

PriceWaterhouse Coopers Report – Response

LSU views the twin missions of medical education and providing health care for the uninsured equally.

We applaud the endorsement of a new research/teaching hospital in New Orleans to replace Big Charity and University.

The report also agrees with LSU on the need for a new teaching hospital in Baton Rouge, and acknowledges that the state-imposed Medicaid cap has long been an impediment to the viability of the public hospital system.

But clearly there are concerns.

The report seeks to remove most of the public hospitals from LSU and effectively eliminate hospitals like the E.A. Conway Medical Center in Monroe and University Medical Center in Lafayette.

Question: Why wasn't there an external reviewer with expertise in public systems that serve the uninsured consulted for the report? Clearly there are many national experts in this arena.

The report also suggests that private hospitals were over-built and have low census while serving only one-half of the national average of uninsured--with poor quality. At the same time suggesting that the public hospitals are under-built, have a high census, and serve a disproportionately high number of uninsured. The proposed solution is to eliminate the public hospitals and redirect Uncompensated Care dollars to the private hospitals. In our view, that is filling the excess capacity in the privates by sacrificing the public's UCC dollars...with absolutely no guarantee that poor people will get care.

Despite the fiscal constraints, our public hospitals have done an excellent job of fulfilling its mission to the people of Louisiana. One example is LSU's nationally recognized disease management program, which has not only improved clinical outcomes, but since its inception in 1998, has resulted in savings of over \$50 million.

Louisiana has long faced a crisis in access to health care. The response has been the creation of a statewide safety net of public hospitals and clinics in which all citizens are eligible for care, regardless of their ability to pay. Combined, LSU's eleven public hospitals admit 81-thousand patients annually and provide nearly 2-million outpatient visits. Clearly there is much at stake, and I ask that you carefully consider the implications of this report.