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United States Government Accountability Office
Washington, DC 20548

June 30, 2010

The Honorable Edolphus Towns
Chairman
Committee on Oversight and Government Reform
House of Representatives

Subject: *Hurricane Katrina: CMS and HRSA Assistance to Sustain Primary Care Gains in the Greater New Orleans Area*

Dear Chairman Towns,

More than 4 years after Hurricane Katrina made landfall, the greater New Orleans area continues to face challenges restoring health care services disrupted by the storm and flooding that followed. Among many federal investments to help rebuild health care services in the area, in July 2007, the U.S. Department of Health and Human Services (HHS) awarded the $100-million Primary Care Access and Stabilization Grant (PCASG)[1] to the Louisiana Department of Health and Hospitals (LDHH). The PCASG was intended to restore and expand access to primary care services in the greater New Orleans area[2] without regard to a patient's ability to pay. The grant provided short-term funding to outpatient provider organizations to help them take such actions as increasing staff, renovating clinics, and opening new clinic sites. Like many hurricane relief programs, the PCASG was designed to provide a temporary funding source—from July 23, 2007, through September 30, 2010.

The PCASG grant is administered at the federal level by HHS's Centers for Medicare & Medicaid Services (CMS). The Louisiana Public Health Institute (LPHI) administers the PCASG for LDHH as its local partner;[3] LDHH and LPHI received a small portion of the PCASG funds for their administrative and oversight costs. In 2007, LDHH provided grant funds to 25 provider organizations, which we refer to as PCASG-funded providers.[4] For a

[1]This grant was made under a provision of the Deficit Reduction Act of 2005 authorizing payments to restore access to health care in communities affected by Hurricane Katrina. Pub. L. No. 109-171, § 6201(a)(4), 120 Stat. 4, 133 (2006). Notice of Single Source Grant Award, 72 *Fed. Reg*. 51, 230 (Sept. 6, 2007).

[2]For the purposes of the grant, the greater New Orleans area was defined as Jefferson, Orleans, Plaquemines, and St. Bernard parishes. The PCASG aimed to restore and expand access for primary care, dental care, and mental health services, and to decrease costly reliance on emergency room use for primary care services for patients who were uninsured, underinsured, or covered by Medicaid (the joint federal-state program that finances health insurance coverage for certain categories of low-income adults and children).

[3]LPHI is an independent, nonprofit, New Orleans-based organization focused on promoting and improving health and quality of life in Louisiana. As LDHH's local partner for administering the PCASG, LPHI is responsible for the day-to-day administration of the PCASG.

[4]As of March 2010, these PCASG-funded providers were operating 93 sites that were eligible to use the funds.

provider to be eligible for PCASG funds, it must have been a public or private nonprofit organization serving patients in the greater New Orleans area at the time Louisiana's grant proposal was submitted in June 2007. It also must have had the intent to be sustainable, that is, able to continue providing primary care after PCASG funds were no longer available.[5]

We previously reported that PCASG-funded providers have used PCASG funds to improve access to primary care services. Specifically, PCASG-funded providers reported that they have used PCASG funds to hire or retain clinicians, add primary care services, and open new sites.[6] They also reported taking or planning action to increase their ability to be sustainable, by, for example, improving their ability to receive reimbursement for services provided to Medicaid beneficiaries and individuals with private insurance. However, obtaining reimbursement for insured patients may not sufficiently ensure PCASG-funded providers' sustainability because, historically, about 45 percent of the more than 162,000 patients seen by these providers were uninsured.[7] The Patient Protection and Affordable Care Act (PPACA), enacted in March 2010, may provide some relief, for example, by increasing the number of patients with insurance in the greater New Orleans area; however, the legislation's provisions, and corresponding expected increases in Medicaid and private health insurance enrollment, will not be fully implemented until 2014.[8]

Given the federal investment in providing and sustaining health care in the greater New Orleans area, you asked us to describe what steps CMS and the Health Resources and Services Administration (HRSA), the latter, an HHS agency responsible for improving access to health care services for vulnerable populations, have taken to help the PCASG-funded organizations—LDHH, LPHI, and the PCASG-funded providers—sustain the primary care gains made in the greater New Orleans area. In this report, we describe the assistance CMS and HRSA have offered to the PCASG-funded organizations to help them sustain the primary care gains made.

