

July 2009

HURRICANE KATRINA

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



GAO

Accountability * Integrity * Reliability



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.

Contents

Letter		1
	Background	5
	PCASG Fund Recipients Used PCASG Funds to Support Primary Care Services by Hiring Health Care Providers and Other Staff and Adding Services and Sites	13
	Other Federal Hurricane Relief Funds Helped PCASG Fund Recipients to Pay Staff, Purchase Equipment, and Expand Mental Health Services to Help Restore Primary Care	17
	PCASG Fund Recipients Face Multiple Challenges and Have Various Plans for Sustainability	24
	Agency Comments	30
Appendix I	Scope and Methodology	31
Appendix II	Primary Care Access and Stabilization Grant Fund Recipients: Characteristics, Patients, and Services	35
Appendix III	GAO Contact and Staff Acknowledgments	41
Related GAO Products		42
Tables		
	Table 1: Estimated Annual Population of the Greater New Orleans Area, by Parish, as of July 1, 2005, and July 1, 2008	5
	Table 2: Number of Primary Care Access and Stabilization Grant (PCASG) Fund Recipients That Used PCASG Funds to Add or Expand Services, by Service Type, as of October 28, 2008	15
	Table 3: Primary Care Access and Stabilization Grant (PCASG) Fund Recipients' Expenditures of Social Services Block Grant (SSBG) Supplemental Funds Designated for Primary Care, through August 2008	18

Table 4: Amounts and Percentages of Social Services Block Grant Supplemental Funds Designated for Mental Health Care That Were Expended by Primary Care Access and Stabilization Grant Fund Recipients, by Type of Service, as of March 3, 2009	20
Table 5: Health Care Providers Who Received Professional Workforce Supply Grant Incentive Payments and Were Employed by Primary Care Access and Stabilization Grant (PCASG) Fund Recipients, by Provider Type, through August 2008	23
Table 6: Selected Characteristics of Primary Care Access and Stabilization Grant (PCASG) Fund Recipients, September 21, 2007, through March 20, 2008	36

Figures

Figure 1: Timeline of Health-Care-Related Federal Grants Assisting the Greater New Orleans Area Since Hurricane Katrina	8
Figure 2: Number of Primary Care Access and Stabilization Grant (PCASG) Fund Recipients That Used PCASG Funds to Hire Health Care Providers, as of October 28, 2008	14
Figure 3: Ratings by Primary Care Access and Stabilization Grant (PCASG) Fund Recipients of Challenges to Providing Primary Care Services, and Comparison with Period Prior to Hurricane Katrina	26
Figure 4: Primary Care Access and Stabilization Grant (PCASG) Fund Recipients' Patient Population, by Health Insurance Status, September 21, 2007, through March 20, 2008	38
Figure 5: Encounters at Primary Care Access and Stabilization Grant (PCASG) Fund Recipients, by Service Type, September 21, 2007, through March 20, 2008	40

Abbreviations

ACF	Administration for Children and Families
CCP	Crisis Counseling Assistance and Training Program
CMS	Centers for Medicare & Medicaid Services
FEMA	Federal Emergency Management Agency
FQHC	Federally Qualified Health Center
HHS	Department of Health and Human Services
HPSA	health professional shortage area
HRSA	Health Resources and Services Administration
JPHSA	Jefferson Parish Human Services Authority
LaCHIP	Louisiana Children's Health Insurance Program
LDHH	Louisiana Department of Health and Hospitals
LDSS	Louisiana Department of Social Services
LPHI	Louisiana Public Health Institute
LSU	Louisiana State University
MCLNO	Medical Center of Louisiana at New Orleans
MHSD	Metropolitan Human Services District
PCASG	Primary Care Access and Stabilization Grant
SAMHSA	Substance Abuse and Mental Health Services Administration
SSBG	Social Services Block Grant

This is a work of the U.S. government and is not subject to copyright protection in the United States. The published product may be reproduced and distributed in its entirety without further permission from GAO. However, because this work may contain copyrighted images or other material, permission from the copyright holder may be necessary if you wish to reproduce this material separately.



United States Government Accountability Office
Washington, DC 20548

July 13, 2009

The Honorable Joseph I. Lieberman
Chairman
Committee on Homeland Security and Governmental Affairs
United States Senate

The Honorable Mary L. Landrieu
Chairman
Ad Hoc Subcommittee on Disaster Recovery
Committee on Homeland Security and Governmental Affairs
United States Senate

Nearly 4 years after Hurricane Katrina, the greater New Orleans area continues to face challenges in restoring health care services disrupted by the storm.¹ Before the hurricane, the low-income population in the area had relied on hospital emergency rooms and outpatient clinics, mostly hospital-based, as its main source of primary care.² These clinics provided care to many patients who were uninsured or covered by Medicaid.³ Following the hurricane and the subsequent flooding, the hospitals and clinics closed because of the significant damage they had sustained. As studies have shown, disaster survivors continue to experience poor physical and mental health for prolonged periods after the event.⁴ After the hurricane, various health care provider organizations in the area were able to reopen some health care clinics. However, gaps remained in the availability of health care services in the greater New Orleans area.

¹Hurricane Katrina made landfall on August 29, 2005. Hurricane Rita made landfall on September 24, 2005, and caused additional damage to the greater New Orleans area.

²In this report, we define primary care as basic medical care that is generally provided in an outpatient setting such as a clinic or general practitioner's office, as opposed to in a hospital.

³Medicaid is a federal-state health insurance program for certain low-income individuals.

⁴Henry J. Kaiser Family Foundation, *New Orleans Three Years after the Storm: The Second Kaiser Post-Katrina Survey, 2008* (August 2008); and David Abramson, et al., "Prevalence and Predictors of Mental Health Distress Post-Katrina: Findings from the Gulf Coast Child and Family Health Study," *Disaster Medicine and Public Health Preparedness*, vol. 2, no. 2 (2008), 77-86.

To help address the continuing health care needs of low-income area residents, the Department of Health and Human Services (HHS) awarded the \$100 million Primary Care Access and Stabilization Grant (PCASG) to the Louisiana Department of Health and Hospitals (LDHH) in July 2007.⁵ The grant is administered at the federal level by HHS's Centers for Medicare & Medicaid Services (CMS). It is intended to restore and expand access to primary care services, including mental health care services⁶ and dental care services, without regard to a patient's ability to pay. The grant is also intended to decrease costly reliance on emergency room use for primary care services for patients who are uninsured, underinsured, or covered by Medicaid. CMS required LDHH to use the grant to provide short-term funding to outpatient provider organizations to help them take such actions as increasing their staff, renovating clinics, and opening new clinic sites. LDHH provided funds to 25 organizations—which we refer to as PCASG fund recipients; as of March 20, 2008, the recipients were operating 75 sites that were eligible to use PCASG funds.⁷ The Louisiana Public Health Institute (LPHI) administers the PCASG for LDHH and distributes grant funds as its local partner. For an organization to be eligible for PCASG funding, it must have been a public or private nonprofit 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.⁸

⁵This 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. 9, 2007).

⁶In this report, we define mental health care services to include substance abuse prevention and treatment services.

⁷March 20, 2008, was the end date of the first period for which recipients of PCASG funds reported data on their activities to LPHI. In this report, we describe the data for this period at the recipient level. As of December 2008, the 25 PCASG fund recipients were operating 91 sites that were eligible to use those funds.

⁸For 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 funds, such as enrolling as a provider in Medicaid or another public or private insurer. PCASG funds, which were given only to the state of Louisiana, were made available to Louisiana for a 3-year period, from July 23, 2007, through September 30, 2010.

In addition to the PCASG, other federal grants were awarded following Hurricane Katrina that could help support access to primary care services. These include the Social Services Block Grant (SSBG) supplemental funds from HHS's Administration for Children and Families (ACF) and grants from the Crisis Counseling Assistance and Training Program (CCP), which is administered by the Federal Emergency Management Agency (FEMA) and its federal partner, HHS's Substance Abuse and Mental Health Services Administration (SAMHSA).⁹ Provider organizations also could benefit from CMS's Professional Workforce Supply Grant, through which incentives were paid to prospective or current employees. Grants from the Health Center Program of HHS's Health Resources and Services Administration (HRSA) were also available during this time to certain organizations providing primary care services.

You asked us to study how the federal government can effectively leverage governmental resources to help the victims of Hurricane Katrina gain access to primary care services. In this report, we examine (1) how PCASG fund recipients used the PCASG funds to support the provision of primary care services in the greater New Orleans area, (2) how PCASG fund recipients used and benefited from other federal hurricane relief funds that support the restoration of primary care services in the greater New Orleans area, and (3) challenges the PCASG fund recipients continued to face in providing primary care services, and recipients' plans for sustaining services after PCASG funds are no longer available.

To determine how the PCASG fund recipients used PCASG funds to support the provision of primary care services in the greater New Orleans area,¹⁰ we conducted site visits at 8 of the 25 PCASG fund recipients during April 2008. To identify the locations for our site visits, we chose a selective sample of the recipients, including some that offered mental health care services or dental care services and 2 that were Health Center Program grantees. In addition, we included at least 1 recipient from each of the area's four parishes. During these visits we collected documents and interviewed PCASG fund recipient, state, and local officials. Based in part on information we gathered during the site visits, we developed a Web-based survey. Our survey focused on how recipients used PCASG funds, the challenges they continued to face, and their plans for sustainability.

⁹FEMA administers the CCP through an annual interagency agreement with SAMHSA.

¹⁰In this report, we define the greater New Orleans area in the same way CMS does for PCASG purposes—Jefferson, Orleans, Plaquemines, and St. Bernard parishes.

Before we disseminated the survey to the 25 recipients, the survey questions were peer-reviewed by LPHI because of its expertise on the grant program. We received responses from 23 of the 25 recipients, a response rate of 92 percent. Based on activities we conducted to assess the reliability of the survey data, such as reviewing survey data for inconsistencies and completeness, we determined that the data were sufficiently reliable for the purposes of this report. We also reviewed the recipients' applications for PCASG funding and interviewed officials at LDHH and LPHI about how the recipients used PCASG funds.

To answer our question on how the PCASG fund recipients used and benefited from other federal funds for hurricane relief, we identified relevant funding sources that recipients used or benefited from, and we examined the funding amounts and the ways the funds were used. Specifically, we reviewed and analyzed data from LDHH on expenditures related to the supplemental SSBG, on awards made under CMS's Professional Workforce Supply Grant Program, and on the CCP. Through assessments of internal consistency and verification with state and local officials, we determined that these data were sufficiently reliable for the purposes of this report. We also interviewed officials at LDHH and PCASG fund recipients about these programs.

To answer our questions on challenges PCASG fund recipients continued to face in providing primary care services and how the recipients planned to sustain primary care services after PCASG funding is no longer available, we used information collected from the Web-based survey. We also analyzed interviews we conducted with 10 recipients, including the 8 we visited, and with federal, state, and local agency officials. In addition, we reviewed sustainability plans that the recipients included in their applications for PCASG funding.

