

# Jefferson EDGE 2020

# HOSPITALS & HEALTH CARE

## Status Report 5: June 2012

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Prepared by JEDCO and GCR Inc.

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**JEDCO**  
Jefferson Parish Economic Development Commission



## Hospitals and Health Care

In response to concerns about quality of life in Jefferson Parish and its impact upon the community's economic competitiveness, JEDCO initiated the Jefferson Edge 2020 Quality of Life initiative. This initiative has produced eight "strategic implementation plans" which include a series of action items to address particular quality of life issues. Implementing the action items requires the total cooperation and keen interest of all involved, including JEDCO, the Jefferson Parish government, numerous other entities, and frequently State and Federal agencies. In 2008, JEDCO retained GCR & Associates, Inc. to prepare semiannual reports outlining the status of each of these action items and overall progress toward implementation.

The following table summarizes the progress made toward each of the health care (H) action items.

H = Hospitals and Health Care

Action ID #	Action Item	Progress as of June 2012		
		Action Item Complete	Substantial Progress	Little/No Progress
H1	Advocate for direct financial assistance from the federal government to assist hospitals in the New Orleans region			
H2	Work closely with the federal Department of Health and Human Services to implement updated Medicaid reimbursement schedule			
H3	Coordinate with Parish hospitals to increase enrollment in Medicaid			
H4	Work with the State's Department of Health and Hospitals to establish a "certificate of need" program for specialty hospitals	Action item tabled at this time.		
H5	Work with the LSU Hospital system to chart a mutually beneficial direction for the planned new hospital in downtown New Orleans	No longer applicable.		
H6	Seek closer collaborations among the service district hospitals, Parish government, and the state to reduce operating costs and increase revenue			
H7	Aggressively advocate for the funding and implementation of the COLLAH report pertaining to uninsured coverage	No longer applicable.		
H8	Adopt and implement a "healthy communities" component of the Envision Jefferson 2020 Comprehensive Plan			
H9	Advocate for the continued dedication of traffic camera revenue to the service district hospitals in order to secure federal Medicaid matching funds	No longer applicable.		

## Hospitals and Health Care

Action ID #	Action Item	Original Timeline	Accomplishments/Benchmarks Met	Next Steps	Progress as of June 2012		
					Action Item Complete	Substantial Progress	Little/No Progress
H1	Advocate for direct financial assistance from the federal government to assist hospitals in the New Orleans region	Secure Funding in 2008-2009	Action complete. For more information, refer to October, 2009 status update.	No further action required.			
H2	Work closely with the federal Department of Health and Human Services to implement updated Medicaid reimbursement schedule	Implement new schedule in 2008-2009	Over the past several years, the Medicaid budget and Medicaid reimbursement rates have been extremely fluid. Through the Upper Payment Limit (UPL) program proposed by Senator Heitmeier, an additional \$110 million was directed to participating hospitals. However, this seeming windfall was offset by a 20% reduction in the Medicaid budget since 2009. The UPL program has helped participating hospitals to stay afloat. Another recent change in Medicaid is that the Department of Health and Hospitals (DHH) has recently announced a transition effective at the end of 2012, from a per diem reimbursement rate to a DRG or diagnosis related group rate. In theory, this switch will direct reimbursement dollars more accurately according to the cost of a procedure or diagnosis. Area hospitals are monitoring the change closely.	Continue to monitor and participate in rule-making process related to the switch to the DRG mode of reimbursement. Particularly, with the rise in Medicaid enrollment, push for robust budgets and reimbursement rates for Medicaid.			

## Hospitals and Health Care

Action ID #	Action Item	Original Timeline	Accomplishments/Benchmarks Met	Next Steps	Progress as of June 2012		
					Action Item Complete	Substantial Progress	Little/No Progress
H3	Coordinate with Parish hospitals to increase enrollment in Medicaid	Complete program design in 2009-2010; implement program in 2010-2011	<p>Last year, Louisiana privatized Medicaid for approximately 2/3 of the state's current 1.2 million Medicaid recipients. This new "Bayou Health" program (as it is called) is actively extending enrollment to many additional Louisiana residents by relaxing the poverty threshold for Bayou Health/Medicaid eligibility. This change is occurring independently of the ultimate fate of the Affordable Care Act (ACA) at the federal level.</p> <p>Bayou Health has been aggressive in notifying residents of their eligibility and aggressive in enrolling those residents who qualify.</p> <p>The transition to Bayou Health has come, though, with a number of administrative head-aches for hospitals and service providers. The Louisiana Hospital Association (LHA) has formed a working committee of hospital administrators to bring administrative deficiencies to the attention of DHH and to resolve problems.</p>	Push for greater efficiency in Bayou Health's administrative practices. Monitor the effectiveness of expanded Bayou Health/Medicaid enrollment in a) improving reimbursements to hospitals and b) expanding care.			
H4	Work with the State's Department of Health and Hospitals to establish a "certificate of need" program for specialty hospitals	Complete program design in 2010; pass legislation in 2010-2011	Action item tabled indefinitely. Refer to July, 2011 status report for more information.	No further action at this time.	Action item tabled at this time.		

