical students, nursing students, and allied health students who train in the New Orleans area need a large, public teaching hospital. The LSU and Tulane schools of medicine and the LSU dental, nursing, allied health schools are still in New Orleans as well as a number of other health sciences schools at other universities. These need a state-of-the-art academic medical center that can provide twenty-first century medical care including its attendant technology. Private hospitals already train some students but cannot, or will not, train all students. New Orleans has attracted medical students for decades because its large teaching hospital provided case studies for specialists, residents and others. It's a formula that works. Besides, many medical professionals stay in Louisiana after completing their educations here.

Myth No. 7: Rebuilding a large, centralized hospital will ensure that the poor and uninsured will clog emergency departments with non-emergency conditions.

Fact: The new hospital is only part of the safety net. One of the goals of LSU is to decrease the number of costly emergency room visits. Before Katrina, the system didn't have satellite clinics -- primary care centers for checkups, nonemergency services and chronic disease management -- but LSU will open six such clinics in the city. Its goal is to decentralize the hospital system in New Orleans and bring primary care to the neighborhood.

Myth No. 8: The uninsured will sap VA resources in a partnership of the LSU and VA.

Fact: The VA hospital in New Orleans has a long relationship with LSU. Residents and medical fellows from the LSU and Tulane medical schools have provided the VA hospital with its staff for years. In the new LSU/VA medical center, LSU and VA will share clinical areas, support services, and information and telecommunications resources and other areas common to hospitals. A high number of medical specialists, the trauma center and the crisis intervention unit in such close proximity to the VA hospital will be a big benefit to veterans.

Myth No. 9: The LSU/VA medical center is too expensive.

Fact: The combination of the LSU and VA is a wise economic move. It's a combination that eliminates duplication and saves taxpayers \$400 million over 25 years. It will be an

economic juggernaut for downtown New Orleans—construction of the LSU portion alone, will inject \$1.2 billion into the local economy and thousands of construction jobs and thousands of permanent well paying jobs. Even more important, it will become the lynchpin for re-establishing the New Orleans Medical District as a first-rate, twenty-first century health-care, academic, and research engine, attracting the best and the brightest and keeping Louisiana's best and brightest in Louisiana.

The LSU-VA hospital complex will dramatically improve medical care for everyone in the metro area, is economically feasible, and will anchor the improved New Orleans Medical District. Moreover, Louisiana showed its commitment by approving a \$1.2 billion business plan and agreeing to self-finance the hospital.