To provide additional information on the PCASG fund recipients, we used data collected by LPHI on types of services that the recipients offered. We also used patient and encounter data¹¹ that LPHI summarized for us. PCASG funds were not the only funds used to support the services these data describe. Based on activities we conducted to assess the reliability of these data, such as discussing with LPHI officials their processes to

¹¹An encounter is an interaction between a patient and provider for the purpose of meeting a health care need. An encounter can occur in person or by telephone.

establish the accuracy and reliability of the data they gave us, we determined that the data were sufficiently reliable for the purposes of our report.

We conducted our work from February 2008 through June 2009 in accordance with all sections of GAO's Quality Assurance Framework that are relevant to our objectives. The framework requires that we plan and perform the engagement to obtain sufficient and appropriate evidence to meet our stated objectives and to discuss any limitations in our work. We believe that the information and data obtained, and the analysis conducted, provide a reasonable basis for any findings and conclusions in this product. See appendix I for more information about our scope and methodology.

Background

Since Hurricane Katrina, the population of the greater New Orleans area has decreased, and the health care delivery system for the low-income and uninsured population in the area has begun to change from one that was largely hospital-based to a more community-based system of primary care. Since the disruption to the health care system caused by the hurricane, several federal agencies have awarded grants that facilitate access to primary care.

Greater New Orleans Area Population

The estimated population of the greater New Orleans area decreased from 999,349 in July 2005 to 807,032 in July 2008, a level of about 81 percent of the population before Hurricane Katrina. Most of the decrease in population was in Orleans and St. Bernard parishes. (See table 1.)

Table 1: Estimated Annual Population of the Greater New Orleans Area, by Parish, as of July 1, 2005, and July 1, 2008

Parish	Estimated annual population as of July 1, 2005	Estimated annual population as of July 1, 2008 ^a
Jefferson	450,848	436,181
Orleans	455,046	311,853
Plaquemines	28,565	21,276
St. Bernard	64,890	37,722
Total	999,349	807,032

Source: U.S. Census Bureau.

^aThe July 2008 estimate was the most recent estimate available at the time we did our work.

Health Care Delivery in the Greater New Orleans Area

Before Hurricane Katrina, most 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, which together were known as the Medical Center of Louisiana at New Orleans (MCLNO). MCLNO is part of 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 the subsequent flooding, Charity and University hospitals were closed. In November 2006, LSU reopened University Hospital, under its new, temporary name, Interim LSU Public Hospital. Charity Hospital remained closed as of June 2009.

In addition to the hospital outpatient clinics, other types of clinics provided primary care, including mental health care, for the low-income and uninsured population before Hurricane Katrina. These included health centers participating in HRSA's Health Center Program. Under Section 330 of the Public Health Service Act, HRSA provides grants to health centers nationwide to increase access to primary care.¹² HRSA uses a competitive process to award grants, including New Access Point grants for new grantees or for existing grantees to establish additional sites. Existing grantees may also compete for Expanded Medical Capacity grants to increase service capacity, such as by expanding operating hours, or Service Expansion grants to add or expand services, such as mental health, oral health, and pharmacy services.

All health center grantees are Federally Qualified Health Centers (FQHC), which enjoy certain federal benefits such as enhanced Medicare and Medicaid payment rates. However, not all FQHCs receive Health Center Program grants, and those that do not are sometimes referred to as having an FQHC Look-Alike designation. Four health center grantees served the greater New Orleans area at the time HHS awarded the PCASG in July 2007.

In 2007, Louisiana enacted the Health Care Reform Act of 2007, which directed LDHH to develop and implement a new health care delivery system for the state's Medicaid recipients and low-income uninsured

¹²We have previously reported on HRSA's Health Center Program. See GAO, *Health Centers: Competition for Grants and Efforts to Measure Performance Have Increased*, [GAO-05-645](#) (Washington, D.C.: July 13, 2005), and *Health Resources and Services Administration: Many Underserved Areas Lack a Health Center Site, and the Health Center Program Needs More Oversight*, [GAO-08-723](#) (Washington, D.C.: Aug. 8, 2008).

citizens.¹³ LDHH proposed short-term and long-term recommendations,¹⁴ which included changes to the Louisiana Children’s Health Insurance Program (LaCHIP) in 2008 to expand coverage to more children.¹⁵ LDHH also submitted a demonstration waiver application to CMS for its Medicaid program to expand coverage and create a coordinated system of care.¹⁶

Federal Assistance to Restore Access to Primary Care

In response to Hurricane Katrina, several federal agencies provided grants that assist with the restoration of primary care in the greater New Orleans area. (See fig. 1.) FEMA provided CCP funds to Louisiana for certain mental health services. ACF provided supplemental SSBG funds for primary health care services, among other things. In addition, CMS provided Professional Workforce Supply Grant funds to reduce health care provider shortages and PCASG funds to restore access to primary care.

¹³2007 La. Acts 243, codified at LA. REV. STAT. ANN. §§ 46.978 - 979 (2009).

¹⁴Louisiana Health Care Redesign Collaborative, *Concept Paper for a Redesigned Health Care System for Region 1* (Baton Rouge, La.: 2006).

¹⁵LaCHIP is the name of Louisiana’s State Children’s Health Insurance Program. The State Children’s Health Insurance Program is a federal-state health insurance program that offers insurance to certain children under age 19 whose family income is too high for Medicaid eligibility and who are not enrolled under other health insurance.

¹⁶States operate and administer their Medicaid programs independently within federal requirements established in statute and regulations, and the federal government shares in the cost of each state’s program by paying an established share of states’ reported expenditures. Section 1115 of the Social Security Act, however, authorizes HHS to waive compliance with certain federal statutory requirements, as well as to authorize costs that would not otherwise be included as Medicaid expenditures, for demonstrations HHS determines are likely to promote Medicaid objectives, allowing states to apply to test and evaluate new approaches for delivering Medicaid services.

Figure 1: Timeline of Health-Care-Related Federal Grants Assisting the Greater New Orleans Area Since Hurricane Katrina



Source: GAO.

Note: End dates represent the dates after which funds will no longer be available according to the original grant, unless otherwise indicated.

^aDollar amount is for amount of grant funds awarded to Louisiana that Louisiana distributed in the greater New Orleans area. In December 2008, Louisiana was awarded an additional \$2.8 million in Crisis Counseling Assistance and Training Program funds for services related to Hurricane Gustav, which struck New Orleans in September 2008.

^bDollar amount is amount of Social Services Block Grant (SSBG) supplemental funds awarded to Louisiana that the state dedicated to health care. In January 2009, nearly \$130 million in additional SSBG supplemental funds was awarded to Louisiana for continued recovery from Hurricanes Katrina, Rita, Gustav, and Ike (which struck New Orleans in September 2008). The Louisiana Department of Social Services issued an initial proposal that would allocate nearly \$95 million of the 2009 SSBG supplemental funds to health care services, although not all of that would be spent in the greater New Orleans area.

^cDollar amount is for grants awarded to Louisiana for the greater New Orleans area.

^dCMS's Professional Workforce Supply Grant may end earlier if all incentive payments are made prior to September 2009.

Crisis Counseling Assistance and Training Program Grants

The CCP provided funds for crisis counseling services—including stress reduction and coping education, community outreach, individual and group crisis counseling, and referral for other services—to Louisiana. The state subsequently distributed \$29 million of these funds in the greater New Orleans area.¹⁷ The CCP was designed to meet the short-term mental health needs of people affected by disasters. State officials told us that, generally, the CCP allows a person to have three to five counseling visits but does not provide for a traditional mental health diagnostic assessment and cannot be used for traditional mental health or substance abuse

¹⁷Additional CCP funds were distributed elsewhere in Louisiana. In December 2008, Louisiana was awarded an additional \$2.8 million in CCP funds to cover the costs of services provided in the 2 months following Hurricane Gustav, which made landfall in Louisiana on September 1, 2008.

services. CCP grantees may, however, provide information to families and individuals about available mental health and substance abuse services. Additional assistance may be available to certain families through the Louisiana CCP's Specialized Crisis Counseling Services.

Social Services Block Grant

ACF administers SSBG funding to assist states in delivering social services, which generally do not include health care services. In 2006, however, Congress appropriated emergency SSBG supplemental funding that could be spent on, among other things, health care services.¹⁸ From this appropriation, ACF awarded more than \$220 million to Louisiana. The Louisiana Department of Social Services (LDSS) served as the state-level administrator and collaborated with LDHH and the Office of the Governor to develop a spending plan that dedicated about \$168 million of this amount for resuming and restoring health care services. LDHH received \$101.7 million, which it divided into two service categories. First, LDHH designated \$80 million specifically for mental health care, including substance abuse and developmental disability services, to meet the emerging mental health crisis. Second, LDHH designated \$21.7 million for primary care, which could include mental health care, to restore and resume services to meet the health care needs of people affected by the hurricanes. The primary care funds were intended to target the southernmost parishes and regions that had experienced a devastating blow to their primary care infrastructure. Each local parish could develop a proposal for restoring services its population needed and for responding to the challenges it faced in rebuilding its basic health care system.

¹⁸SSBG supplemental funds were appropriated to HHS for expenses related to the 2005 hurricanes under the Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006 (Pub. L. No. 109-148, div. B, title I, ch. 6, 119 Stat. 2680, 2768 (2005)), which specified that the funds could be used for health services, including mental health, as well as for repairs, renovations, and construction of health facilities. Additional SSBG supplemental funds were appropriated to HHS in the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009 (Pub. L. No. 110-329, div. B, title I, ch. 7, 122 Stat. 3574, 3594-95 (2008)), for expenses related to the 2008 natural disasters and Hurricanes Rita and Katrina. In January 2009, Louisiana was awarded an additional \$129.7 million from these funds.

LDSS awarded the remaining health care services funds directly to LSU Health Sciences Center and Tulane University Health Sciences Center. Louisiana has until September 30, 2009, to spend these funds, which are distributed as reimbursements after services are delivered.¹⁹

LDHH distributed the mental health funds to various offices in the department and to the state's four regional human services districts,²⁰ which then contracted with various individuals and organizations to provide some of the services. A state official told us that the mental health funds were available statewide in part because many people from the greater New Orleans area who needed mental health services following the hurricanes were dispersed throughout the state.