To address this objective, we interviewed CMS and HRSA officials and reviewed related documentation to learn about what assistance, if any, they have offered to the PCASG-funded organizations that may help sustain the provision of primary care in the greater New Orleans area. During these interviews, we asked the officials about their roles with the PCASG, any assistance provided to the PCASG-funded organizations, and any concerns they had regarding the sustainability of the PCASG-funded providers. We also interviewed an official from the Louisiana Primary Care Association (LPCA)—a nonprofit organization that partners with HRSA to support safety-net providers in Louisiana—regarding any training, technical, or

[5]For the PCASG, CMS defines sustainability as the ability to continue to provide primary care to all patients (regardless of ability to pay) through some funding mechanism other than the PCASG funds, such as enrolling as a provider in Medicaid or another public or private insurer and billing those payers for services rendered.

[6]See GAO, *Hurricane Katrina: Federal Grants Have Helped Health Care Organizations Provide Primary Care, but Challenges Remain*, GAO-09-588 (Washington, D.C.: July 13, 2009); and GAO, *Hurricane Katrina: Federal Grants Have Helped Health Care Organizations Provide Primary Care, but Sustaining Services Will Be a Challenge*, GAO-10-273T (Washington, D.C.: Dec. 3, 2009). In these reports, we referred to the PCASG-funded providers as PCASG fund recipients.

[7]Data, which were provided by LPHI, represent an unduplicated count of patients seen at PCASG-funded providers between March 21, 2009, and March 20, 2010.

[8]Pub. L. No. 111-148, 124 Stat. 119 (2010), as amended by the Health Care and Education Reconciliation Act of 2010 (HCERA), Pub. L. No. 111-152, 124 Stat. 1029. In this report, we refer to the law, as amended by HCERA, as PPACA. Beginning in fiscal year 2011, PPACA also provides funding for health centers, which some PCASG-funded providers may be eligible to receive.

other assistance provided to PCASG-funded providers. Finally, we interviewed officials from LDHH, LPHI, and 10 PCASG-funded providers to obtain their perspectives on the assistance offered by CMS and HRSA, as well as the sustainability of primary care gains made as a result of the PCASG. We invited officials from all 25 PCASG-funded providers to participate in a joint interview. The participating officials represented PCASG-funded providers that varied in size and amount of PCASG funding received.

We conducted this performance audit from April 2010 through June 2010 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

In summary, during the 3 years since the PCASG grant was awarded, CMS and HRSA have offered five types of assistance to the PCASG-funded organizations to help them sustain the primary care gains made—funding, training, information sharing, technical assistance, and workforce support. For example, HRSA provided about $27.6 million in grant funding to five PCASG-funded providers and both CMS and HRSA have identified potential future funding that may be available for some PCASG-funded providers. Additionally, CMS and HRSA provided technical assistance to PCASG-funded providers to improve their ability to bill for services and improve their clinic operations. Despite the various types of assistance offered, concerns remain about whether the primary care gains made will be sustainable after the PCASG funding ends. In commenting on a draft of this report, HHS indicated that it contained an accurate account of the assistance offered by HHS.

Background

According to the American Community Survey, in 2008, more than a third of individuals living in the New Orleans metropolitan area had incomes below 200 percent of the federal poverty level.[9] Furthermore, survey results indicated that nearly 20 percent of those living in the metropolitan area were uninsured. Since Hurricane Katrina, the health care delivery system for the low-income and uninsured population in the greater New Orleans area has changed from one that was largely hospital-based to a more community-based system of primary care, in part due to the PCASG.

Health Services in Greater New Orleans

Before Hurricane Katrina, much of the health care for the low-income and uninsured population in the greater New Orleans area was provided in emergency rooms and outpatient clinics at Charity and University hospitals. These two hospitals, known together as the Medical Center of Louisiana at New Orleans (MCLNO), were part of the Louisiana State University's (LSU) statewide system of public hospitals. About half of MCLNO's patients were uninsured, and about one-third were covered by Medicaid. As a result of damage from Hurricane Katrina and subsequent flooding, Charity and University hospitals were closed. LSU reopened University Hospital in November 2006 under its new, temporary name, Interim

[9]The American Community Survey, which is conducted by the Census Bureau, is an annual household survey designed to capture community-level demographic, housing, and socioeconomic data. The survey provides data on the New Orleans-Metairie-Kenner metropolitan statistical area which consists of Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. John the Baptist, and St. Tammany parishes. In 2008, 200 percent of the federal poverty level equated to $42,400 for a family of four.

