



**Statement of**

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Mr. Chairman, Members of the Committee, thank you for the opportunity to testify today on behalf of the Secretary for Health and Human Services and the Administrator of the Health Resources and Services Administration (HRSA), to discuss Post-Katrina Recovery: Restoring Health Care in the New Orleans Region. We appreciate your interest and support of primary health care in New Orleans and welcome the opportunity to work with you, Mr. Chairman, and the Committee to strengthen HHS and HRSA programs in New Orleans.

### **Introduction**

The Health Resources and Services Administration helps the most vulnerable Americans receive quality health care without regard to their ability to pay. HRSA works to expand the health care of millions of Americans—the uninsured, mothers and their children, those living with HIV/AIDS, and residents of rural areas. HRSA recognizes that people need to have access to primary health care. Through its programs and activities, it seeks to address the country's need for primary care. HRSA takes seriously its obligation to diligently and skillfully implement laws that address primary care access. HRSA helps to train future nurses, doctors, and other clinicians, placing them in areas of the country where health resources are scarce. HRSA seeks cross-cutting alliances across its Bureaus and Offices to bring about quality integrated services. The Agency collaborates with government at the Federal, State, and local levels, and also with community-based organizations, to seek solutions to primary health care problems.

We at HRSA believe that primary care is more than having a place to go when you are sick. We view primary care as the Institute of Medicine (IOM) does: the provision of integrated, accessible health care services by clinicians who are accountable for addressing a large majority of personal health care needs, developing a sustained partnership with patients, and practicing in the context of the family and the community.

My testimony will briefly describe the Center for Medicare & Medicaid Services' (CMS) Primary Care Access and Stabilization Grant, HRSA's role in helping to support that activity, and other ways that HRSA is working to improve access to primary care services in Louisiana. In addition, I will outline current and future programs of HRSA that will be helpful in closing remaining gaps in health care access there.

### **Primary Care Access and Stabilization Grant**

On July 23, 2007, CMS awarded Louisiana the Primary Care Access and Stabilization Grant (PCASG), a three-year grant of \$100 million to assist public and not-for-profit clinics in the greater New Orleans area to expand access to primary care, including primary mental health care, to all residents, including low-income and uninsured residents. By design, PCASG funding provided a larger boost of initial support in order to expedite the infusion of funds into the distressed area and help facilitate a sustainable New Orleans primary care safety-net system. The PCASG grants were designed to support the long-term sustainability of primary care in New Orleans, requiring sustainability plans within the grant application and tapering funds over the life of the three-year grant.

For an organization to be eligible for PCASG funding, it must have been a public or private non-profit organization serving patients in the greater New Orleans area—which CMS defined as Jefferson, Orleans, Plaquemines, and St. Bernard parishes—at the time that Louisiana's grant proposal was submitted. It must also have had the intent to be sustainable, that is, able to continue providing primary care after PCASG funds are no longer available. For the PCASG, CMS defines sustainability as the ability to continue to provide primary care to all patients (regardless of their ability to pay) through some funding mechanism other than the PCASG, such as enrolling as a provider in Medicaid or another public or private insurer, and reviewed sustainability plans included by applicants in their applications for PCASG funding.

The Louisiana Department of Health and Hospitals (LDHH) made provisions with the Louisiana Public Health Institute (LPHI) to help the State administer and oversee this grant's day-to-day operations. The 25 sub-awardees received \$16.7 million initially, with supplemental payments allocated on a biannual basis. As of September 30, 2009, a total of approximately \$61 million has been disbursed by CMS through the LPHI, with

specific allocations based on the State's CMS-approved payment methodology. The funds have been allocated as follows: \$12.6 million in December 2007, \$16.64 million in June 2008, \$17.66 million in December 2008, and \$16.62 million in June 2009. In addition, \$15.02 million is projected to be allocated in December 2009. Approximately \$3.85 million of the total grant funds will be withheld from the global distribution pool for payment of performance incentives. The State is given discretionary authority to design these incentives. The goal of the Quality Incentive Payment (QIP) is to offer financial incentive for PCASG grantees to adopt nationally recognized quality standards modeled after the National Committee for Quality Assurance (NCQA) Physician Practice Connections – Patient Centered Medical Home framework. Although voluntary, grantees are encouraged to participate in the incentive payment program. Disbursements were made in February and June 2009, with a third incentive payment scheduled for December 2009. Clinic sub-awardees are eligible for these payments as of December 2008. If a grantee does not utilize all of its allotment within the budget period, unspent amounts are put back into a general pool that is subsequently redistributed among all 25 sub-awardees.

