

1 Services, and the American College of Graduate Medical Education; and

2 WHEREAS, beginning in 2005 the legislature appropriated funding to construct a
3 replacement facility for EKL; and

4 WHEREAS, in 2005, the legislature appropriated \$3 million in state general funds,
5 \$12 million in self-generated revenue and \$9 million in Priority 2 and Priority 5 Capital
6 Outlay funding; in 2006, the \$9 million was moved to Priority 1; in 2007, \$302 million in
7 revenue bonds was included in the Capital Outlay Bill; in 2008, the revenue bond allocation
8 was increased to \$315.2 million; and, in 2008 the State Bond Commission approved the \$9
9 million as a cash line of credit; and

10 WHEREAS, the current financial outlook for Louisiana makes the prospect unlikely
11 that the state will build a new state-of-the-art hospital to replace the aging EKL; and

12 WHEREAS, operational funding at EKL has historically not kept up with general
13 medical inflation subjecting the residents of Region 2 to reduced service capacity; and

14 WHEREAS, LSU and OLOL have been in discussions to explore a possible
15 collaboration aimed at improving access to care and supporting graduate medical education
16 in the Baton Rouge area; and

17 WHEREAS, representatives of LSU and OLOL have met regularly over the past
18 eight months to determine what form the collaboration should take and to determine what
19 is operationally, clinically, and educationally appropriate; and

20 WHEREAS, representatives of LSU and OLOL intend to enter into one or more
21 cooperative endeavor agreements to formalize the collaboration and to clearly set out the
22 legal and working relationship between LSU and OLOL; and

23 WHEREAS, LSU's commitment to the planning of a new model for public health
24 care delivery for the Baton Rouge region will consider the preservation and expansion of
25 current and future Graduate Medical Education (GME) programs, protection of the
26 community's patients' access to care including expansion of primary and specialty outpatient
27 services at LSU community clinics, and a new LSU urgent care facility to help direct non-
28 emergency visits from the emergency department at OLOL; and

29 WHEREAS, the collaboration between LSU and OLOL will result in the addition of
30 a trauma center at OLOL; and

1 WHEREAS, in the development of any collaboration between LSU and OLOL, LSU
2 will preserve its ancillary programs such as Disease Management and Medication Assistance
3 which serve to support the care delivery for a special needs population; and

4 WHEREAS, the benefits of a public-private partnership in Baton Rouge include:

5 (1) Services that will enable patients to stay in Baton Rouge instead of traveling out
6 of the region

7 (2) Increased medical residents training in the Baton Rouge community; residents
8 are more likely to remain to practice in the community in which they train

9 (3) Addition and operation of an LSU urgent care center in North Baton Rouge

10 (4) Continuation and enhancement of LSU's network of primary care clinics across
11 the city

12 (5) Addition of a trauma center in the Baton Rouge medical corridor to serve the
13 entire region

14 (6) Continuation and possible expansion of a large multi-specialty clinic to expand
15 primary and specialty outpatient care for LSU patients in North Baton Rouge

16 (7) Expansion of evening/weekend clinic hours in existing LSU facilities to
17 accommodate working families

18 (8) Addition of a Medical Education Center by LSU to include faculty offices,
19 classrooms, auditorium and simulation labs to support more medical students and residents
20 in Baton Rouge

21 (9) Increased ambulatory activity at the LSU Perkins Road facility

22 (10) Increased research opportunities with Pennington Biomedical Research Center
23 bringing enhanced research funding and prestige to the Baton Rouge community; and

24 WHEREAS, the strategic collaboration envisions that a collaboration would likely
25 involve, among others, LSU:

26 (1) Merging the EKL license with another LSU hospital

27 (2) Maintaining all residency slots associated with EKL

28 (3) Maintaining the ability to secure 340B discount drug pricing

29 (4) Maintaining the ability to access state and federal uncompensated care funding
30 for outpatient activity in Baton Rouge

- 1 (5) Operating outpatient clinics (some at an expanded levels) in
- 2 (a) North Baton Rouge
- 3 (b) Mid City
- 4 (c) Surgical facility (Perkins Road)
- 5 (d) Leo Butler
- 6 (e) Jewell Newman

7 (6) Establishing urgent care and/or after hours clinics in North Baton Rouge and
8 Mid City

9 (7) Maintaining residents, faculty, and other staff to provide care both at OLOL and
10 in LSU Clinics; and

