

SENATE CONCURRENT RESOLUTION NO. 130

BY SENATOR BROOME

A CONCURRENT RESOLUTION

To express support of and to provide authority for actions by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College (LSU) for the strategic collaboration between LSU and Our Lady of the Lake Regional Medical Center (LOL), 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.

WHEREAS, LSU operates Earl K. Long Regional Medical Center (EKL) in Baton Rouge, Louisiana with 102 staffed beds in an aging in-patient facility in North Baton Rouge, an outpatient surgical center in South Baton Rouge, and three outpatient clinic locations across the city with a fourth large multi-specialty clinic to open in North Baton Rouge in mid 2009; and

WHEREAS, in 2008, EKL had 6,481 inpatient admissions, over 160,000 outpatient clinic visits and 39,000 emergency department encounters, and provided medical education opportunities to 199 medical residents and fellows; and

WHEREAS, EKL has faced regulatory pressure for many years, its physical plant having long exceeded its useful life, creating pressure on LSU to satisfy the requirements of regulatory bodies such as The Joint Commission, Centers for Medicare and Medicaid Services, and the American College of Graduate Medical Education; and

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

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

million as a cash line of credit; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(1) Merging the EKL license with another LSU hospital

(2) Maintaining all residency slots associated with EKL

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

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

(5) Operating outpatient clinics (some at expanded levels) in the following locations:

(a) North Baton Rouge Community Center.

(b) LSU Mid-City Clinic.

(c) LSU Hospital System Surgical Facility (Perkins Road).

(d) The Dr. Leo S. Butler Community Center.

(e) The Jewel J. Newman Community Center.

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

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

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

(1) Providing support for LSU GME programs

(2) Ensuring admitting privileges and rights to OLOL for LSU residents and faculty in compliance with OLOL bylaws

(3) Creating a trauma center; and

WHEREAS, the collaboration will include the need for capital resources to establish the necessary infrastructure to support this public-private partnership to include: a new Medical Education Building on OLOL Campus, enhancements to the North Baton Rouge Clinic for urgent care capability, expansion of the OLOL hospital to accommodate approximately 100 additional beds, and the establishment of a trauma center at OLOL; and

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

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby express support of and provide authority for actions by the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College 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.

BE IT FURTHER RESOLVED that the Legislature does hereby endorse and support the ongoing strategic collaboration between the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College 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.

BE IT FURTHER RESOLVED that the Legislature 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.

BE IT FURTHER RESOLVED 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.

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

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES