

Testimony  
of  
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Before the  
United States House of Representatives, Committee on Veterans Affairs

“Rightsizing the Department of Veterans Affairs Infrastructure”

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Chairman Buyer, and distinguished Members of the full Committee on Veterans Affairs. I thank you for holding this hearing today and for the opportunity to discuss our efforts to rebuild the Veterans Administration (VA) Medical Center in New Orleans, Louisiana.

Mr. Chairman, as you know, Louisiana experienced a natural disaster of epic proportions when Hurricane Katrina roared ashore our coast in August, 2005. As such, the VA Medical Center in New Orleans suffered extensive damage and remains closed for inpatient care.

Mr. Chairman, prior to Hurricane Katrina, the VA Medical Center in New Orleans played a critical role in providing healthcare for veterans throughout southern Louisiana, eastern Texas and western portions of Mississippi; treating nearly 40,000 patients in 2005. Pre-Katrina statistics included staffing of 1,700 employees and an annual operating budget in excess of \$130 million.

Additionally, the New Orleans Medical Center operated in close proximity to both Louisiana State University (LSU) and Tulane Medical Schools and supported extensive research and training programs.

In February 2006, VA released a report to Congress on options for re-establishing a medical center in New Orleans. The report concluded that the preferred option is the construction of a new medical center as a "shared" facility with LSU and its managed Medical Center of Louisiana, the state's public safety-net health care system. As such, both VA and LSU signed a Memorandum-of-Understanding (MOU) to establish a mutually beneficial relationship and to foster discussions addressing the basic framework for a future VA and LSU medical care delivery collaboration.

As the agreement outlines, *critical* to discussions between the VA and LSU will be a determination of the present and future demographics of the seven-parish New Orleans metropolitan area and how the makeup of the population, including its size, will impact the need for health care services, medical research and medical education for both LSU and Tulane health care professional students. As you know, Mr. Chairman, the MOU mandates that all findings and details be submitted to a joint Collaborative Opportunity Study Group (COSG) committee by June 1, 2006.

On a side note, a recent study conducted on behalf of the Louisiana Recovery Authority reflects a growing civilian population shift in the greater Baton Rouge area. (According to VA statistics, 2/3 of the pre-Katrina veteran population continues to access clinics and outpatient services in the greater New Orleans area). The report strongly suggests a need for replacing Baton Rouge's aging public hospital, as well as the need for a new, acute care hospital. In addition to this finding, I highlight for the committee a second important finding regarding the LSU hospital system, sometimes known as the Charity Hospital System. The report finds the Charity system is "detrimental to the health of all Louisianans and is likely an important reason for the lower system quality, both in the public and private sector." Although these findings may be of more interest to

officials within the Department of Health and Human Services, I believe the findings are instructive to VA as well. Put simply, the ultimate success of a VA and LSU partnership hinges on the provision of the highest quality of care for all patients. If the old Charity system has not worked for Louisiana, I believe it is prudent for VA to examine the Charity system, and if need be, request those reforms the department may consider necessary in order to ensure there is an equal partnership between Charity and VA.

I reiterate my belief that opportunities exist for a strong partnership between VA and LSU to provide veterans, as well as the people of Louisiana, the highest quality of care in the most up-to-date facilities. Let me stress, however, with such partnerships we must not forget to maintain and protect our mission to provide the highest quality of care for each and every veteran.

While we await more forthcoming details, the potential for a VA and LSU collaboration presents itself as an exciting opportunity. The opportunity to maximize limited dollars through collaboration is immense, especially in a post-Katrina environment. With such collaboration, economies of scale could be employed, making the provision of health care and the expenditures of taxpayer dollars more prudent.

For example, a site in proximity to the current medical center would be acquired by the State of Louisiana and donated for the shared campus, thus saving VA millions of dollars. Further, both parties envision one single campus, but with separate, autonomous bed towers and outpatient clinical space. Common areas would provide space for shared non-clinical support services such as parking, food services, laundry, and energy and utility management. Since the facility would be shared, VA could save millions of dollars in annual recurring operating costs.

Finally, Mr. Chairman, as the Committee begins to consider wider-ranging construction priorities, it should examine leveraging this, and other models nationally, in order to take advantage of already existing clinical and education relationships with universities and local hospitals.

Both VA and LSU officials are paying particular attention to the Texas Medical Center model in Houston. The Texas model is made up of 42 member institutions, including medical schools and nursing schools, in which all are dedicated to the highest standards of patient and preventative care, research, and education.

It is imperative to remember that prior to Hurricane Katrina, the New Orleans medical center had a valuable and productive relationship with both the Louisiana State Health Sciences Center, as well as the Tulane University Health Science Center. In 2005, 124 resident positions were allocated to the medical center. In total, over 500 university residents, interns and other allied health students were trained at the medical center. A collaborative VA and LSU effort could further expound upon this relationship by truly creating a state-of-the-art teaching healthcare facility.

Mr. Chairman, thank you for holding this hearing today and for the opportunity to testify before you and the Members of the full Committee. I look forward to working with you, and most importantly, further enhancing quality healthcare opportunities for America's veterans.