Professional Workforce Supply Grant

The \$50 million Professional Workforce Supply Grant was awarded by the Secretary of HHS in March 2007.²¹ The purpose of the grant was to reduce shortages in the professional health care workforce following Hurricane Katrina, and CMS gave Louisiana flexibility to design its program within broad federal guidelines.²² LDHH, which administers the grant, used the funds to create and fund the Greater New Orleans Health Service Corps, which recruits individual health care providers for health care organizations by offering incentive payments to the individuals. Incentive amounts are based on an individual's medical specialty and range from \$10,000 to \$110,000. To be eligible, a health care provider must, among other things, agree to serve Medicare, Medicaid, and uninsured patients;

¹⁹The period of time these funds are available for expenditure by states was extended through the end of fiscal year 2009 by the U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007. Pub. L. No. 110-28, § 4702, 121 Stat. 112, 160.

²⁰LDHH's Office of Mental Health, Office of Addictive Disorders, and Office for Citizens with Developmental Disabilities provide services in some parts of the state through regional human services districts. An LDHH official told us that the human services districts allow for local control, involvement, and plans based on the unique needs in each region.

²¹The Secretary of HHS initially awarded the state of Louisiana \$15 million for the Hurricane Katrina Healthcare Related Professional Workforce Supply Grant in March 2007. A supplement of \$35 million was awarded in June 2007. These awards were made under the authority of the Deficit Reduction Act of 2005. Pub. L. No. 109-171, § 6201(a)(4), 120 Stat. 4, 133 (2006).

²²According to CMS, health care professionals whose services could be supported with grant funds could include pediatricians, internists, family practitioners, obstetricians, psychiatrists, dentists, registered nurses, nurse practitioners, physician assistants, and other licensed health care providers and professionals.

Primary Care Access and Stabilization Grant

have a sliding fee scale; and provide services in a federally designated health professional shortage area (HPSA). Health care providers are also expected to enter into an agreement with LaCHIP to provide services to children enrolled in that program, if appropriate. Financial incentive payments can be given to health care providers who remain in their qualifying job or to newly hired health care providers; individuals may receive only one financial incentive payment.

In July 2007, CMS awarded the PCASG to LDHH, which selected LPHI as the local partner responsible for administering the grant program. The PCASG was established by HHS under the authority of the Deficit Reduction Act of 2005, which allowed HHS to allocate funds to restore access to health care in communities affected by Hurricane Katrina, and to provide funds for other services, such as those provided by Medicaid and the State Children's Health Insurance Program.²³ The greater New Orleans area was targeted to receive PCASG funds because of the unique impact Hurricane Katrina and its resulting floods had on the area.

LDHH and LPHI determined that 25 organizations met the PCASG requirements that CMS established, and they were all awarded funding.²⁴ The 25 organizations varied in size and other characteristics. For example, some recipients are affiliated with an institution such as a university or state or local government, and some are grantees of HRSA's Health Center Program. (For more information on the characteristics of the PCASG fund recipients, see app. II.). In addition to primary care services—medical, mental health, and dental care services—PCASG fund recipients could use grant funds to provide specialty care, such as cardiology and podiatry services, and ancillary services, including supporting services such as translation, health education, transportation, and outreach. After being awarded PCASG funding, outpatient provider organizations had to meet several CMS requirements, including creating referral relationships with

²³The Deficit Reduction Act of 2005 appropriated \$2 billion for these Hurricane Katrina-related activities. We have previously reported on the allocation of funds under the Deficit Reduction Act of 2005. See GAO, *Hurricane Katrina: Allocation and Use of \$2 Billion for Medicaid and Other Health Care Needs*, [GAO-07-67](#) (Washington, D.C.: Feb. 28, 2007).

²⁴CMS, in collaboration with officials from other HHS agencies, including HRSA and SAMSHA, had developed guidance that helped LDHH and LPHI to identify potential applicants for funds from Louisiana; 35 provider organizations in the greater New Orleans area applied for PCASG funds.

local specialists and hospitals, establishing a quality assurance or improvement program, and providing a long-term sustainability plan.²⁵

LPHI is responsible for distributing funds to PCASG fund recipients, including an initial disbursement and five supplemental disbursements. These are lump sum payments and are not reimbursement for individual services provided. The 25 recipients received initial disbursements totaling \$17 million.²⁶ The supplemental disbursements are to be made over the grant period.²⁷ CMS requires that more of the funds be disbursed during the early part of the grant period and that funding decline over the 3 years to ensure that recipients do not rely primarily on PCASG funds for their continued operation and sustainability.

LDHH and CMS provide oversight of the PCASG program. LDHH oversees the work performed by LPHI, conducts site visits at PCASG fund recipients, reviews budgets for LPHI and recipients, reviews and approves payments to recipients, and determines whether to approve recipients' requests to renovate sites. CMS visits recipients to observe their operations and reviews reports from LDHH and LPHI in collaboration with officials from other HHS agencies. Although the PCASG does not include a requirement for a program evaluation, a private foundation is scheduled to

²⁵Other requirements were that the organization must establish a system to collect and organize patient and encounter data and report the data to LDHH through LPHI, and provide plans if the organization intends to relocate or renovate health care sites.

²⁶Initial disbursements for 24 PCASG fund recipients were calculated on the basis of operating costs resulting from the number of full-time-equivalent health care providers working for the organization at the time it applied for PCASG funds. These PCASG fund recipients received disbursements that ranged from a minimum of \$239,950 to a maximum of \$719,849, which was the funding cap. The other recipient, the New Orleans Health Department, received \$4 million to be used to increase clinical services; recruit physicians, dentists, registered nurses, and other licensed professional health care staff for two new sites; and staff dental and vision care mobile vans. The initial disbursement awarded to the New Orleans Health Department was not calculated using the formula used to determine the initial disbursements for the other PCASG fund recipients because the grant specifically included \$4 million for the City of New Orleans Health Department.

²⁷Each supplemental disbursement is calculated on the basis of the recipient's patient count for the relevant time period. The patient count is weighted on the basis of the patient's age and insurance status and the type of services provided. The 25 PCASG fund recipients received supplemental disbursements in December 2007, June 2008, and December 2008. As of December 2008, the total amount of PCASG funds disbursed to recipients was more than \$62 million.

evaluate the PCASG program, and CMS officials plan to review and approve this evaluation before it is published.²⁸

**PCASG Fund
Recipients Used
PCASG Funds to
Support Primary Care
Services by Hiring
Health Care Providers
and Other Staff and
Adding Services and
Sites**

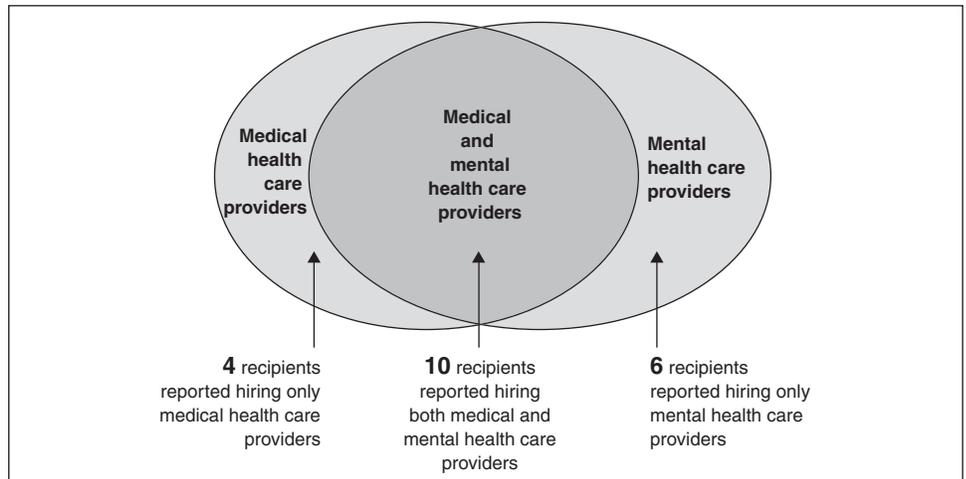
PCASG fund recipients reported that they used PCASG funds to hire or retain health care providers and other staff, add primary care services, and open new sites. Recipients also said that the PCASG funds have helped them improve service delivery and access to care.

**Almost All PCASG Fund
Recipients That
Responded to Our Survey
Used PCASG Funds to
Hire or Retain Health Care
Providers and Other Staff**

Most of the PCASG fund recipients that responded to our survey reported they used PCASG funds to hire health care providers or other staff. Twenty of the 23 responding recipients reported using PCASG funds to hire health care providers. (See fig. 2.)

²⁸The evaluation will assess the progress made in creating a network of primary care “medical homes” at the neighborhood level, evaluate improvements in access to primary care, and estimate health system costs (in a medical home model, a patient’s care is managed and coordinated by a personal physician). The expected date of publication was not available as of June 2009.

Figure 2: Number of Primary Care Access and Stabilization Grant (PCASG) Fund Recipients That Used PCASG Funds to Hire Health Care Providers, as of October 28, 2008



Source: GAO analysis of PCASG fund recipients' responses to GAO's Web-based survey.

Note: The data in the figure are based on the responses of the 23 recipients that responded to GAO's Web-based survey.

Sixteen recipients hired mental health care providers, including mental health counselors and psychiatrists. One recipient reported that by hiring one psychiatrist, it could significantly increase clients' access to services by cutting down a clinic's waiting list and by providing clients with a "same-day" psychiatric consultation or evaluation. Fourteen of the recipients responded they used PCASG funds to hire medical care providers. One recipient reported that it hired 23 medical care providers, some of whom were staffed at its new sites. Eighteen of the 23 PCASG fund recipients that responded to our survey reported they used PCASG funds to hire other staff, such as a medical director and a medical office assistant, in addition to hiring health care providers. Some recipients reported that the ability to hire providers enabled them to expand the hours some of their sites were open.

PCASG fund recipients responded that in addition to hiring health care providers and other staff, they also used PCASG funds to retain health care providers and other staff. Of the 23 recipients that responded to our survey, 17 reported they used PCASG funds to retain health care providers, and 15 of these reported that they also used grant funds to retain other staff. For example, one recipient reported that PCASG funds

were used to stabilize positions that were previously supported by disaster relief funds and donated services.

A Large Proportion of PCASG Fund Recipients Used PCASG Funds to Add Services and to Add or Renovate Sites

Nineteen of the 23 PCASG fund recipients that responded to our survey reported using PCASG funds to add or expand medical, mental health, or dental care services, and more than half of these added or expanded more than one type of service. (See table 2.)

Table 2: Number of Primary Care Access and Stabilization Grant (PCASG) Fund Recipients That Used PCASG Funds to Add or Expand Services, by Service Type, as of October 28, 2008

Service type	Number of PCASG fund recipients
Medical care	11
Mental health care	15
Dental care	4

Source: GAO analysis of PCASG fund recipients' responses to GAO's Web-based survey.

Notes: The data in the table are based on the responses of the 23 recipients that responded to GAO's Web-based survey. Recipients may have added or expanded more than one type of service.