LSU Public Hospital, but has not and does not intend to reopen the Charity Hospital facility. However, according to an LSU official, LSU plans to build a new academic medical center, expected to open in approximately 5 years.[10]

In addition to Charity and University hospitals' outpatient clinics, other types of clinics provided primary care for the low-income and uninsured population before Hurricane Katrina. These included health centers participating in HRSA's Health Center Program. To increase access to primary care, HRSA provides grants to health centers nationwide under Section 330 of the Public Health Service Act.[11] To be eligible for a Health Center Program grant, a health center must provide comprehensive primary care services, be available to all individuals with fees adjusted based on an individual's ability to pay, and be governed by a community board where at least 51 percent of the members are health center patients.[12] HRSA uses a competitive process to award Health Center Program grants, including New Access Point grants for new grantees or for existing grantees to establish additional sites. Existing grantees may also compete for grants to (1) increase medical capacity, such as by expanding operating hours, or (2) add or expand services, such as by adding mental health, oral health, and pharmacy services. All Health Center Program grantees are designated as Federally Qualified Health Centers (FQHC), entitling them to certain federal benefits such as enhanced Medicaid and Medicare payment rates. However, not all FQHCs receive Health Center Program grants. For example, providers that meet all of the requirements for the Health Center Program but do not receive Health Center Program grants can also be designated as FQHCs. These FQHCs are often referred to as "look-alikes." Four FQHCs, all of which received Health Center Program grants, served the greater New Orleans area at the time HHS awarded the PCASG in July 2007.

PCASG

In response to Hurricane Katrina, several federal agencies provided grants to Louisiana to assist with the restoration of primary care in the greater New Orleans area.[13] CMS awarded the PCASG to LDHH, which selected LPHI as the local partner responsible for administering the grant program. LDHH and LPHI determined that 25 organizations met the PCASG requirements that CMS established, and awarded funding to these organizations.[14] The 25 PCASG-funded providers varied in size and other characteristics. For example, some PCASG-

[10]The Federal Emergency Management Agency is required to provide a grant of over $474 million for the replacement of Charity Hospital.

[11]42 U.S.C. § 254b.

[12]In addition, to be eligible for a Health Center Program grant, a health center must serve a medically underserved area or population; provide support services that facilitate access to health care, like translation or transportation; and meet performance and accountability requirements for administrative, clinical, and financial operations.

[13]Federal grants included HHS's Professional Workforce Supply Grant, which provided funds to Louisiana to reduce shortages in the professional health care workforce following Hurricane Katrina. Louisiana used the funds to create and fund the Greater New Orleans Health Service Corps, which recruited individual health care providers for health care organizations by offering incentive payments to the individuals. In addition, the Federal Emergency Management Agency provided funds to Louisiana for certain mental health services through its Crisis Counseling Assistance and Training Program Grants and HHS's Administration for Children and Families' Social Services Block Grant provided supplemental funds that could be spent on health care and other services.

[14]CMS, in collaboration with officials from other HHS agencies, including HRSA, developed guidance that helped LDHH and LPHI to identify potential applicants for funds; 35 provider organizations in the greater New Orleans area applied for PCASG funds.

funded providers were affiliated with an institution—such as a university, or state or local government—and some were grantees of HRSA's Health Center Program. In addition to primary care services, which the PCASG defined as including medical, mental health, and dental care services, PCASG-funded providers could use the grant funds to provide specialty care, such as cardiology and podiatry services; or ancillary services, including supporting services such as translation, health education, transportation, and outreach.