The organizations receiving PCASG operate 91 primary and behavioral health care sites across the region, including fixed and mobile facilities. Fifty-six percent are primary care centers, 30 percent are behavioral health only sites, and 14 provide a combination of services. Fourteen percent of these locations are mobile sites, and 86 percent fixed. As of September 2009, PCASG clinics have served approximately 252,000 patients.

The grant has also been used to leverage additional external support. For example, the Robert Wood Johnson Foundation is now supporting technical assistance for PCASG recipients on integration of behavioral health and primary care. In addition, a quality improvement incentive program for PCASG recipients was established via a partnership between LPHI and the National Committee on Quality Assurance.

Four million dollars of PCASG funding was explicitly allocated to the City of New Orleans Health Department to increase clinical services, recruit health professionals for two new public health care sites, and staff dental and vision care mobile vans.

The Department is pleased with the improvements in primary care access that has resulted from this CMS grant program and looks forward to continuing our close partnership with local health care organizations to meet the primary care needs of residents in the Gulf Coast.

### **HRSA's Role**

After Hurricane Katrina devastated the area, HRSA worked with CMS on an HHS planning team to create the PCASG program and ensure its coordination with existing HHS initiatives. More specifically, HRSA assisted in writing the PCASG grant guidance with CMS; advised on how to fund primary care systems and services; helped CMS to set the pool of eligible applicants in the Greater New Orleans area and provided ongoing technical assistance to CMS, the State of Louisiana, and the LPHI; ensured all safety net organizations connected to HRSA or Substance Abuse and Mental Health Services Administration (SAMHSA) were eligible for the funding; and developed the reporting requirements and quality improvement standards for the PCASG program and conditions of its grant award.

### **Background on HRSA's work in New Orleans**

Health centers are community-based and consumer-directed organizations that serve populations with limited access to health care. These include low-income populations, the uninsured, those with limited English proficiency, individuals and families experiencing homelessness, and those living in public housing. These centers are designed to provide accessible, dignified health services to low-income families. Community and consumer participation in the organization and a patient majority governing board were and continue to be the hallmark of the health center model.

In 2004, prior to Hurricane Katrina, HRSA funded two health center grantees that supported 10 sites in New Orleans, serving almost 17,500 people. HRSA has funded 7 applications for the New Orleans area since

2006—1 EMC grant, 5 NAP grants, and 1 PL grant. Three of the five NAP grants were funded under the American Reinvestment and Recovery Act (ARRA). In addition to the ongoing support for the two pre-Katrina health center grantees, the following new awards were made in 2007 and 2008:

| <i>Year</i> | <i>Type</i> | <i>Organization</i>                           | <i>City</i> | <i>State</i> | <i>Area</i>      | <i>Award</i> |
|-------------|-------------|---|-------------|--------------|------------------|--------------|
| 2007        | EMC         | Excelth, Inc.                                 | New Orleans | LA           | Orleans Parish   | \$354,013    |
| 2007        | NAP         | Jefferson Community Health Care Centers, Inc. | Avondale    | LA           | Jefferson Parish | \$433,333    |
| 2007        | NAP         | Excelth, Inc.                                 | New Orleans | LA           | Orleans Parish   | \$920,833    |
| 2007        | PL          | Broadmoor Improvement Association             | New Orleans | LA           | Orleans Parish   | \$80,000     |

HRSA also awarded the Louisiana Primary Care Association with a grant for \$666,665 to establish an emergency communications network, linking Louisiana health centers with the state Department of Health and Hygiene and with major medical centers. The Louisiana Primary Care Association is working to establish a comprehensive, interoperable, and flexible emergency communications system, including a training and exercise program. In conjunction with the development of the emergency communications network, the Louisiana Primary Care Association is working to integrate policy, procedures, and plans with state, regional, and local emergency preparedness agencies.