PCASG fund recipients also reported using grant funds to add or expand specialty care services or to add ancillary services. Eight recipients added or expanded specialty care services. For example, one of these recipients reported that it added podiatry services. The ancillary services that recipients used grant funds to add included health education, transportation, and outreach activities. One recipient reported that it used PCASG funds to create a television commercial announcing that a clinic was open and that psychiatric services were available there, including free care for those who qualified financially.

Almost all of the PCASG fund recipients that responded to our survey reported they used PCASG funds for their physical space. Fifteen recipients used the funds to open new sites or relocate sites.²⁹ One of these recipients reported that it relocated to a larger site, which allowed providers to have additional examination rooms. Ten recipients reported using grant funds to renovate existing sites.³⁰ Some of these recipients

²⁹ According to a CMS official, PCASG funding could be used to open new sites in existing buildings or structures but could not be used for construction of a new building.

³⁰ Proposals for renovation are generally reviewed by LPHI and LDHH. CMS must approve renovation plans that cost more than \$150,000.

made renovations—such as expanding a waiting room, adding a registration window, and adding patient restrooms—to accommodate more patients.

PCASG Fund Recipients Reported That Program Requirements and Funding Have Improved Service Delivery and Access

PCASG fund recipients that responded to our survey reported that certain program requirements have had a positive effect on their delivery of primary care services. Almost three-quarters of responding recipients reported a requirement that they develop a network of local specialists and hospitals for patient referrals has had a positive effect. Similarly, over two-thirds of the responding recipients reported that the requirement to establish a quality assurance and improvement program, which must include developing clinical guidelines or evidence-based standards of care, has had a positive effect on the provision of primary care within their organization.³¹

Various PCASG fund recipients have stated that PCASG funds helped them improve access to health care services for residents of the greater New Orleans area. One recipient reported to LPHI that PCASG funds allowed it to expand its services beyond residents in its shelter and housing programs to include community residents who were not homeless but previously lacked access to health care services. Representatives of other recipients have publicly stated that their organization improved access to health care by expanding services in medically underserved neighborhoods or to people who were uninsured or underinsured. In addition, representatives of local organizations told us that the PCASG provided an opportunity to rebuild the health care system and shift the provision of primary care from hospitals to community-based primary care clinics.

³¹Evidence-based standards of care incorporate treatments and services for which effectiveness is well documented.

Other Federal Hurricane Relief Funds Helped PCASG Fund Recipients to Pay Staff, Purchase Equipment, and Expand Mental Health Services to Help Restore Primary Care

PCASG fund recipients also used other federal hurricane relief funds to provide services. They used SSBG supplemental funds designated by Louisiana for primary care to pay for staff salaries and equipment, and they used SSBG supplemental funds designated for mental health care to provide a range of mental health services. PCASG fund recipients also benefited from the Professional Workforce Supply Grant, which provided incentives for health care providers, and one used funds from the CCP to provide counseling services.

PCASG Fund Recipients That Received SSBG Supplemental Funds Designated for Primary Care Used Them to Pay Salaries and Purchase Equipment

Nearly half of PCASG fund recipients received SSBG supplemental funds designated for primary care and used them to pay staff salaries, purchase medical equipment, and support operations. According to LDHH data, 11 PCASG fund recipients expended \$12.9 million of the \$21.7 million in SSBG supplemental funds awarded to Louisiana and designated by the state for primary care, as of August 2008.³² After a competitive process in 2006, LDHH distributed SSBG supplemental funds ranging from \$209,000 to over \$2.6 million each to individual recipients.³³ (See table 3.) Officials from PCASG fund recipient organizations that received these funds told us they had used SSBG supplemental funds to pay salaries, purchase supplies and medical equipment, and support their operations. For example, one recipient used SSBG supplemental funds to hire new medical and support staff and, as a result, expanded its services for mammography, cardiology, and mental health. It also used SSBG supplemental funds to remodel the associated examination rooms and lobby and to purchase operating services, such as accounting services and insurance.

³²The SSBG supplemental funds were distributed before organizations received PCASG funds. Dollar amounts reflect funds expended by PCASG fund recipients at sites where they later used PCASG funds.

³³SSBG supplemental grant funds are available to recipients until September 2009.

Table 3: Primary Care Access and Stabilization Grant (PCASG) Fund Recipients' Expenditures of Social Services Block Grant (SSBG) Supplemental Funds Designated for Primary Care, through August 2008

PCASG recipient	SSBG supplemental funds expended for primary care from February 2006 through August 2008 (dollars in thousands)
Administrators of Tulane Educational Fund	\$998
City of New Orleans Health Department	2,648
Common Ground Health Clinic	263
Daughters of Charity Services of New Orleans	1,188
EXCELth, Inc. ^a	209
Jefferson Community Health Care Centers, Inc.	1,327
LSU Health Sciences Center New Orleans (School Based Health Centers)	244
Plaquemines Medical Center	1,227
St. Bernard Health Center, Inc.	2,439
St. Charles Community Health Center - Kenner	946
St. Thomas Community Health Center	1,398
Total	\$12,887

Source: GAO analysis of Louisiana Department of Health and Hospitals data.

Note: These SSBG supplemental funds were distributed by the Louisiana Department of Health and Hospitals.

^aEXCELth, Inc. received nearly \$873,000 in additional SSBG supplemental funds, which were expended at sites at which it did not use PCASG funds.

In addition to distributing SSBG supplemental funds to LDHH for primary care, LDSS distributed SSBG supplemental funds directly to one PCASG recipient to support, in part, primary health care services. Specifically, LSU Health Sciences Center New Orleans³⁴—which also received SSBG supplemental funds for primary care from LDHH—used \$173,000 of the \$33.5 million it received directly from LDSS to pay for staff salaries and benefits at its PCASG sites.³⁵

³⁴LSU Health Sciences Center New Orleans includes the school of medicine and provides direct health care as part of its educational mission.

³⁵LDSS gave additional funds to LSU Health Care Services Division and to Tulane University; however, these funds were not spent at sites where these PCASG fund recipients used PCASG funds.

Two PCASG Fund Recipients Used SSBG Supplemental Funds Designated for Mental Health Care to Provide a Range of Services, Including Crisis Intervention and Substance Abuse Prevention and Treatment

The two PCASG fund recipients that received SSBG supplemental funds designated for mental health care used them to provide crisis intervention, substance abuse, and other mental health services. LDHH distributed almost \$12 million of the \$80 million in SSBG supplemental funds designated for mental health care to the two PCASG fund recipients that are state regional human services districts—\$4.3 million to Metropolitan Human Services District (MHSD) and \$7.6 million to Jefferson Parish Human Services Authority (JPHSA).³⁶ MHSD and JPHSA in turn distributed most of these funds through contracts to other organizations and providers.³⁷ They also retained a portion of these funds to spend on the direct provision of mental health care services or other expenses that were necessary for the restoration of these services, such as minor repairs or replacement of equipment and supplies. MHSD obligated \$3.3 million under 30 contracts and retained \$1 million for direct expenses; JPHSA obligated \$4.3 million under 80 contracts and retained nearly \$3.4 million. Except for just over \$88,000 of JPHSA’s funds, all \$12 million had been expended as of March 3, 2009.

LDHH identified five mental health care service categories for the use of the SSBG supplemental funds. (See table 4.) Through March 3, 2009, the largest portion of funds that MHSD expended was for the category “substance abuse treatment and prevention.” The largest portion of funds that JPHSA expended was for the category “immediate intervention—crisis response,” with the second largest portion expended for the category “behavioral health services for children and adolescents.”³⁸

³⁶MHSD serves Orleans, Plaquemines, and St. Bernard parishes, and JPHSA serves Jefferson Parish.

³⁷None of the contracts were awarded to other PCASG fund recipients.

³⁸Behavioral health is a term often used to refer to mental health and substance abuse services.

Table 4: Amounts and Percentages of Social Services Block Grant Supplemental Funds Designated for Mental Health Care That Were Expended by Primary Care Access and Stabilization Grant Fund Recipients, by Type of Service, as of March 3, 2009

Mental health care service areas	Metropolitan Human Services District expenditures		Jefferson Parish Human Services Authority expenditures	
	Dollars in millions	Percentage	Dollars in millions	Percentage
Immediate intervention – crisis response	\$0.8	18	\$2.9	39
Substance abuse treatment and prevention	1.9	43	0.6	9
Behavioral health services for children and adolescents ^a	0.6	14	2.4	31
Behavioral health program restoration and resumption ^a	0.6	14	0.8	11
Prevention or reduction of inappropriate institutional care	0.5	12	0.8	10
Total	\$4.4^b	101^c	\$7.5^d	100

Source: GAO analysis of Louisiana Department of Health and Hospitals data.

Note: The funds in this table were expended either through contracts to other organizations and providers or through direct services and related expenses.

^aBehavioral health is a term often used to refer to mental health and substance abuse services.

^bThe total does not equal Metropolitan Human Services District’s expenditures of \$4.3 million because of rounding.

^cThe total does not equal 100 percent because of rounding.

^dAs of March 3, 2009, Jefferson Parish Human Services Authority had not expended about \$88,000 of its total distribution of \$7.6 million.

MHSD officials told us they used the SSBG supplemental funds to help maintain staff and relocate them to community-based mental health centers, where clients could be assessed and treated for mental health and addiction problems. In addition, MHSD placed an addiction counselor in a school-based health center to provide early intervention and treatment for substance abuse. MHSD officials also reported that they used funds to support crisis and addiction counseling for adults and children in churches, grief counseling for children in elementary schools, a summer camp that included mental health counseling, and community outreach services.

JPHSA officials told us they used SSBG supplemental funds to provide services such as assertive community treatment,³⁹ crisis intervention teams,⁴⁰ mobile crisis services,⁴¹ suicide prevention services, group and individual therapy, and psychiatric evaluation. For example, JPHSA expanded its assertive community treatment program, in which services are provided at home or in community-based locations and include help with medication administration and monitoring. JPHSA officials reported that this program focused on patients who had a history of noncompliance with mental health treatment and were generally considered to be the persons most in need of mental health services. JPHSA also used the funds to support a program of community-based services for patients who were no longer in need of inpatient services or who were in crisis but not in need of an inpatient psychiatric hospital stay. Patients were given 24-hour care and supervision and attended group and individual counseling designed to provide crisis resolution skills and coping strategies; they were also linked to community-based resources such as community mental health clinics and supportive or independent housing. This program also served to alleviate the burden on inpatient psychiatric hospitals.

³⁹ Assertive community treatment is a team treatment approach designed to provide comprehensive, community-based psychiatric treatment, rehabilitation, and support to persons with serious and persistent mental illness, such as schizophrenia.

⁴⁰ Crisis intervention is immediate, short-term help to individuals who experienced an event that produced emotional, mental, physical, and behavioral distress or problems. It aims to reduce the intensity of an individual's emotional, mental, physical, and behavioral reactions to a crisis or to help individuals return to their level of functioning before the crisis.

