



Two New Orleans clinics outspend on patient care

By **Steve Sternberg**, USA TODAY

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Two New Orleans primary-care centers that have received millions in federal money to provide basic medical services to low-income residents spent twice as much per patient last year as most other federally sponsored clinics in Louisiana, a USA TODAY analysis shows.

The health centers, Excelth Inc. and the City of New Orleans Department of Health, are the only federally funded primary-care centers in a city where 100,000 people — about one of every seven — are uninsured and another 150,000 are covered by Medicaid.

Until Hurricane Katrina struck two years ago, most of those patients would have sought care in the city's fabled "Big Charity" hospital and its 150 clinics, which handled a crush of 350,000 outpatient visits annually. But those clinics, mostly defunct, were largely centralized downtown. Today, health officials view an extended network of community clinics as critical to the future of the city's health system.

Excelth last year spent \$2.14 million to care for 4,666 patients. That comes to \$460.16 per patient, compared with the statewide average of \$165.44. The City of New Orleans Department of Health got \$877,669 and provided medical services to 2,072 patients, most of them homeless, for \$423.59 each.

Federal officials say Katrina dealt a big blow to the two health clinics, wrecking their facilities and scattering patients. Excelth's performance fell off so much after Katrina that the government considered decreasing funding. "We decided to give them a break," says Jim Macrae of the U.S. Health Resources and Services Administration. The clinic won a reprieve because it drew up "reasonable plans to get back up to speed."

Excelth director Mike Andry says per-patient spending rose last year because the clinic was rebuilding and had fewer patients. The clinic has three sites, he says. In May, despite its challenges, the federal government approved \$920,833 for Excelth to open a fourth site and \$354,013 to expand an existing site.

Next year, Excelth's grant cycle ends, which would allow other health centers to compete with it, Macrae says. The agency also has issued an invitation for other centers to operate alongside Excelth. Although Macrae says the selection process is "truly competitive," other officials say the agency has been reluctant to finance competing health centers in a given area.

"I don't know if it's formally written," says Kristy Nichols of the Louisiana Department of Health and Hospitals. "But it's universally known."

David Hood of the Public Affairs Research Council of Louisiana blames Louisiana's low national ranking for the health of its population on the lack of primary care. "Thirty percent of the population doesn't have ready access to primary care," he says.