Currently, HRSA provides grant support to five health center grantees in the greater New Orleans area. This includes four existing health center grantees that received almost \$7.1 million in FY 2009 grant support to operate 18 sites serving approximately 33,680 people (including patients served in neighboring St. Charles Parish). The fifth health center is a new grantee that received funding under the American Reinvestment and Recovery Act (ARRA).

| <b>Number of Health Centers, Patients and Sites, Current (2009)</b>                            |               |                                    |                                     |                                   |
|--|---------------|------------------------------------|-------------------------------------|-----------------------------------|
| <i>Name of Health Center</i>   | <i>Parish</i> | <i>FY 09 Health Center Funding</i> | <i># of Patients Served in 2008</i> | <i># of Sites</i>                 |
| Excelth, Inc.  | Orleans       | \$3,556,765                        | 12,506                              | 9<br>(including 6 mobile clinics) |
| City of New Orleans Health Department, Health Care for the Homeless                            | Orleans       | \$1,235,554                        | 2,187                               | 3                                 |
| Jefferson Community Health Care Center, Inc.   | Jefferson     | \$1,587,505                        | 6,887                               | 3                                 |
| St. Charles Community Health Center, Inc (Kenner sites)  | Jefferson     | \$ 719,424                         | 12,101*                             | 2                                 |
| St. Thomas Community Health Center, Inc. (ARRA New Access Point with 3 service delivery sites) | Orleans       | (See below)                        | NA                                  |                                   |
| TOTAL  |               | \$7,099,248                        | 33,681                              | 17                                |

\* Includes patients served in St. Charles Parish.

## The American Reinvestment and Recovery Act

On February 17, 2009, President Barak Obama signed the American Reinvestment and Recovery Act to jumpstart our economy, save and create millions of jobs, and put a down payment on addressing long-neglected challenges so that our country can thrive in the 21st century. In New Orleans, ARRA funding has supported three Health Center New Access Point (NAP) awards, five ARRA Health Center Increased Demand for Services (IDS) awards, and five ARRA Health Center Capital Improvement Program (CIP) awards.

|   |                  | <i>American Reinvestment and Recovery Act</i> |                    |                    |                    |
|---|------------------|---|--------------------|--------------------|--------------------|
| <i>Health Center</i>  | <i>Parish</i>    | <i>NAP</i>                                    | <i>IDS</i>         | <i>CIP</i>         | <i>Total</i>       |
| Excelth, Inc.   | Orleans Parish   |   | \$346,264          | \$687,710          | \$1,033,974        |
| City of New Orleans Health Department, Health Care for the Homeless | Orleans Parish   |   | \$143,351          | \$326,545          | \$469,896          |
| Jefferson Community Health Care Centers, Inc.                       | Jefferson Parish | \$1,300,000                                   | \$238,355          | \$491,045          | \$2,029,400        |
| St. Charles Community Health Center, Inc.                           | Jefferson Parish | \$1,300,000                                   | \$247,732          | \$673,535          | \$2,221,267        |
| St. Thomas Community Health Center, Inc.                            | Orleans Parish   | \$1,300,000                                   | \$100,000          | \$250,000          | \$1,650,000        |
|   | <b>TOTAL</b>     | <b>\$3,900,000</b>                            | <b>\$1,075,702</b> | <b>\$2,428,835</b> | <b>\$7,404,537</b> |

This Recovery Act funding, which totals to date about \$7.4 million to the New Orleans area, will allow these health centers to provide needed primary care services to an additional 35,000 patients at more than 20 clinics across the area over a two year period. Two of the health centers are using these funds to provide additional mental and behavioral health services—care that is much needed in New Orleans.

This recent influx of funds has been a welcome addition to the support HRSA has already been providing to primary care initiatives in the New Orleans area since Katrina. Now, I would like to review some of these programs and the essential work that they have been doing.

### **Excelth, Inc.**

Excelth, Inc. began as a joint collaborative with the City of New Orleans Health Department but is now an independent organization. It has been federally funded since 1992. Prior to Hurricane Katrina, Excelth was the largest health center in Louisiana, with nine sites located throughout New Orleans. Since Katrina, Excelth has focused its service delivery in the downtown and northern sections of New Orleans and concentrated its efforts in three areas: (1) providing access to health care services, (2) rebuilding service delivery capacity, and (3) responding to special needs of the population.