⁴¹ Mobile crisis intervention is help that is available 24 hours a day to adults and children with mental illness, an addictive disorder, or a developmental disability.

About Two-Thirds of the PCASG Fund Recipients Employed a Health Care Provider Who Received a Professional Workforce Supply Grant Incentive Payment, and More Incentives Were Used for Retention Than for Hiring

As of August 2008, 17 of the 25 PCASG fund recipients had retained or hired a health care provider who had received a Professional Workforce Supply Grant incentive payment to continue or begin working in the greater New Orleans area.⁴² Among the health care providers working for PCASG fund recipients, 69 received incentives that totaled \$4.5 million. (See table 5.) The number of those health care providers who were employed by individual PCASG fund recipients ranged from 1 or 2 at 7 recipient organizations to 10 at 2 recipient organizations. These one-time, lump sum incentive payments, which could be used for purposes such as student loan repayment or relocation expenses, ranged from \$10,000 to \$110,000 each; the largest percentages of incentive payments and of funds went to primary care providers.⁴³ In a 2008 survey conducted by LDHH, 88 percent of all incentive recipients reported that the availability of an incentive payment affected their decision to remain or practice in the greater New Orleans area.⁴⁴

⁴²In discussing the incentive payments made from Professional Workforce Supply Grant funds, the information we provide about the 25 PCASG fund recipients is based on the more than 80 sites that were also eligible to use PCASG funds as of August 2008. Additional health care providers who have received incentives may be employed by PCASG fund recipients, but not at sites eligible to use PCASG funds.

⁴³Incentive payments were distributed to individual health care providers as one-time, lump sum payments based on the incentive option chosen by the provider, including student loan repayment, 1 year's malpractice insurance premium, sign-on bonus, income guarantee for 1 year, continuing education expenses, and relocation expenses. The maximum allowable amounts varied by type of provider and incentive option.

⁴⁴The survey was conducted with all individuals receiving Professional Workforce Supply Grant incentives and did not present results separately for those individuals employed at PCASG recipient organizations.

Table 5: Health Care Providers Who Received Professional Workforce Supply Grant Incentive Payments and Were Employed by Primary Care Access and Stabilization Grant (PCASG) Fund Recipients, by Provider Type, through August 2008

Provider type ^a	Health care providers who received a Professional Workforce Supply Grant incentive payment and were employed by a PCASG fund recipient		Professional Workforce Supply Grant incentive payments to health care providers employed by a PCASG fund recipient	
	Number of health care providers who received an incentive	Percentage of health care providers who received an incentive	Dollars (in thousands)	Percentage of funding
Primary care	29	42	\$2,806	63
Mental health	16	23	1,030	23
Registered nurses	14	20	225	5
Allied health ^b	7	10	85	2
Dental health	3	4	330	7
Total	69	99^c	\$4,476	100

Source: GAO analysis of data provided by Louisiana Department of Health and Hospitals.

Note: Additional health care providers who received incentive payments may be employed by the PCASG fund recipients, but not at sites eligible to use PCASG funds.

^aThe Professional Workforce Supply Grant also provides incentive payments to faculty and specialists; however, none were employed by a PCASG fund recipient.

^bAllied health includes therapists, such as registered respiratory therapists, occupational therapists, and physical therapists, and specialists, such as clinical laboratory personnel, licensed addiction counselors, and licensed practical nurses.

^cThe total does not equal 100 percent because of rounding.

Three-quarters of recipients of incentive payments were existing employees who were retained, while one-quarter were newly hired. This pattern is consistent with the incentive payments that were made overall, regardless of employing organization. In addition, no PCASG fund recipient hired more than two new staff who had received an incentive payment. In discussing these payments, a state official commented that retaining an existing employee is generally easier than hiring a new one.

One PCASG Fund Recipient Provided Counseling Services through the CCP

One PCASG fund recipient provided counseling services with CCP funds. In 2005, immediately following Hurricane Katrina, the Louisiana Office of Mental Health contracted with Catholic Charities Archdiocese of New Orleans to be the sole CCP service provider in the four area parishes. This recipient expended \$7.9 million of the \$29 million in CCP funds awarded to Louisiana. In addition to providing counseling services, Catholic Charities' counselors provided information about available services such as primary care; mental health services; substance abuse treatment; and food,

clothing, and housing assistance. Catholic Charities terminated its CCP role in May 2007, and the Louisiana Office of Mental Health took over its role.⁴⁵

PCASG Fund Recipients Face Multiple Challenges and Have Various Plans for Sustainability

PCASG fund 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. Recipients are taking actions to address the challenge of sustainability, but it is too early to know whether they will be successful.

PCASG Fund Recipients Face Significant Staffing and Referral Challenges, and These Challenges Have Grown Since Hurricane Katrina

Although most of the 23 PCASG fund recipients that responded to our survey hired or retained staff with grant funds, most have continued to face significant challenges in hiring and retaining staff. Hiring has been especially challenging. For example, 11 of the 23 recipients reported the hiring of health care providers to be a great challenge, and 9 reported it was a moderate challenge. (For detailed information on recipients' responses to the questions in our Web-based survey regarding challenges, see fig. 3.) Among those that reported hiring providers was a great or moderate challenge, over three-quarters responded that this challenge had grown since Hurricane Katrina.⁴⁶ In discussing challenges, officials from one recipient organization told us that after Hurricane Katrina they had greater difficulty hiring licensed nurses than before the hurricane. They also told us that most of the nurses who were available to be hired were recruited by hospitals, where the pay was higher. Moreover, officials we interviewed from several recipient organizations said that the problems with housing, schools, and overall community infrastructure that

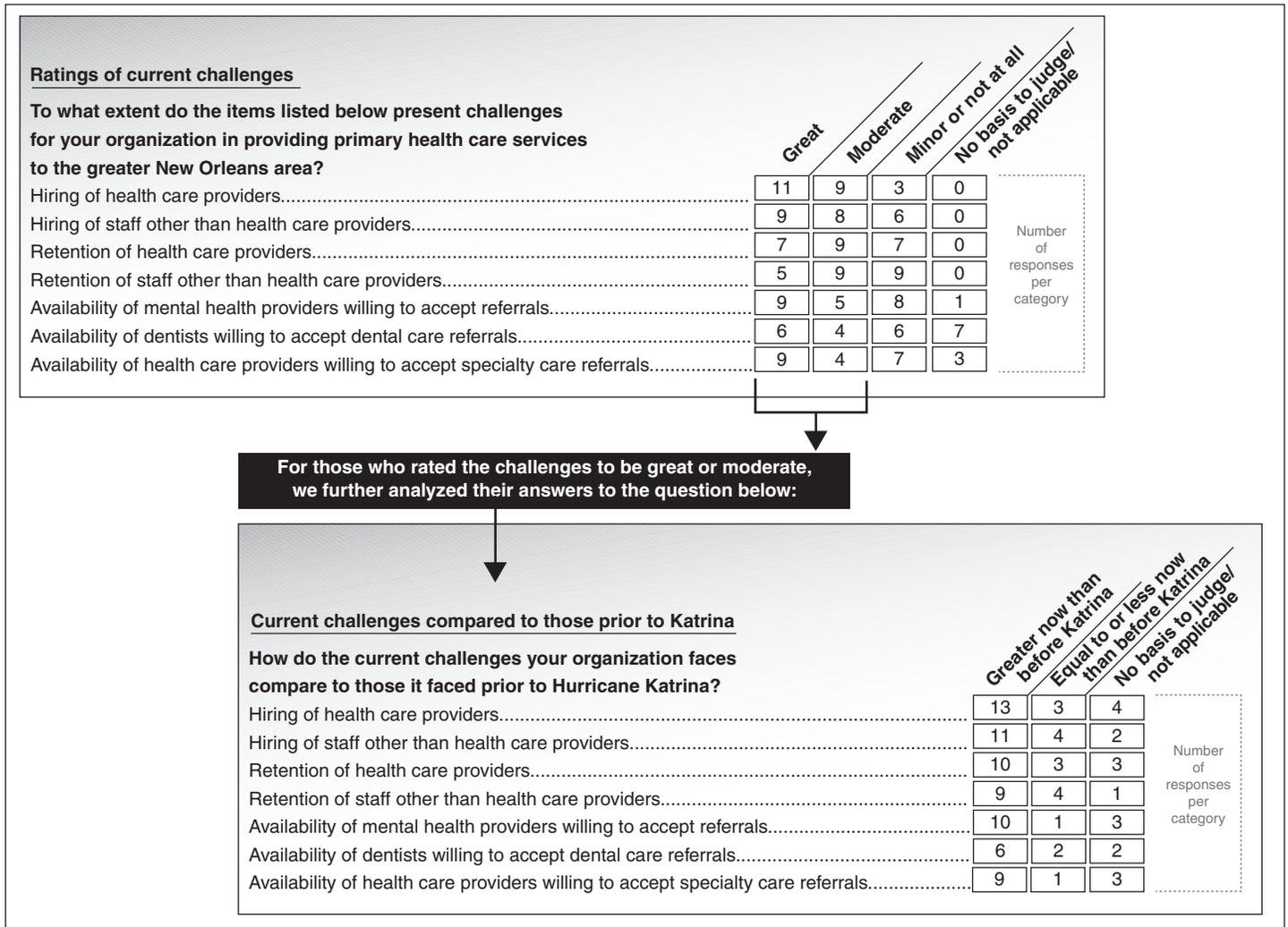
⁴⁵According to program officials, Catholic Charities terminated this relationship because indirect costs were not reimbursable. We previously reported on the challenges associated with this limitation and recommended that FEMA revise CCP policy to allow for reimbursement of indirect costs. See GAO, *Catastrophic Disasters: Federal Efforts Help States Prepare for and Respond to Psychological Consequences, but FEMA's Crisis Counseling Program Needs Improvements*, GAO-08-22 (Washington, D.C.: Feb. 29, 2008).

⁴⁶Each time we calculated the proportion of survey respondents that said a challenge had grown since Hurricane Katrina, we excluded from the analysis respondents whose response was "no basis to judge/not applicable."

developed after Hurricane Katrina made it difficult to attract health care providers and other staff. An additional indication of limited availability of primary care providers in the area is HRSA's designation of all of Orleans, Plaquemines, and St. Bernard parishes and much of Jefferson Parish as HPSAs for primary care.⁴⁷ While some portions of the greater New Orleans area had this HPSA designation before Hurricane Katrina, additional portions of the area received that designation after the hurricane.

⁴⁷HPSAs are used to identify geographic areas, population groups, or facilities facing a shortage of primary care, dental, or mental health providers.

Figure 3: Ratings by Primary Care Access and Stabilization Grant (PCASG) Fund Recipients of Challenges to Providing Primary Care Services, and Comparison with Period Prior to Hurricane Katrina



Source: GAO analysis of responses by PCASG fund recipients to GAO's Web-based survey.

