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April 16, 2007

The Honorable Gene Green
U.S. House of Representatives
Committee on Energy and Commerce
Washington, DC 20515-6115

Dear Honorable Green:

Thank you for taking an interest in Louisiana's Federally Qualified Health Centers and the tremendous job they do in serving the uninsured. I am grateful to the Subcommittee on Oversight and Investigations in allowing me to present testimony at the hearing entitled "Post Katrina Health Care: Continuing concerns and Immediate needs in the New Orleans Region" on Tuesday, March 13, 2007.

I am also pleased to respond to the question you submitted, "What role FQHCs will - or should - play in the reconstruction of the health care system?"

If there are any further questions or additional information needed please contact me at 337-355-2310 or my assistance Alfreida Edwards at 985-37-1096.

Sincerely,

Gary M. Wiltz, MD
- CEO
Teche Action Clinic

Question submitted by The Honorable Gene Green

1. I am a strong proponent of health centers and understand the tremendous job they do to serve the uninsured. The cities of Houston and New Orleans both have high levels of uninsured with too few FQHCs to meet the need. So, I appreciate the challenges you face.

I understand that you have worked with Governor Blanco to craft a proposal for health center construction. Can you provide the committee with additional details on that proposal and explain how it will be utilized to leverage additional health care financing?

Additionally, with health centers saving three Medicaid dollars for every one federal dollar spent on them, there is no question that FQHCs are a good use of scarce health care dollars. As we look at rebuilding health care in New Orleans, can you on what role FQHCs will – or should – play in the reconstruction of the health care system?

Response to The Honorable Gene Green's question

For the first time in Louisiana Federally Qualified Health Center's (FQHC) history, a one time special capital outlay set aside has been allocated with the Governor's budget to expand existing site and service expansion initiatives. Louisiana Primary Care Association (LPCA) is currently working with Capital Link, Inc. to develop a capital funding program for FQHCs that would leverage New Market Tax Credits (NMTC) funding and HRSA or USDA Loan Guarantee Programs to maximize funding available for FQHC infrastructure development. The program under consideration would require a state investment of \$55 million in CDBG or other state funds to leverage approximately \$38 million in NMTC, private sector investments and \$33 million in HRSA or USDA guaranteed low-cost loans. This pool of \$126 million would fund the expansion and new site development of 58 health centers and the acquisition of 11 electronic medical record (EMR) systems. The health center expansion and new access point initiative is projected to provide health care to an additional 180,000 Louisianans.

Subsequent to the tragedies of Hurricanes Katrina and Rita, health officials within the state have deemed FQHCs as a viable option for public and private partnering as Louisiana reengineer its fragile health care infrastructure. Louisiana currently ranks 50th in the nation in poor health indicators, and the cost of health care is spiraling upward due to unwarranted emergency room visits to Louisiana's charity hospitals. The average cost per ER visit is \$383. Nevertheless, the average cost to see that same patient in one of Louisiana's Health Centers is \$130. Louisiana's Governor Kathleen Blanco has expressed on several occasions the need for a better community based system of care. The Louisiana's Health Care Redesign Collaborative has echoed the same sentiment proposing the "medical home" concept as the model for redesigning Louisiana's health care system. The medical home concept includes four basic components which are similar to the federally qualified health center's model—access to a primary care physician (PCP), an insurance connector, a Quality Forum and a health information technology system.

Most importantly, Louisiana's FQHCs are staffed by PCPs and nurse practitioners. Louisiana's FQHCs provide dental and mental health services, access to prescription assistance programs and the 340B program which provides for lost cost and in some cases free prescription drugs. The majority of Louisiana's FQHCs are Certified Medicaid Application Centers which serves as an "insurance connector". FQHCs are governed by a 51% consumer majority board similar to that of the Quality Forum—the establishment of a forum to oversee the quality of the care provided by the Medical Home. Additionally, many of Louisiana's FQHCs are JCAHO accredited or are applying for re-accreditation.



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April 16, 2007

The Honorable Ed Whitfield
U.S. House of Representatives
Committee on Energy and Commerce
Washington, DC 20515-6115

Dear Honorable Whitfield:

Thank you for taking an interest in Louisiana's Federally Qualified Health Centers and the tremendous job they do in serving the uninsured. I am grateful to the Subcommittee on Oversight and Investigations in allowing me to present testimony at the hearing entitled "Post Katrina Health Care: Continuing concerns and Immediate needs in the New Orleans Region" on Tuesday, March 13, 2007.

I am also pleased to respond to the question you submitted, "Can FQHCs play a larger role in New Orleans? If so, what impediments do you see to the expansion of FQHCs at the federal, state, and local level?"

If there are any further questions or additional information needed please contact me at 337-355-2310 or my assistance Alfreida Edwards at 985-37-1096.

Sincerely,

Gary M. Wiltz, MD
- CEO
Teche Action Clinic

Question submitted by The Honorable Ed Whitfield

1. Ms. Diane Rowland stated that pre-Katrina New Orleans had only two federally qualified health centers (FQHCs). Can FQHCs play a larger role in New Orleans? If so, what impediments do you see to the expansion of FQHCs at the federal, state, and local level?

Response to The Honorable Ed Whitfield's question

There are two Federally Qualified Health Center organizations in New Orleans. One is the New Orleans Health Department Healthcare for the Homeless Program and the other is EXCELth, Inc. which operates the EXCELth, Inc. Primary Care Network (the EXCELth Network). The Health Care for Homeless program takes in more than its traditional population as a result of the effects of Katrina. As a network, the EXCELth Network has multiple sites in Orleans, Jefferson and East Baton Rouge Parish. Two sites are operated by the Daughters of Charity Services of New Orleans in Orleans Parish and one more in Jefferson. Two EXCELth Network sites are operated by the New Orleans Health Department in Orleans Parish. There is another EXCELth clinic in East Baton Rouge, as well as, two mobile medical units operated by EXCELth, Inc. in New Orleans and East Baton Rouge (that goes mainly FEMA trailer sites).

However, there are additional FQHCs in the New Orleans Metro area. Jefferson Community Health Care Centers (JCHCC) is an FQHC in adjoining Jefferson Parish. St. Charles Community Health Care Center (St. Charles) operates in St. Charles Parish and in Kenner, LA, part of Jefferson Parish.

In post-Katrina Metro New Orleans, the collaboration between the FQHC organizations has been remarkable in that they have worked together to expand services by sharing their resources. The organizations regularly meet among themselves and other safety net providers to plan services to assure that gaps are addressed. A case in point is the March of Dimes Mobile Pre-Natal Van (The MOM Van). Collectively the EXCELth, JCHCC, Daughters of Charity and St. Charles Health Centers submitted a successful proposal to the national March of Dimes to operate the Mobile unit to outreach underserved communities in the combined Orleans and Jefferson area. Each has taken different roles to assure coordination and comprehensive care of this population at particular risk due to the loss of pre-natal providers in the area.

In this respect, the best solution for addressing the needs of the New Orleans area is to support the existing organizations that have bonded together and increased their capacity to provide community solutions. Additional, support to these organizations will increase their collective capacity and the opportunity for success.

Impediments that affect these health centers are generally the difficulties in quick resolution to financial and policy needs at federal and state levels. Most have seen increased uncompensated costs (uninsured rates have increase to 80% in some sites of service). While block grants have helped, the limited and unpredictable length of their existence impedes practical planning of service delivery and response. Additionally, long term support for increasing workforce availability is also critical.