LPHI is responsible for distributing funds to PCASG-funded providers, including an initial disbursement and five supplemental disbursements.[15] CMS required that a greater share of funds be disbursed during the early part of the grant period and that funding decline over the term of the grant to ensure that PCASG-funded providers did not rely primarily on PCASG funds for their continued operation and sustainability. After being awarded PCASG funds, the providers had to meet several CMS requirements, including creating referral relationships with local specialists and hospitals, establishing a quality assurance or improvement program, and providing a long-term sustainability plan.[16]

In previous work, we noted that PCASG-funded providers reported taking or planning action to increase their ability to be sustainable. For example, in response to our October 2008 survey, many PCASG-funded providers reported planning to apply for additional federal, state, or private funding, such as HRSA's Health Center Program funding or grants from foundations. The PCASG-funded providers also reported taking or planning action to increase their ability to receive reimbursement from patients' health insurance, including Medicaid and private health insurance.

As of May 2010, 18 of the 25 PCASG-funded providers reported to LPHI that they were billing at least one type of health insurance—namely Medicaid, Medicare, or private insurance—for services provided.[17] However, between March 21, 2009, and March 20, 2010, 45 percent of patients seen by the PCASG-funded providers were uninsured; at 10 of the 25 PCASG-funded providers, greater than 70 percent of the patients seen were uninsured. As of July 2009, the most recent information reported to LPHI, PCASG funds still accounted for a large portion of many of the providers' revenue. Specifically, for 10 of the 25 PCASG-funded providers, PCASG funds accounted for more than 50 percent of their funding between August 2008 and July 2009.[18] For the remaining 15 PCASG-funded providers, PCASG funding ranged from 7 to 50 percent of their total funding. (See encl. I for more information about the distribution of PCASG funding.) As we have previously reported, LPHI officials expected that when PCASG funding ends, some PCASG-funded providers might have to close and others could be forced to scale back their current capacities by laying off staff or reducing the services offered.

[15]As of December 2009, more than $92 million had been disbursed to the PCASG-funded providers.

[16]Other requirements were that the provider had to establish a system to collect and organize patient and encounter data and report the data to LDHH through LPHI.

[17]This is up from 15 PCASG-funded providers in September 2007, the month when PCASG funding for providers began.

[18]This information is based on data provided by the PCASG-funded providers to LPHI.

CMS and HRSA Have Offered Five Types of Assistance to the PCASG-funded Organizations, but Sustainability Remains a Concern

During the 3 years since the PCASG grant was awarded, CMS and HRSA have offered five types of assistance to the PCASG-funded organizations to help them sustain the primary care gains made, namely: (1) funding, (2) training, (3) information sharing, (4) technical assistance, and (5) workforce support.

- **Funding**. In addition to the PCASG funds provided by CMS, some PCASG-funded providers received funds from HRSA. Specifically, from October 2007 through May 2010, HRSA provided about $27.6 million in Health Center Program grant funding to five PCASG-funded providers. (See table 1.) About $20.2 million of the HRSA funding was through the agency's regular Health Center Program grants[19] and about $7.4 million was through grant funds made available by the American Recovery and Reinvestment Act (Recovery Act).[20] Over $1.6 million of the Recovery Act funds were provided to St. Thomas Community Health Center, a PCASG-funded provider that had not previously received a Health Center Program grant. The remaining Recovery Act funds were provided to the four PCASG-funded providers who had previously received Health Center Program funding for activities such as expanding the services offered. In addition to the funding already provided, CMS and HRSA have identified potential future revenue sources for PCASG-funded providers. Specifically, in fiscal years 2011 through 2015, HRSA expects to hold additional national competitions for Health Center Program grants using funds made available through PPACA.[21] According to HRSA officials, they are considering a revised evaluation process for awarding some of this funding which would put greater emphasis on need.[22] The officials told us that, if made, this change may improve the competitiveness of PCASG-funded providers, increasing the likelihood that they would receive funding. In addition, CMS is considering an extension of the PCASG, which would allow unspent funds to be redistributed by LPHI to PCASG-funded providers who (1) spend all PCASG funds already received and (2) continue to meet all PCASG program requirements through September 30, 2010. Those PCASG-funded providers would then have 12 months to expend the redistributed funds.

[19]Health Center Program grants are intended to offset the cost of uncompensated care by filling the gap between a provider's expected revenue and expenses. HRSA determines the amount of grant funds to award to a provider based on a budget submitted to the agency by the provider.