Note: Twenty-three of the 25 PCASG fund recipients responded to the survey.

Retention of staff has also been a challenge for the PCASG fund recipients. (See fig. 3.) For example, 16 of the 23 recipients reported that retaining health care providers was a great or moderate challenge. Among those that reported retaining health care providers was a great or moderate challenge, about three-quarters also reported that this challenge had grown since Hurricane Katrina. Retaining other staff has also been a

challenge, with 14 of the 23 recipients reporting it to be a great or moderate challenge. About two-thirds of those reporting that retaining other staff was a moderate or great challenge also said this challenge had grown since Hurricane Katrina.

The PCASG fund recipients that primarily provide mental health services in particular faced challenges both in hiring providers and in retaining providers.⁴⁸ Six of the seven that responded to our survey reported that both hiring and retaining providers were either a great or moderate challenge. Six recipients reported that hiring was a great challenge, and five of these reported that the challenge was greater than before Hurricane Katrina. Three recipients reported that retention was a great challenge, and two of these also reported that the challenge had grown since Hurricane Katrina. An indication of more limited availability of mental health care providers is HRSA's designation of the four parishes of the greater New Orleans area as HPSAs for mental health in late 2005 and early 2006; before Hurricane Katrina, none of the parishes had this designation for mental health.⁴⁹ Officials we interviewed from one recipient with multiple sites told us that while the Greater New Orleans Health Service Corps, which was funded through the Professional Workforce Supply Grant, had been helpful for recruiting and retaining physicians, it had not helped fill the need for social workers. Furthermore, officials we interviewed from two recipients with multiple sites told us that some staff had experienced depression and trauma themselves and found it difficult to work in mental health settings.

Beyond challenges in hiring and retaining their own providers and other staff, PCASG fund recipients that responded to our survey reported significant challenges in referring their patients to other organizations for mental health, dental, and specialty care services. (See fig. 3.) Specifically, 14 of the 23 recipients reported that the availability of mental health providers willing to accept referrals was a great or moderate challenge, and over two-thirds of those reporting that level of challenge responded that this challenge had grown since Hurricane Katrina. In addition, 10 of

⁴⁸For additional discussion of the limited availability of mental health providers, see GAO, *Hurricane Katrina: Barriers to Mental Health Services for Children Persist in Greater New Orleans, Although Federal Grants Are Helping to Address Them*, [GAO-09-563](#) (Washington, D.C.: July 13, 2009).

⁴⁹HPSA geographic designation for mental health is based on the ratio of population to mental health professionals, as well as other factors, including an unusually high need for mental health services.

the 16 recipients that indicated that the question on dental service referrals was applicable to them reported that the availability of dentists willing to accept referrals was a great or moderate challenge, and about two-thirds of those reporting that level of challenge also reported that this challenge was greater than before Hurricane Katrina. An additional indication of limited availability of dental care is that HRSA has designated all of Orleans, St. Bernard, and Plaquemines parishes and part of Jefferson Parish as HPSAs for dental care; before Katrina, only part of Orleans Parish and part of Jefferson Parish had this designation.⁵⁰ Finally, 13 of the 20 recipients that indicated that the question on specialty care referrals was applicable to them reported that the availability of providers willing to accept referrals for specialty care was a great or moderate challenge,⁵¹ and two-thirds of those reported that this challenge had grown since Hurricane Katrina.

PCASG Fund Recipients Are Taking Actions to Address the Challenge of Sustainability, but It Is Too Early to Know Whether They Will Be Successful

An additional challenge that the PCASG fund recipients face is to be sustainable after PCASG funds are no longer available. All 23 recipients that responded to our survey reported that they had taken or planned to take at least one type of action to increase their ability to be sustainable—that is, to be able to serve patients regardless of their ability to pay after PCASG funds are no longer available. For example, all responding recipients reported that they had taken action—such as screening patients for eligibility—to facilitate their ability to receive reimbursement for services they provided to Medicaid or LaCHIP beneficiaries. Furthermore, 16 recipients reported that they were billing private insurance, with an additional 5 recipients reporting they planned to do so. However, obtaining reimbursement for all patients who are insured may not be sufficient to ensure a recipient’s sustainability, because at about half of the PCASG fund recipients, over 50 percent of the patients are uninsured.

⁵⁰The availability of dentists is a problem in general for underserved populations in the United States. See, for example, A. Snyder, *Increasing Access to Dental Care in Medicaid: Targeted Programs for Four Populations*, a report prepared for the National Academy for State Health Policy (March 2009); and L.E. Mentasti and E.A. Thibodeau, “Dental School Applicants by State Compared to Population and Dentist Workforce Distribution,” *Journal of Dental Education*, vol. 72, no. 11 (2008).

⁵¹Specialty care referrals are a problem in general for underserved populations. See, for example, GAO, *Health Centers: Competition for Grants and Efforts to Measure Performance Have Increased*, [GAO-05-645](#) (Washington, D.C.: July 13, 2005), 28; and J. S. Weissman, et al., “Limits to the Safety Net: Teaching Hospital Faculty Report on Their Patients’ Access to Care,” *Health Affairs*, vol. 22, no. 6 (2003).

Many PCASG fund recipients reported that they intended to use Health Center Program funding or FQHC Look-Alike designation—which allows for enhanced Medicare and Medicaid payment rates—as one of their sustainability strategies. Four recipients were participating in the Health Center Program at the time they received the initial disbursement of PCASG funds. One of these recipients had received a Health Center New Access Point grant to open an additional site after Hurricane Katrina and had also received an Expanded Medical Capacity grant to increase service capacity, which it used in part to hire additional staff and buy equipment. Another of these recipients received a New Access Point grant to open an additional site after receiving PCASG funds. Beyond these four recipients, one additional recipient received an FQHC Look-Alike designation in July 2008 and a New Access Point grant in March 2009. Of the remaining 18 recipients that responded to our survey, 6 said they planned to apply for both a Health Center Program grant and an FQHC Look-Alike designation. In addition, 1 planned to apply for a grant only and another planned to apply for an FQHC Look-Alike designation only. Although many recipients indicated that they intended to use Health Center Program funding as a sustainability strategy, they may not all be successful in obtaining a grant. For example, in fiscal year 2008 only about 16 percent of all applications for New Access Point grants resulted in grant awards.⁵²

About three-quarters of PCASG fund recipients reported that as one of their sustainability strategies they had applied or planned to apply for additional federal funding, such as Ryan White HIV/AIDS Program grants,⁵³ or for state funding. In addition, a few reported that they had applied or planned to apply for private grants, such as from foundations.

Although 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. One factor that may affect the degree of challenge in achieving sustainability is whether a

⁵²The American Recovery and Reinvestment Act of 2009 provided HRSA with \$2 billion for the Health Center Program. Pub. L. No. 111-5, div. A, title VIII, 123 Stat. 115, 175. However, \$155 million was used for New Access Point grants in March 2009, and HRSA plans to use the remainder to provide various types of grants to existing Health Center Program grantees.

⁵³Through the Ryan White Comprehensive AIDS Resources Emergency Act of 1990 and subsequent legislation, HRSA provides federal funds to metropolitan areas, states, and others to assist with the cost of core medical and support services for individuals and families infected and affected by HIV/AIDS. See 42 U.S.C. §§ 300ff through 300ff-121.

recipient is part of a larger institution, such as a university or government body, that could potentially provide additional funds after PCASG funds are no longer available. Similarly, sustainability may be a less difficult challenge for organizations that are already grantees of HRSA's Health Center Program.

Agency Comments

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

As agreed with your offices, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the report date. At that time, we will send copies of this report to the Secretary of Health and Human Services and other interested parties. In addition, the report will be available at no charge on the GAO Web site at <http://www.gao.gov>.

If you or your staffs have any questions about this report, please contact me at (202) 512-7114 or bascettac@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 appendix III.



Cynthia A. Bascetta
Director, Health Care

Appendix I: Scope and Methodology

We focused our review on the 25 outpatient provider organizations that in September 2007 received funding through the Primary Care Access and Stabilization Grant (PCASG), which the Department of Health and Human Services (HHS) awarded to the Louisiana Department of Health and Hospitals (LDHH). The PCASG funds were targeted to the greater New Orleans area—specifically, Jefferson, Orleans, Plaquemines, and St. Bernard parishes—because of the impact Hurricane Katrina had on this area. In this report we examine (1) how PCASG fund recipients used the PCASG funds to support the provision of primary care services in the greater New Orleans area, (2) how PCASG fund recipients used and benefited from other federal hurricane relief funds that support the restoration of primary care services in the greater New Orleans area, and (3) challenges the PCASG fund recipients continued to face in providing primary care services, and recipients’ plans for sustaining services after PCASG funds are no longer available.

In conducting our work, we reviewed relevant literature. We also interviewed officials at various agencies within HHS, including the Administration for Children and Families, Centers for Medicare & Medicaid Services (CMS), Health Resources and Services Administration (HRSA), and Substance Abuse and Mental Health Services Administration.

To determine how the PCASG fund recipients used PCASG funds to support the provision of primary care services in the greater New Orleans area,¹ we conducted site visits and developed and implemented a Web-based survey. We also reviewed the recipients’ grant applications and interviewed officials at the LDHH and Louisiana Public Health Institute (LPHI) about how the recipients used PCASG funds. LPHI administers the PCASG program and distributes the grant funds as the local partner of LDHH.

We conducted site visits at 8 of the 25 PCASG fund recipients during April 2008. During these visits we collected documents and interviewed PCASG fund recipient, state, and local officials. To identify the locations for our site visits, we chose a selective sample of the recipients to include at least 1 from each of the area’s four parishes. We also selected recipients so that our sample would include some that offered mental health care

¹In this report, we define the greater New Orleans area in the same way CMS does for PCASG purposes—Jefferson, Orleans, Plaquemines, and St. Bernard parishes.

services and some that offered dental care services, and we included 2 recipients that were grant recipients of HRSA's Health Center Program.

We developed a Web-based survey that focused on how PCASG fund recipients used PCASG funds, the challenges they continued to face, and their plans for sustainability. To develop our survey questions, we analyzed our interviews with officials from PCASG fund recipients, CMS, and state and local agencies; reviewed the recipients' applications for funding; and reviewed the PCASG Notice of Award. In addition, before we disseminated the survey to the 25 recipients, the content of the survey questions was peer-reviewed by LPHI because of its expertise on the grant program. We received responses from 23 of the 25 recipients, a response rate of 92 percent. To assess the reliability of the survey data, we performed quality checks, such as reviewing survey data for inconsistencies and completeness and, when necessary, followed up with survey respondents via the telephone to resolve any inconsistencies and obtain missing information. Based on these efforts, we determined that the survey data were sufficiently reliable for the purposes of this report.

