



Highlights of [GAO-09-588](#), a report to congressional requesters

Why GAO Did This Study

The greater New Orleans area—Jefferson, Orleans, Plaquemines, and St. Bernard parishes—continues to face challenges in restoring health care services disrupted by Hurricane Katrina. In 2007, the Department of Health and Human Services (HHS) awarded the \$100 million Primary Care Access and Stabilization Grant (PCASG) to Louisiana to help restore primary care services to the low-income population. Louisiana gave PCASG funds to 25 outpatient provider organizations in the greater New Orleans area. GAO was asked to study how the federal government can effectively leverage governmental resources to help area residents gain access to primary care services. This report examines (1) how PCASG fund recipients used the PCASG funds to support primary care services in greater New Orleans, (2) how PCASG fund recipients used and benefited from other federal hurricane relief funds that support the restoration of primary care services in the area, and (3) challenges PCASG fund recipients continued to face in providing primary care, and their plans for sustaining services after PCASG funds are no longer available.

To conduct this work, GAO analyzed responses to a GAO survey sent to all PCASG fund recipients, to which 23 of the 25 recipients responded, and reviewed and analyzed information related to other federal funds received by PCASG fund recipients. GAO also conducted site visits at 8 recipients and interviewed federal and state officials and other experts.

[View GAO-09-588](#) or [key components](#). For more information, contact Cynthia A. Bascetta at (202) 512-7114 or bascettac@gao.gov.

HURRICANE KATRINA

Federal Grants Have Helped Health Care Organizations Provide Primary Care, but Challenges Remain

What GAO Found

PCASG fund recipients reported that they used the PCASG funds to hire or retain health care providers and other staff, add primary care services, and open new sites. For example, 20 of the 23 recipients that responded to the GAO survey reported using PCASG funds to hire health care providers, and 17 reported using PCASG funds to retain health care providers. In addition, most of the recipients reported that they used PCASG funds to add primary care services and to add or renovate sites. Recipients also reported that the grant requirements and funding helped them improve service delivery and expand access to care in underserved neighborhoods.

Other federal hurricane relief funds helped PCASG fund recipients pay staff, purchase equipment, and expand mental health services to help restore primary care. Eleven recipients received HHS Social Services Block Grant (SSBG) supplemental funds designated by Louisiana for primary care, and two received SSBG supplemental funds designated by Louisiana specifically for mental health care. The funds designated for primary care were used to pay staff and purchase equipment, and the funds designated for mental health care were used to provide a range of services for adults and children, including crisis intervention and substance abuse prevention and treatment. About two-thirds of the PCASG fund recipients benefited from the Professional Workforce Supply Grant incentives. These recipients hired or retained 69 health care providers who received incentives totaling over \$4 million to work in the greater New Orleans area. In addition, one PCASG fund recipient expended \$7.9 million it received from Louisiana to provide services through the federal Crisis Counseling Assistance and Training Program.

PCASG fund recipients continue to face multiple challenges and have various plans for sustainability. Recipients face significant challenges in hiring and retaining staff, as well as in referring patients outside of their organizations, and these challenges have grown since Hurricane Katrina. For example, 20 of 23 recipients that responded to the GAO survey reported hiring was a great or moderate challenge, and among these 20 recipients over three-quarters reported that this challenge had grown since Hurricane Katrina. Six of the 7 recipients that primarily provide mental health services reported that both hiring and retention of providers were great or moderate challenges. Many PCASG fund recipients also reported challenges in referring patients outside their organization for mental health, dental, and specialty care services. Although all PCASG fund recipients have completed or planned actions to increase their ability to be sustainable, it is too early to know whether their various sustainability strategies will be successful.

HHS reviewed a draft of this report and provided technical comments, which GAO incorporated as appropriate.