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Local clinics to get millions Federal grants to go to poor on Gulf Coast

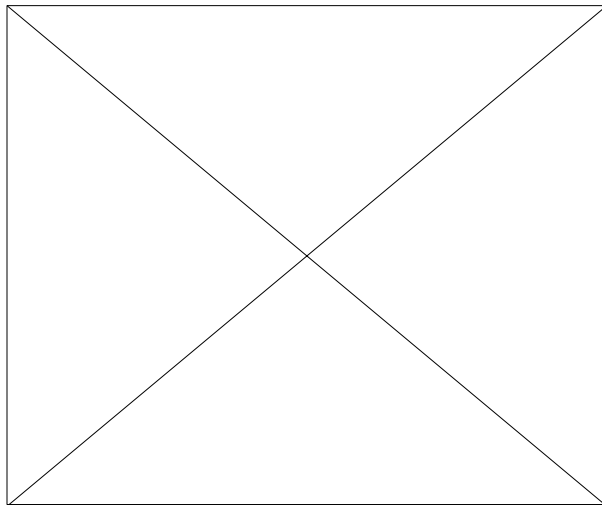
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By Kate Moran
Staff writer

The secretary of the U.S. Department of Health and Human Services said Thursday that he would release a new round of grants totaling \$195 million to support health care needs along the Gulf Coast, especially among patients who do not have health insurance.

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About \$100 million will flow to clinics in the greater New Orleans area that provide primary care to poor and uninsured patients, the population that would otherwise rely on emergency rooms for basic medical needs, such as vaccinations.

Louisiana also will receive \$35 million to recruit doctors, nurses, dentists and pharmacists, and \$26 million to help hospitals and mental health centers absorb the rising cost of wages. Alabama and Mississippi will receive a combined \$34 million.

Michael Leavitt, the federal health and human services secretary, said he decided to allocate the lion's share of the money to primary care after a visit in April to three progressive clinics that are changing the way health care is delivered to the poor.

Leavitt worked with state leaders after Katrina to reform the old health safety net, in which uninsured patients were directed almost exclusively into the Charity Hospital System. While state and federal leaders agreed that care should be anchored in primary care clinics rather than hospitals, they could not reconcile how they wanted to pay for the new system.

As government leaders continue to wrestle with how to redesign health care for the poor, a network of charitable clinics, including the three Leavitt visited last month, are trying on their own to link up patients with doctors who can monitor conditions such as diabetes and hypertension with the goal of keeping those patients out of the emergency room.

Although they have absorbed many former charity patients since Katrina, many of these clinics do not have a permanent source of financing. Dr. Karen DeSalvo, executive director of the Tulane Community Health Center, said this latest round of federal grants will help clinics such as hers sustain operations for the next three years.

DeSalvo and other local health providers had requested in April that the federal government provide \$100 million to expand access to primary care. She said that money would help clinics in Orleans, Jefferson, Plaquemines and St. Bernard parishes care for virtually the entire population of uninsured patients until the state comes up with a long-term plan for rebuilding the health safety net.

"This will give us a chance to continue our march to building neighborhood-based medical homes for the population," DeSalvo said. "We could not be happier. This is one of those times when the feds have been completely responsive and on-target in understanding the needs of population. They are really doing the right thing."

Clinics will have to apply for a share of the federal grants, and many will do so under the auspices of the Partnership for Access to Healthcare, or PATH, a consortium that helped many neighborhood clinics secure block grant money after Katrina. Only one agency has already been singled out for financing: the New Orleans Health Department, which will receive \$4 million to expand primary care into underserved areas of the city.

Leavitt cautioned Thursday that the federal government would not renew the grants for primary care. He urged the state to provide a long-term safety net for the poor by directing money away from the charity hospitals and into insurance vouchers that patients could present to a doctor of their choice.

"We see this as emergency funding. We do not want it to be viewed as something that will continue indefinitely," Leavitt said. "This needs to be used as a bridge to a permanent solution. The best permanent solution is to allow people to have insurance where they can choose where they want to be served, as opposed to being restricted to a two-tiered system."

Dr. Fred Cerise, secretary of the state Department of Health and Hospitals, called the latest round of federal grants a "significant down payment" for addressing the state's short-term health care needs. He said he agrees that the state needs to move toward a long-term solution for caring for the uninsured.

"This will give us an opportunity to address our immediate needs, and to do that while we start building the capacity in a redesigned system," Cerise said.

In addition to bolstering access to primary care, the federal grants will help the state recruit and retain doctors, nurses and other health professionals, whose ranks have thinned since Katrina. The \$35 million will allow doctors and dentists to apply for up to \$110,000 in income guarantees or loan repayments as an incentive to practice in the New Orleans area for at least three years. Nurses, dental hygienists and clinical social workers can apply for up to \$55,000.

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Kate Moran can be reached at kmoran@timespicayune.com or (504) 826-3491.