To answer our question on how the PCASG fund recipients used and benefited from other federal funds for hurricane relief, we reviewed and analyzed data collected by LDHH on expenditures related to the supplemental Social Services Block Grant (SSBG). Where possible, we used documents from and interviews with state and PCASG fund recipient officials to identify SSBG supplemental funds expended at PCASG sites. In addition, we reviewed and analyzed data gathered by LDHH related to the incentive payments made under the Professional Workforce Supply Grant and expenditures under the Crisis Counseling Assistance and Training Program (CCP). For the incentive payments made using the Professional Workforce Supply Grant, LDHH provided us with information about health care providers working at PCASG sites. They used the employment address, rather than recipient name, to identify which providers to include. They provided data about the amount of payment, payment type (retention or hiring), and provider type (for example, internist or nurse). For the CCP, we obtained data from LDHH on program expenditures at PCASG sites. We also interviewed officials from LDHH and PCASG fund recipients about the implementation of these programs in the greater New Orleans area. To assess the reliability of the data we received from LDHH related to the SSBG, Professional Workforce Supply Grant, and CCP, we performed checks of internal consistency and verified information with state and local officials where possible. Based on these efforts, we determined that the data were sufficiently reliable for the purposes of this report.

To answer our questions on challenges PCASG fund recipients continued to face in providing primary care services and how PCASG fund recipients plan to sustain primary care services after funds are no longer available, we used information collected from our Web-based survey. We also analyzed interviews we conducted with 10 recipients, including the 8 we visited, and from federal, state, and local agencies. In addition, to determine how recipients planned to sustain primary care services, we reviewed sustainability plans that the recipients included in their applications for PCASG funding. We also analyzed information provided by HRSA on Health Center Program grants awarded to PCASG fund recipients and on overall program grants awarded in fiscal years 2007 and 2008.

To provide additional information on the PCASG fund recipients, we used data collected by LPHI about the recipients. We analyzed data that LPHI provided to us on each PCASG fund recipient for the period September 21, 2007, through March 20, 2008, regarding (1) patients and encounters,² and (2) types of services that recipients offered.³ We obtained these data for this period because at the time of our request, this was the only period for which LPHI had completed its data accuracy and reliability checks on the patient and encounter data. We requested that LPHI summarize for us at the recipient level both the number of patients and the number of encounters, by age and insurance status.⁴

To assess the reliability of data we received from LPHI on patient and encounter data and on types of services offered, we did the following: (1) reviewed relevant documentation, (2) discussed with knowledgeable agency officials the data and the processes they used to establish the accuracy and reliability of the data provided, and (3) where possible, compared data to published sources. Based on these activities, we determined that these data were sufficiently reliable for the purposes of our report.

²An encounter is an interaction between a patient and a provider for the purpose of meeting a health care need. An encounter can occur in person or by telephone.

³PCASG fund recipients provided data to LPHI for 73 of the 75 sites eligible to receive PCASG funds during this period. PCASG funds were not the only funds used to provide the services these data describe. Although the City of New Orleans Health Department had 4 PCASG-eligible sites, the department provided data for only 2 of these sites.

⁴To collect uniform data, LPHI provided the recipients with forms and guidance on completing these forms.

We conducted our work from February 2008 through June 2009 in accordance with all sections of GAO's Quality Assurance Framework that are relevant to our objectives. The framework requires that we plan and perform the engagement to obtain sufficient and appropriate evidence to meet our stated objectives and to discuss any limitations in our work. We believe that the information and data obtained, and the analysis conducted, provide a reasonable basis for any findings and conclusions in this product.

Appendix II: Primary Care Access and Stabilization Grant Fund Recipients: Characteristics, Patients, and Services

In July 2007, HHS awarded the \$100 million PCASG to LDHH,¹ which in turn provided funds to 25 outpatient provider organizations in the greater New Orleans area in September 2007.² CMS is responsible for administering the program at the federal level. LPHI is LDHH's local partner for administering the grant program.

The 25 organizations that are PCASG fund recipients vary in size and in the geographical area they serve. (See table 6.) Furthermore, some recipients are affiliated with an institution such as a university or state or local government, and some receive funding from the Health Center Program of HHS's HRSA.³

¹This grant was made under a provision of the Deficit Reduction Act of 2005 authorizing payments to restore access to health care in affected communities. 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. 9, 2007).

²For PCASG purposes, CMS defined the greater New Orleans area as Jefferson, Orleans, Plaquemines, and St. Bernard parishes.

³Under Section 330 of the Public Health Service Act, HRSA provides grants to health centers nationwide to increase access to primary care.

**Appendix II: Primary Care Access and
Stabilization Grant Fund Recipients:
Characteristics, Patients, and Services**

Table 6: Selected Characteristics of Primary Care Access and Stabilization Grant (PCASG) Fund Recipients, September 21, 2007, through March 20, 2008

Recipients	Parish where services provided	Number of sites ^b	Type of primary health care services offered ^a		
			Medical	Mental	Dental
Administrators of Tulane Educational Fund ^c	Orleans	5	•	•	
Catholic Charities Archdiocese of New Orleans	Orleans and Jefferson	3		•	
Children's Hospital Medical Practice Corporation	Orleans and Jefferson	11	•	•	•
City of New Orleans Health Department	Orleans	4 ^d	•	•	•
Common Ground Health Clinic	Orleans	2	•	•	•
Covenant House New Orleans	Orleans	1		•	
Daughters of Charity Services of New Orleans	Orleans and Jefferson	5	•	•	
EXCELth, Inc.	Orleans	2	•	•	
Jefferson Community Health Care Centers, Inc.	Jefferson	3	•	•	
Jefferson Parish Human Services Authority	Jefferson	4		•	
Leading Edge Services International (also known as Family Health Center)	Jefferson	1	•	•	
LSU Healthcare Network Behavioral Science Center	Orleans	1		•	
LSU Health Sciences Center New Orleans (School Based Health Centers)	Orleans	2	•	•	
Lower 9th Ward Health Clinic	Orleans	1	•		
Medical Center of Louisiana at New Orleans	Orleans	9	•	•	•
Metropolitan Human Services District ^e	Orleans, Plaquemines, and St. Bernard	7	•	•	
New Orleans Adolescent Hospital and Community Services	Orleans	4		•	
New Orleans Musicians' Assistance Foundation	Orleans	2	•	•	
NO/AIDS Task Force	Orleans	1	•	•	
Odyssey House Louisiana, Inc. ^f	Orleans	2	•	•	
Plaquemines Medical Center	Plaquemines	1	•		
Sisters of Mercy Ministries (also known as Mercy Family Center)	Jefferson	1		•	
St. Bernard Health Center, Inc.	St. Bernard	1	•		
St. Charles Community Health Center - Kenner	Jefferson	1	•	•	
St. Thomas Community Health Center	Orleans	1	•	•	

Source: GAO analysis of the Louisiana Public Health Institute's (LPHI) summary of data reported by PCASG fund recipients.

Notes: The Department of Health and Human Services awarded the PCASG to the Louisiana Department of Health and Hospitals in July 2007 to restore and expand access to primary care services, including mental health care services and dental care services, in the greater New Orleans area; 25 outpatient provider organizations that applied and met the requirements established by CMS were awarded PCASG funding. September 21, 2007, through March 20, 2008, was the first period for which PCASG fund recipients reported data on their activities to LPHI.

**Appendix II: Primary Care Access and
Stabilization Grant Fund Recipients:
Characteristics, Patients, and Services**

^aThe primary health care services offered represent those that were offered at sites eligible to use PCASG funds; health care services that were provided through referral are not included in the table.

^bThe number of sites is the number eligible to use PCASG funds and operating during the period September 21, 2007, through March 20, 2008. Some of the PCASG fund recipients had other sites that were not eligible to use PCASG funds.

^cThe Administrators of Tulane Educational Fund is part of Tulane University.

^dAlthough the City of New Orleans Health Department operated 4 sites during the period September 21, 2007, through March 20, 2008, the department provided data for only 2 of these sites.

^eThe Metropolitan Human Services District primarily provides mental health care services. At the patient's request, it also provides pregnancy testing.

^fOdyssey House Louisiana, Inc. primarily provides mental health care services. However, it hosts with other organizations a clinic that offers medical care services.

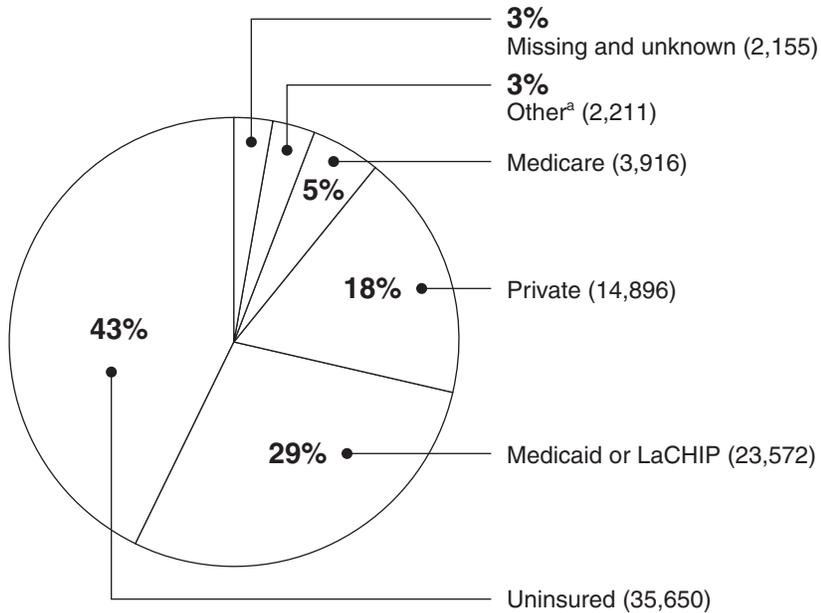
For the period September 21, 2007, through March 20, 2008,⁴ the PCASG fund recipients provided primary care services to a population that was largely uninsured or enrolled in Medicaid.⁵ The recipients reported to LPHI that they used PCASG funds to support services provided to about 82,400 patients. The recipients also used other funds, such as other federal grants or Medicaid reimbursement, to support these services. Almost three-quarters of the recipients' patients were either uninsured or enrolled in Medicaid or the Louisiana Children's Health Insurance Program (LaCHIP).⁶ (See fig. 4.) At more than half of the PCASG fund recipients, at least 50 percent of their patient population was uninsured, and for most of these recipients the uninsured patient population was greater than 70 percent. Overall, 18 percent of patients served by the recipients were privately insured, although three recipients served a privately insured population of over 40 percent.

⁴September 21, 2007, through March 20, 2008, was the first period for which PCASG fund recipients reported data on their activities to LPHI.

⁵Medicaid is a federal-state health insurance program for certain low-income individuals.