11 WHEREAS, the strategic collaboration envisions that a collaboration would involve,
12 among others, OLOL:

- 13 (1) Providing support for LSU GME programs
- 14 (2) Ensuring admitting privileges/rights to OLOL for LSU residents and faculty in
15 compliance with OLOL bylaws
- 16 (3) Creating a trauma center; and

17 WHEREAS, the collaboration will include the need for capital resources to establish
18 the necessary infrastructure to support this public-private partnership at an estimated cost
19 of \$129 million to include: a new Medical Education Building on OLOL Campus,
20 Enhancements to the North Baton Rouge Clinic for Urgent Care capability, expansion of
21 the OLOL hospital to accommodate approximately 100 additional beds, and the
22 establishment of a trauma center at OLOL; the \$24 million in cash already available for a
23 new facility should be redirected to meet part of the \$129 million in capital costs needed to
24 support this partnership; and that the approximate \$24 million in cash be available to
25 construct the LSU Medical Education Building; and

26 WHEREAS, \$129 million in capital costs for new infrastructure will result in a
27 savings of \$331 million to the state of Louisiana compared to the anticipated cost of \$460
28 million projected by the Master Strategic Plan to replace EKL with a new medical center;
29 and

1 WHEREAS, it is essential that LSU also explore, consider, and evaluate other
2 alternatives in planning for a new model of health care delivery and medical education in the
3 Baton Rouge region.

4 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
5 express support of and provide authority for actions by the Board of Supervisors of
6 Louisiana State University and Agricultural and Mechanical College for the strategic
7 collaboration between LSU and Our Lady of the Lake Regional Medical Center, as well as
8 seeking, considering, and evaluating other alternatives and strategies, in planning for a new
9 model of health care delivery and medical education in the Baton Rouge region.

10 BE IT FURTHER RESOLVED that the Legislature does hereby endorse and support
11 the ongoing strategic collaboration between the Board of Supervisors of Louisiana State
12 University and Agricultural and Mechanical College and Our Lady of the Lake Regional
13 Medical Center to establish a public-private partnership to ensure the survival and growth
14 of the LSU GME programs in Baton Rouge and the delivery of health care for the patients
15 in the community.

16 BE IT FURTHER RESOLVED that the Legislature recognizes that there will be
17 capital resources, Medicaid rule changes, and annual financial considerations that will need
18 to be secured to finalize a new model for the delivery of public health care in the Baton
19 Rouge region.

20 BE IT FURTHER RESOLVED that approval of a cooperative endeavor agreement
21 between LSU and OLOL by the Joint Legislative Committee on the Budget pursuant to R.S.
22 39:366.1 et seq., shall constitute legislative approval for the closure, in accordance with R.S.
23 17:1519.3, of all or part of EKL as provided in the closure plan which shall be a part of such
24 cooperative endeavor agreement.

25 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
26 governor of the state of Louisiana, the vice president of health affairs and medical education
27 for the Louisiana State University System, the chancellor of Louisiana State University
28 Health Sciences Center-NO, the chief executive officer of Our Lady of the Lake Regional
29 Medical Center, the secretary of the Louisiana Department of Health and Hospitals, and the
30 commissioner of administration.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Jerry J. Guillot.

DIGEST

Broome

SCR No.

Expresses support of and provides authority for actions by the LSU Board of Supervisors for the strategic collaboration between LSU and Our Lady of the Lake Regional Medical Center, as well as seeking, considering, and evaluating other alternatives and strategies, in planning for a new model of health care delivery and medical education in the Baton Rouge region.

Evidences legislative endorsement and support of the ongoing strategic collaboration between LSU and Our Lady of the Lake Regional Medical Center to establish a public-private partnership to ensure the survival and growth of the LSU GME programs in Baton Rouge and the delivery of health care for the patients in the community.

Recognizes that there will be capital resources, Medicaid rule changes and annual financial considerations that will need to be secured to finalize a new model for the delivery of public health care in the Baton Rouge region.

Provides that approval of a cooperative endeavor agreement between LSU and OLOL by the Joint Legislative Committee on the Budget pursuant to R.S. 39:366.1 et seq., shall constitute legislative approval for the closure, in accordance with R.S. 17:1519.3, of all or part of EKL as provided in the closure plan which shall be a part of such cooperative endeavor agreement.