



FOR IMMEDIATE RELEASE

LSU SUPPORTS BUSINESS PLAN

Hospital Complex Will Be Major Economic Stimulus

Baton Rouge (April 23, 2007) – The Louisiana Office of Facility Planning and Control recently presented a business plan to the Joint Legislative Budget Committee for the hospital that will be part of the LSU / VA medical complex in New Orleans. The plan will permit LSU to attract the right patient mix, provide medical and allied health training, and continue its historical mission of health care for those in need.

“We have a statutory responsibility for hospitals and medical education,” LSU System President Dr. William Jenkins said. “We have to place special emphasis on medical training not just for tomorrow but for the next twenty years,” he said. “Any delay will set us back significantly.”

The project will provide 416 medical/surgical beds and 68 psychiatric beds. It is scheduled to open in 2012.

The opportunity of a joint project with the U.S. Department of Veterans Affairs is an unparalleled opportunity. “If we hitched our wagon to the VA, which has one of the best health care systems in the world, I knew we would have great partners,” said Don Smithburg, CEO of the LSU Health Care Services Division.

“The city of New Orleans has stepped up making this project a priority and has offered to buy additional land,” he said. “We have local and state support.”

The business plan relies on only a slight increase in the number of Medicare and private insurance patients receiving care in the new hospital compared to the pre-Katrina Medical Center of Louisiana at New Orleans in order to allow the business plan to work.

The new hospital will attract these patients because LSU physicians will have the facilities and staff to perform procedures that the old hospital did not. According to Dr. Larry Hollier, Chancellor of LSU Health Sciences Center in New Orleans, “One of the major aspects of success of this new hospital will be LSU doctors moving patients into the new facility. I’m convinced we can do this.”

In addition to the federal and state capital investment, the construction itself will generate the equivalent of almost 20,000 jobs, and, once completed, the LSU VA complex will produce 10,000 high-paying jobs. “This should be a linchpin in the economic recovery of downtown New Orleans,” said Smithburg.

The LSU hospital will fill a unique niche. “No one else in the marketplace is running to the starting line to develop a Level 1 trauma center,” Smithburg said after questioning from Senator Joe McPherson. “No other hospital is establishing treatment centers for HIV patients or other high-risk patients,” he said.

The LSU Health Care Services Division is the fifth largest public hospital system in the country and is the medical provider for almost 20% of Louisiana’s population. It has over 60,000 admissions, 350,000 patient days, 1 million outpatient visits, and over 350,000 emergency department visits. Each year 1700 residents from the LSU School of Medicine, Tulane School of Medicine, and Oschner Health System and 4,000 nurses and allied health students from many colleges and universities are trained in LSU HCSD facilities.

LSU HCSD is the largest single provider of uncompensated inpatient care in Louisiana and provides over 95% of the health care needed by Louisiana’s prisoners. LSU hospitals have an economic impact of over \$1.6 billion in asset business activity, \$918 million in personal earnings, and support over 10,000 jobs.

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