[20]The Recovery Act appropriated an additional $2 billion for Health Center Program grants nationally. Pub. L. No, 111-4, div. A, title VIII, 123 Stat. 115, 175.

[21]The PPACA appropriated $9.5 billion over 5 years to a new Community Health Centers Fund to enhance funding for the community health center program, including $1 billion for fiscal year 2011. It also provided $1.5 billion for the construction and renovation of community health centers. Pub. L. No. 111-148, § 10503, 124 Stat. 119, (2010); Pub. L. No. 111-152, § 2303, 124 Stat. 1029, 1083.

[22]Historically, the grants have been awarded competitively to applicants that earned the highest scores based on an evaluation of eight criteria, including need, impact, and readiness. Each of the eight criteria was assigned a point value with a combined total value of 100. In 2007, HRSA adjusted the point values for these criteria in its evaluation of grant applications for high-poverty counties—increasing the point values for the need criterion from 10 to 35, and reducing the points for most other criteria. The agency is considering making a similar change for the grants to be awarded beginning in fiscal year 2011.

Table 1: Health Center Program Funding Provided to PCASG-funded Providers, October 2007 through May 2010

PCASG-funded provider	Health Center Program grants	Grants awarded using American Recovery and Reinvestment Act funds	Total
EXCELth, Inc.	$9,963,753	$1,033,974	$10,997,727
City of New Orleans Health Department, Health Care for the Homeless	4,467,586	469,896	4,937,482
Jefferson Community Health Care Centers, Inc.	3,667,427	2,029,400	5,696,827
St. Charles Community Health Center, Inc.	2,117,339	2,221,267	4,338,606
St. Thomas Community Health Center, Inc.	17,000	1,650,000	1,667,000
Total	**$20,233,105**	**$7,404,537**	**$27,637,642**

Source: GAO analysis of HRSA data.

- **Training**. HRSA has offered various trainings to providers, including PCASG-funded providers, to explain and provide guidance on how to meet Health Center Program requirements and how to develop effective applications to participate in the program and for look-alike designations. These trainings were performed under cooperative agreements between HRSA and two of its grantees—the National Association of Community Health Centers (NACHC) and the LPCA. Specifically, NACHC conducted a 2.5-day training in New Orleans in September 2008, and NACHC and LPCA conducted training in Baton Rouge in April 2010.

- **Information Sharing**. CMS has shared information with PCASG-funded organizations in an effort to help them sustain the primary care gains made in the greater New Orleans area. For example, according to CMS and LDHH officials, CMS offered feedback to LDHH on changes the agency has considered making to its Medicaid program that would increase funding for primary care providers, including the PCASG-funded providers.[23] Specifically, CMS provided information to LDHH on how it might be able to redistribute Medicaid funding traditionally given to hospitals that serve a disproportionate share of low-income or uninsured patients to outpatient primary care providers that serve those patients. Additionally, CMS officials told us they provided PCASG-funded providers with information about potential sources of additional funding; specifically, they shared information on registering for an e-mail listserv on available federal grants. Furthermore, according to agency officials, HRSA held an information session about its grant programs and application process in New Orleans on June 14, 2010.

- **Technical Assistance**. CMS and HRSA provided various types of technical assistance to PCASG-funded providers. For example, according to PCASG-funded providers, CMS provided technical assistance on how to become a Medicare provider so that they could begin billing for Medicare patients.[24] Officials from LPCA told us that, as part of its cooperative agreement with HRSA, LPCA offered technical assistance to PCASG-funded providers receiving Health Center Program grants on operational and quality improvement issues. For example, LPCA officials conduct an annual assessment of Health Center Program grantees in the state,

[23]In addition, according to officials we spoke with, earlier this spring CMS and HRSA officials met with the transition team for the new mayor of New Orleans, as well as other local and state officials, and shared information on the provision of primary care in the area and options for changing the state's Medicaid program.

[24]Similarly, according to LDHH officials, LDHH provided technical assistance to PCASG-funded providers on how to become eligible to bill for Medicaid patients.

including those with PCASG funding, which addresses each provider's potential for sustainability by focusing on areas such as fiscal and operational issues, and recruitment and retention of clinicians. In addition, officials from LPCA told us they provided two PCASG-funded providers with assistance developing an agreement on how to share Health Center Program grant funding that had been awarded based on the combined patient volume of both providers.