## Hospitals and Health Care

						Progress as of June 2012		
Action ID #	Action Item	Original Timeline	Accomplishments/Benchmarks Met	Next Steps	Action Item Complete	Substantial Progress	Little/No Progress	
H5	Work with the LSU Hospital system to chart a mutually beneficial direction for the planned new hospital in downtown New Orleans	Conduct forums in 2009	No further action from Jefferson Parish stakeholders at this time.	Continue to monitor progress of University Medical Center facility and the effect on Jefferson Parish's patient base.	Not applicable at this time and removed from hospitals action items.			
H6	Seek closer collaborations among the service district hospitals, Parish government, and the state to reduce operating costs and increase revenue	Secure board approval for closer collaboration in 2009; council action on costs and revenues in 2009-2010; legislative action on disproportionate share funds in 2010	<p>Over the past year, there has been progress in Service District #3 and the beginnings of a more strategic relationship between East Jefferson and West Jefferson hospitals. Major actions are as follows:</p> <ul style="list-style-type: none"> <li>•A Certificate of Public Advantage (COPA) was granted by the Attorney General's office, thereby providing both Service District hospitals with greater opportunities to share information and pursue strategic initiatives.</li> <li>•The Jefferson Parish Council recently modified the Board of Service District #3 to include all members of the East Jefferson and West Jefferson hospital boards. This should increase buy-in for the Service District #3 concept.</li> <li>•The Service District #3 board has been meeting regularly since 2011 following a period of relative inaction.</li> <li>•The Jefferson Parish Council recently retained the Kauffman-Hall health care consulting firm to devise strategic initiatives for the Service District hospitals.</li> </ul>	Monitor the progress of the Kauffman-Hall report. Continue to push for further efficiencies and economies of scale between East Jefferson and West Jefferson hospitals.				

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Action ID #	Action Item	Original Timeline	Accomplishments/Benchmarks Met	Next Steps	Progress as of June 2012		
					Action Item Complete	Substantial Progress	Little/No Progress
H7	Aggressively advocate for the funding and implementation of the COL-LAH report pertaining to uninsured coverage	Obtain legislative approval in 2010-2011	No longer applicable and removed from hospitals action items. See October, 2010 status update for more information.	No further action required	Not applicable at this time and removed from hospitals action items.		
H8	Adopt and implement a "healthy communities" component of the Envision Jefferson 2020 Comprehensive Plan	Secure funding in 2009-2010; complete plan in 2010-2011	<p>The principal obstacle to a healthy communities plan has been funding. Given the current fiscal environment, funding for a standalone healthy communities plan is unlikely. However, key elements of such a plan are advancing through other channels. The Regional Planning Commission recently began a selection process for a consultant that would prepare a bicycle master plan for Jefferson Parish. This plan would include a network of bike and pedestrian paths as well as standards for "complete streets" in Jefferson—streets that encourage walking and bicycling.</p> <p>Another possible avenue for pursuing healthy communities strategies is the newly formed Ochsner Center for Wellness and Health Policy. This institute, to be directed by retiring Ochsner CEO Dr. Patrick Quinlan, will focus on public health advocacy, research, and education.</p>	Monitor the progress of the Jefferson bicycle master plan, and push for a plan that is ambitious in its recommendations. Begin a dialogue with Dr. Quinlan regarding healthy communities policies and a healthy communities plan in Jefferson.			
H9	Advocate for the continued dedication of traffic camera revenue to the service district hospitals in order to secure federal Medicaid matching funds	Secure a commitment for the continued dedication of traffic camera revenues in 2009-2010. Finalize the mechanism for a local/federal cost share in 2009-2010	No longer applicable. Action item has been removed. For more information refer to October, 2010 status update.	No further action required	No longer applicable and removed from hospitals action items		



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