⁶LaCHIP is the name of Louisiana's State Children's Health Insurance Program. The State Children's Health Insurance Program is a federal-state health insurance program that offers insurance to certain children under age 19 whose family income is too high for Medicaid eligibility and who are not enrolled under other health insurance.

Figure 4: Primary Care Access and Stabilization Grant (PCASG) Fund Recipients' Patient Population, by Health Insurance Status, September 21, 2007, through March 20, 2008



Source: GAO analysis of Louisiana Public Health Institute's (LPHI) summary of data reported by PCASG fund recipients.

Notes: The patient population equals 82,401. The percentages do not total to 100 percent due to rounding. These data were collected by LPHI from the 25 PCASG fund recipients.

^a“Other” includes patients who were in different insurance categories for two or more encounters, such as patients who were uninsured at the time of the first encounter and were covered by Medicaid at the time of the second encounter.

The 25 PCASG fund recipients varied in the mix of primary care services they offered. During the reporting period, 19 of the recipients reported to LPHI that they offered medical care services, either solely or in combination with mental health care services.⁷ Of these 19 recipients, 4 also offered dental care services. A total of 22 recipients offered mental health care services, such as counseling, psychiatry, and services related to substance abuse. The recipients also offered certain specialty care services and ancillary services. Eleven recipients either directly offered the specialty care services of podiatry, optometry, and tuberculosis

⁷All recipients have used funds other than the PCASG funds to offer the health care services.

**Appendix II: Primary Care Access and
Stabilization Grant Fund Recipients:
Characteristics, Patients, and Services**

therapy⁸ or provided referrals to organizations that provided these services. Almost all of the recipients offered ancillary services in addition to providing primary care services. For example, translation and interpretation, health education, and outreach services were each offered at over half of the recipients.

The PCASG fund recipients reported to LPHI that they provided nearly 194,000 health care encounters during the period September 21, 2007, through March 20, 2008.⁹ Sixty percent of encounters were for medical or dental care,¹⁰ 38 percent for mental health care, and 1 percent for specialty care. (See fig. 5.) For medical and dental care encounters and for mental health care encounters, adults represented about two-thirds of the encounters and children about one-third. Almost half of the medical and dental care encounters were with patients who were uninsured, and more than one-third of the mental health encounters were provided to uninsured patients. About one-third of both medical and dental care encounters and mental health care encounters were with Medicaid or LaCHIP beneficiaries.

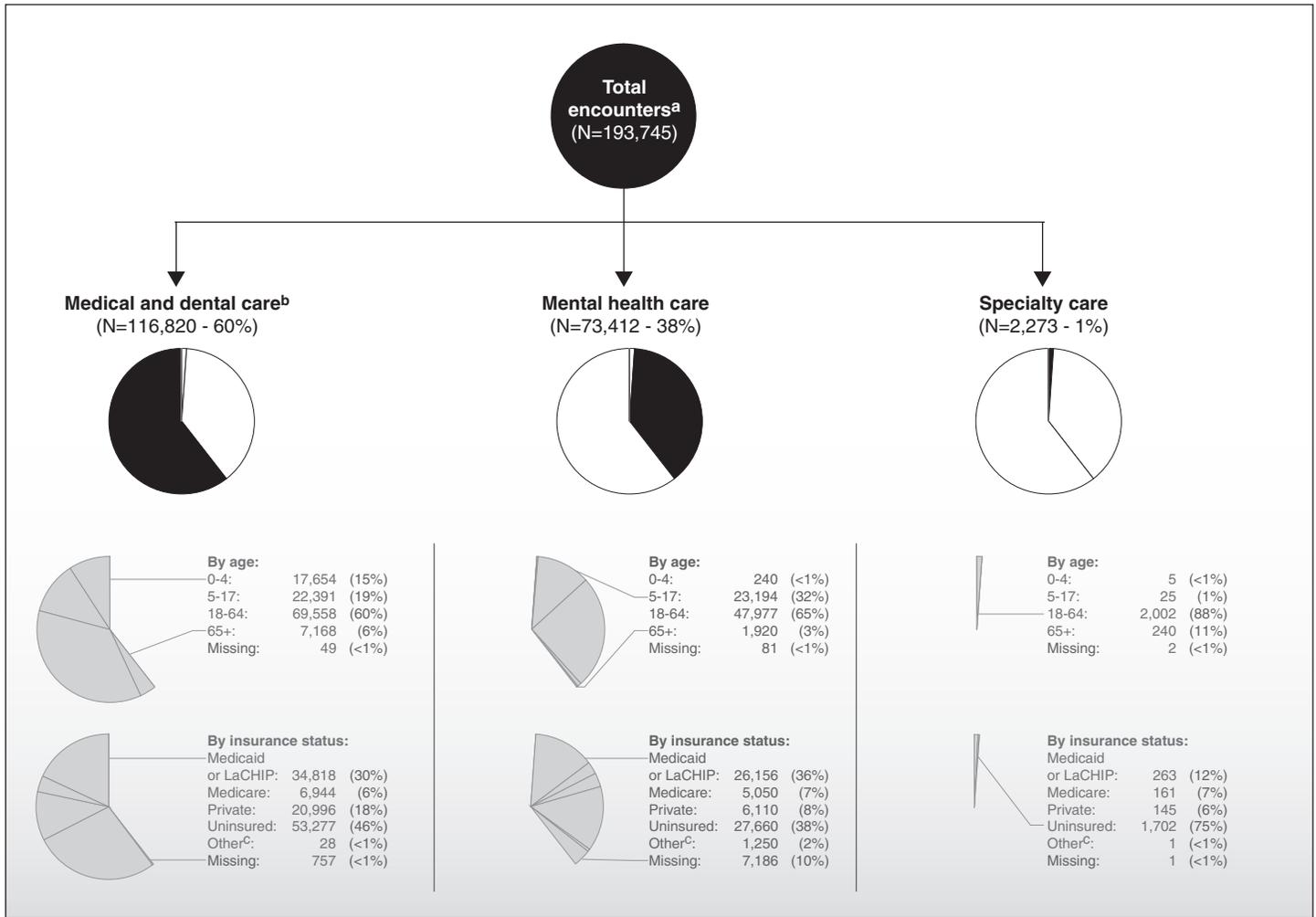
⁸For the period September 21, 2007, through March 20, 2008, PCASG fund recipients were required by LPHI to provide data about podiatry, optometry, and tuberculosis therapy specialty care services only.

⁹An encounter is an interaction between a patient and a provider for the purpose of meeting a health care need. It can occur by telephone or in person.

¹⁰LPHI combined the data on medical and dental encounters because the number of dental care encounters was small.

Appendix II: Primary Care Access and Stabilization Grant Fund Recipients: Characteristics, Patients, and Services

Figure 5: Encounters at Primary Care Access and Stabilization Grant (PCASG) Fund Recipients, by Service Type, September 21, 2007, through March 20, 2008



Source: GAO analysis of Louisiana Public Health Institute's (LPHI) summary of data reported by PCASG fund recipients.

Notes: These data were collected by LPHI from the 25 PCASG fund recipients. Percentages do not total to 100 percent due to rounding. In addition to the PCASG funds, all of these recipients have used other funds to provide services.

^aAn encounter is an interaction between a patient and a provider for the purpose of meeting a health care need. It can occur by telephone or in person.

^bThe data on medical and dental encounters are combined; the number of dental encounters was small.

^c“Other” includes patients who were in different insurance categories for two or more encounters, such as patients who were uninsured at the time of the first encounter and were Medicaid beneficiaries at the time of the second encounter.

Appendix III: GAO Contact and Staff Acknowledgments

GAO Contact

Cynthia A. Bascetta, 202-512-7114 or bascettac@gao.gov

Acknowledgments

In addition to the person named above, Helene F. Toiv, Assistant Director; Martha R. W. Kelly; Carolyn Feis Korman; Deitra Lee; Roseanne Price; Dan Ries; Jennifer Whitworth; Rasanjali Wickrema; and Malissa Winograd made key contributions to this report.

Related GAO Products

Hurricane Katrina: Barriers to Mental Health Services for Children Persist in Greater New Orleans, Although Federal Grants Are Helping to Address Them. [GAO-09-563](#). Washington, D.C.: July 13, 2009.

Disaster Assistance: Greater Coordination and an Evaluation of Programs' Outcomes Could Improve Disaster Case Management. [GAO-09-561](#). Washington, D.C.: July 8, 2009.

Catastrophic Disasters: Federal Efforts Help States Prepare for and Respond to Psychological Consequences, but FEMA's Crisis Counseling Program Needs Improvements. [GAO-08-22](#). Washington, D.C.: February 29, 2008.

Hurricane Katrina: Allocation and Use of \$2 Billion for Medicaid and Other Health Care Needs. [GAO-07-67](#). Washington D.C.: February 28, 2007.

Hurricane Katrina: Status of Hospital Inpatient and Emergency Departments in the Greater New Orleans Area. [GAO-06-1003](#). Washington, D.C.: September 29, 2006.

Hurricane Katrina: Status of the Health Care System in New Orleans and Difficult Decisions Related to Efforts to Rebuild It Approximately 6 Months after Hurricane Katrina. [GAO-06-576R](#). Washington, D.C.: March 28, 2006.

Hurricane Katrina: GAO's Preliminary Observations Regarding Preparedness, Response, and Recovery. [GAO-06-442T](#). Washington, D.C.: March 8, 2006.

Mental Health Services: Effectiveness of Insurance Coverage and Federal Programs for Children Who Have Experienced Trauma Largely Unknown. [GAO-02-813](#). Washington, D.C.: August 22, 2002.

GAO's Mission

The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through GAO's Web site (www.gao.gov). Each weekday afternoon, GAO posts on its Web site newly released reports, testimony, and correspondence. To have GAO e-mail you a list of newly posted products, go to www.gao.gov and select "E-mail Updates."

Order by Phone

The price of each GAO publication reflects GAO's actual cost of production and distribution and depends on the number of pages in the publication and whether the publication is printed in color or black and white. Pricing and ordering information is posted on GAO's Web site, <http://www.gao.gov/ordering.htm>.

Place orders by calling (202) 512-6000, toll free (866) 801-7077, or TDD (202) 512-2537.

Orders may be paid for using American Express, Discover Card, MasterCard, Visa, check, or money order. Call for additional information.

To Report Fraud, Waste, and Abuse in Federal Programs

Contact:

Web site: www.gao.gov/fraudnet/fraudnet.htm

E-mail: fraudnet@gao.gov

Automated answering system: (800) 424-5454 or (202) 512-7470

Congressional Relations

Ralph Dawn, Managing Director, dawnr@gao.gov, (202) 512-4400
U.S. Government Accountability Office, 441 G Street NW, Room 7125
Washington, DC 20548

Public Affairs

Chuck Young, Managing Director, youngc1@gao.gov, (202) 512-4800
U.S. Government Accountability Office, 441 G Street NW, Room 7149
Washington, DC 20548