### **City of New Orleans Health Department (Healthcare for the Homeless)**

The Healthcare for the Homeless program, operated by the City of New Orleans Health Department, has provided services to homeless individuals and families in Orleans, Jefferson, Plaquemine, and St. Bernard Parishes since 1988. The health center provides preventive and acute medical, dental, podiatric, mental, and substance/abuse services at two sites. One of the sites targets homeless adolescents and is operated by the Tulane School of Medicine through a contractual agreement. The demographics of the homeless population have changed dramatically since Katrina from primarily adult males to young single mothers. The health center is planning to relocate its main service delivery site, has identified a new location, and is currently working with the City of New Orleans for approval of the relocation.

### **Jefferson Community Health Care Centers, Inc.**

Jefferson Community Health Care Centers, Inc. received its first Federal funding in 2006. It serves the West Bank of Jefferson Parish with a population of 363,000. Jefferson Community currently has three service sites. Two are located on the west bank of the greater New Orleans area in Avondale and Marrero. The third site is located on the east bank in River Ridge. Hurricane Katrina had little impact on Jefferson's operations and facilities.

### **St. Thomas Community Health Center, Inc.**

St. Thomas Community Health Center has been providing comprehensive health services to the low-income, uninsured, and working poor since 1987. It received its first Federal funding in March 2009 as an ARRA New Access Point. The target population of this health center is 133,229 low-income individuals in New Orleans. St. Thomas Community Health Center was one of the first sites that opened its doors to the impoverished population of New Orleans soon after Hurricane Katrina. St. Thomas provides access to health care to those most in need in the New Orleans service area and to persons of all ages.

Since its inception, St. Thomas Community Health Center has been an independent, not-for-profit clinic. The majority of patients have little or no insurance. The new access point at St. Thomas Community Health Center will serve approximately 11,900 individuals (33,680 are being served by existing primary care facilities). The clinic's independence has enabled it to be flexible and respond quickly to community direction and needs. Independence has also meant ongoing challenges to financial security and sustainability. Revenue generation, grants, and donor contributions remain critical. Cost effectiveness and efficiencies are constantly reviewed. The revenue that St. Thomas generates by being a Federally Qualified Health Center is crucial, and ongoing grant support is also needed in order for services to continue.

### **National Health Service Corps**

In addition to providing direct patient care, HRSA seeks to strengthen primary care by placing health care providers in communities where they are needed most. For example, the National Health Service Corps (NHSC), through scholarship and loan repayment programs, helps Health Professional Shortage Areas (HPSAs) in the U.S. obtain medical, dental, and mental health providers in order to meet the area's need for health care.

Since its inception in 1970, more than 30,000 primary care physicians, nurse practitioners, certified nurse midwives, physician assistants, dentists, dental hygienists, and mental health professionals have served in the NHSC, expanding access to health services and improving the health of people who live in urban and rural areas where health care is scarce. About 80 percent of NHSC clinicians continue to work in a HPSA beyond their initial commitments, 70 percent stay at least five years, and about 50 percent make caring for underserved people their career. Finally, there are more than 8,000 job vacancies in NHSC-approved sites today—and more are added everyday.

About half of all NHSC clinicians work in HRSA-supported health centers, which deliver preventive and primary care services to patients regardless of their ability to pay. About 40 percent of health center patients have no health insurance.

The FY 2008 Field Strength Report (NHSC clinicians in service as of September 30, 2008) for the State of Louisiana shows a total of 83 clinicians across the State, which break down as follows: 33 physicians (40 percent), 15 dentists (18 percent), 13 nurse practitioners (16 percent), eight physician assistants (10 percent), and 14 behavioral and mental health clinicians (16 percent). The Recovery Act will double the NHSC and bring additional NHSC clinicians to New Orleans.

In addition to directly assisting in the placement of primary care providers, HRSA supports the health profession programs that provide the infrastructure for their education and training.

## **Health Professions**

HRSA funds Area Health Education Centers (AHECs), which are academic and community partnerships that provide health career recruitment programs for K-12 students and also increase access to health care in medically underserved areas. AHECs address health care workforce issues by exposing students to health care career opportunities that they otherwise would not have encountered, establishing community-based training sites for students in service-learning and clinical capacities, providing continuing education programs for health care professionals, and evaluating the needs of underserved communities.