- **Workforce Support**. Both CMS and HRSA offered workforce support assistance to PCASG-funded providers by funding programs that provide incentives for clinicians to work in the greater New Orleans area. Specifically, HRSA administers two programs, one of which the state of Louisiana jointly funds, through which clinicians can receive repayment of student loans if they agree to work in the greater New Orleans area for a certain period of time.[25] Similarly, CMS provided workforce support through its Professional Workforce Supply Grant, a $50 million grant to Louisiana to reduce shortages in the professional health care workforce following Hurricane Katrina.[26] While the grant has been awarded, according to officials from CMS and LDHH, some of the clinicians receiving incentive payments as a result of the grant may be required by their agreements to stay in the greater New Orleans area until 2012.

Despite the various types of assistance offered, all of the officials we spoke with, including CMS and HRSA officials, were concerned that the primary care gains made in the greater New Orleans area may not be sustainable after PCASG funding ends. For example, officials noted that the anticipated expansion of Health Center Program grants and FQHC look-alike designations could potentially increase grant funding and revenues for some providers, which may enable some of the PCASG-funded providers to expand their operations. However, some PCASG-funded providers may not be eligible for, or competitive for, these grants or designations, and others may not be interested in pursuing them.[27] In addition, officials noted that the high percentage of uninsured patients served by PCASG-funded providers raises sustainability concerns. Although more PCASG-funded providers are able to bill patients' health insurance, such as Medicaid and Medicare, today than they were 3 years ago, officials noted that this may be insufficient to ensure sustainability. While officials acknowledged that PPACA should reduce the number of uninsured patients served by these providers, they also noted that there is a 3-year gap between the end of PCASG funding and the expected increases in health insurance coverage. The officials are concerned that in the interim, even if all available health insurance revenue is captured by these providers, some will not be sustainable without funding from other sources.

[25]Both programs offer school loan repayment to clinicians who work in federally designated health professional shortage areas, including the greater New Orleans area. The first program, which is financed entirely by HRSA, is called the National Health Service Corps Scholarship Program and Loan Repayment Program. The second program, which is jointly financed by HRSA and the state, is called the Louisiana State Loan Repayment Program.

[26]LDHH, which administers the grant for the state, used the funds to create and fund the Greater New Orleans Health Service Corps, which provided funds to clinicians who either came to, or agreed to stay in, the greater New Orleans area and serve Medicare, Medicaid, and uninsured patients.

[27]To be eligible for a Health Center Program grant or FQHC look-alike designation, a provider must meet certain requirements, such as having a community governing board of which at least 51 percent are patients. According to officials we spoke with, some PCASG-funded providers may have difficulty meeting some of these requirements and others may be reluctant to take on the responsibility of fulfilling the various requirements. Additionally, officials we spoke with indicated that some PCASG-funded providers may not have the infrastructure, such as information systems, necessary to be competitive with other applicants.

Agency Comments

We provided a draft of this report to HHS for review and comment. In its comments, HHS indicated that the report contained an accurate account of the assistance offered by HHS and accurately reflected the department's concern about the sustainability of primary care gains in the greater New Orleans area (see encl. II). HHS also provided technical comments that we incorporated as appropriate.

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As agreed with your office, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days after its issue date. At that time, we will send copies to the Secretary of HHS and other interested parties. In addition, the report will also be available at no charge on GAO's Web site at http://www.gao.gov.

If you or your staff have any questions regarding this report, please contact me at (202) 512-7114 or draperd@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made major contributions to this report are listed in enclosure III.