The Southeast Louisiana AHEC in New Orleans was started in 1988 through a grant written by Louisiana State University Medical Center. This AHEC serves as a bridge between schools of health professions, health providers, and communities. The Southeast Louisiana AHEC conducts needs assessments to determine health care workforce needs, recruits and retains health care professionals for rural and underserved areas, and sponsors adult and student health career fairs.

After Katrina devastated the Mississippi Delta, the Southeast Louisiana AHEC worked tirelessly to help out any way they could. Its 6,500 square foot office building sustained limited damage and remained open 24 hours a day during the early stages of recovery.

One of the AHEC's projects since Katrina has been the establishment of a rural loan fund as a component of a grant from the Robert Wood Johnson (RWJ) Foundation. The AHEC was able to leverage HRSA support to work with RWJ, which sent \$1.25 million for use by the loan fund to support reestablishment of primary care clinics and other facilities damaged by the hurricane. RWJ required that each of the five most affected parishes be given a \$50,000 grant to use to hire grant writers or other staff to help restore needed health services. Southeast AHEC staff facilitated that activity and made grant distributions to St. Bernard, Orleans, Plaquemines, Jefferson, and Cameron Parishes. The remaining \$1 million was provided to support loan requests to repair or support primary care clinics and facilities damaged by the hurricane.

## **Maternal and Child Health (MCH) Provisions**

HRSA also administers the Title V Maternal and Child Health (MCH) Services Block Grant program, which is the Nation's oldest Federal-State health care partnership. For over 70 years, the MCH Block Grant has provided a foundation for ensuring the health of the Nation's mothers and children. Today, State MCH agencies, which are located within a State health department, apply for and receive a formula grant each year.

Every \$4 of Federal Title V money received must be matched by at least \$3 of State and/or local money. This "match" results in there being more than \$5 billion annually available for MCH programs at the State and local level. At least 30 percent of Title V Federal funds are earmarked for preventive and primary care services for children and at least 30 percent are earmarked for services for children with special health care needs.

The purpose of the Title V MCH Block Grant is to improve the health of all mothers and children consistent with the applicable health status goals and national objectives, and to provide and assure mothers and children (in particular those with low income or with limited availability of health services) access to quality maternal and child health services.

The MCH Block grant also funds Special Projects of Regional and National Significance, one of which is the MCH Schools of Public Health Training Grant at Tulane University. HRSA's MCH Schools of Public Health Training Grant at Tulane University was first supported by HRSA's Maternal and Child Health Bureau in 2005. The grantee has a close working relationship with the State Title V Program. The program is particularly strong in recruiting diverse students.

Another program that I would like to highlight is Healthy Start New Orleans (HSNO). HSNO was one of the first programs to resume services in New Orleans after Hurricane Katrina, mobilizing scarce resources in the

city to serve women and children. It has grown from the immediate post-Katrina staff of four FTEs to the current level of 28 FTEs. Serving 750 families annually, it has had to be creative in order to increase clinical and case management services because many providers have not returned to the city. In addition to providing needed obstetrical, pediatric, and dental services, the grantee has focused on the growing needs of this population for services to address perinatal depression, post-traumatic stress, and domestic violence. Case management services are provided to first-time mothers through the Nurse Family Partnership (NFP) Program and to pregnant and parenting non-first-time mothers by the Healthy Start staff. The NFP Program works through an agreement with LSU.

### **HIV/AIDS**

And finally, HRSA provides Ryan White grant funds to the New Orleans AIDS Task Force. This task force is a new Ryan White grantee as of July 1, 2009, and provides primary comprehensive HIV care to approximately 800 people living with HIV/AIDS (PLWHA). Services available in the clinic include primary care, phlebotomy, pain management, psychiatric care, pharmacy, and support services.

### **CONCLUSION**

We are extremely proud of our programs and look forward to continuing to work with you, Mr. Chairman and Members of the Committee, to provide quality primary health care for all. The Department of Health and Human Services has invested a great deal of time and resources in assisting the recovery of New Orleans. There is more work to be done, but we are pleased with the progress we have made. Our goal is to continue and expand our partnerships with local primary care providers and develop new National Health Service Corps sites. I truly appreciate the opportunity to testify today, and I would be pleased to answer any questions at this time.