Sincerely yours,

Debra A. Draper
Director, Health Care

Enclosures - 3

Table 2: Distribution of the Primary Care Access and Stabilization Grant (PCASG) by PCASG-funded Provider

PCASG-funded provider	Total amount of PCASG funds[a]	Amount of PCASG funds as a percent of total funding[b]
Administrators of Tulane Educational Fund	$7,678,297	40
Catholic Charities Archdiocese of New Orleans	578,459	34
Children's Hospital Medical Practice Corporation	5,831,036	15
City of New Orleans Health Department	5,144,913	58
Common Ground Health Clinic	2,719,983	55
Covenant House New Orleans	881,549	83
Daughters of Charity Services of New Orleans	7,989,962	44
EXCELth, Inc	3,219,327	55
Jefferson Community Health Care Centers, Inc.	7,656,773	32
Jefferson Parish Human Services Authority	5,906,509	7
Leading Edge Services International (also known as Family Health Center)	1,064,420	43
Louisiana State University (LSU) Healthcare Network Behavioral Science Center	2,252,811	43
LSU Health Sciences Center New Orleans (School Based Health Centers)	1,260,536	53
Lower 9th Ward Health Clinic	1,018,363	74
Medical Center of Louisiana at New Orleans	7,805,514	50
Metropolitan Human Services District	3,703,479	12
New Orleans Adolescent Hospital and Community Services	428,275	100
New Orleans Musicians' Assistance Foundation	1,853,541	48
NO/AIDS Task Force	1,992,592	20
Odyssey House Louisiana, Inc.	2,187,709	74
Plaquemines Medical Center	1,839,563	11
Sisters of Mercy Ministries (also known as Mercy Family Center)	1,794,840	30
St. Bernard Health Center, Inc.	6,511,531	46
St. Charles Community Health Center – Kenner	3,353,028	54
St. Thomas Community Health Center	7,819,832	65
Total	**92,492,842**	

Source: GAO analysis of data from the Louisiana Public Health Institute.

[a]This represents payments made to PCASG-funded providers through December 2009; it does not include funding provided to the administrators of the PCASG.

[b]Data represent the payments made to each PCASG-funded provider for August 1, 2008, through July 31, 2009, as a percent of each provider's total funding for that time period. Other provider funding sources included Medicaid, Medicare, and federal, state, local, and private grants.

Comments from the Department of Health and Human Services

DEPARTMENT OF HEALTH & HUMAN SERVICES — OFFICE OF THE SECRETARY

Assistant Secretary for Legislation
Washington, DC 20201

JUN 16 2010

Debra A. Draper
Director, Health Care
U.S. Government Accountability Office
441 G Street N.W.
Washington, DC 20548

Dear Ms. Draper:

Attached are comments on the U.S. Government Accountability Office's (GAO) proposed correspondence entitled: "Hurricane Katrina: CMS and HRSA Assistance to Sustain Primary Care Gains in the Greater New Orleans Area" (GAO 10-773R).

The Department appreciates the opportunity to review this correspondence before its publication.

Sincerely,

Andrea Palm
Acting Assistant Secretary for Legislation

Attachment

GENERAL COMMENTS OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES ON THE GOVERNMENT ACCOUNTABILITY OFFICE'S (GAO) PROPOSED CORRESPONDENCE ENTITLED, "HURRICANE KATRINA: CMS AND HRSA ASSISTANCE TO SUSTAIN PRIMARY CARE GAINS IN THE GREATER NEW ORLEANS AREA" (GAO-10-773R)

The Department appreciates the opportunity to review and comment on this GAO draft correspondence. It contains an accurate account of the technical assistance offered by HHS. Since Hurricane Katrina, CMS and HRSA have worked diligently to provide relief to Gulf Coast communities severely impacted by the storm and subsequent flooding. From February 2007 through June 2008, CMS issued $389 million through five grants, and six supplemental awards to Alabama, Louisiana, and Mississippi under the authority of section 6201(a)(4) of the Deficit Reduction Act of 2005. The purpose of this particular award was to restore access to primary care, especially for low-income and uninsured individuals.

The draft correspondence accurately reflects the Department's concern about the sustainability of primary care gains in the greater New Orleans area.

Enclosure III

GAO Contact and Staff Acknowledgements

GAO Contact

Debra A. Draper, (202) 512-7114 or draperd@gao.gov

Acknowledgments

In addition to the contact named above, Michelle B. Rosenberg, Assistant Director; Gerardine Brennan, Assistant Director; Jennie F. Apter; Christina E. Ritchie; Laurie F. Thurber; and Jennifer Whitworth were major contributors to this report.

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