



HEALTH CARE REFORM:

CREATING A SUSTAINABLE SYSTEM
OF QUALITY HEALTH CARE

Fresh Start
FOR *Louisiana*

A MESSAGE FROM BOBBY JINDAL



Louisiana's health care system is in crisis and the people most in need are bearing the brunt of the problem.

That was apparent long before the 2005 hurricane season, but the damage wrought by those storms, the subsequent upheaval of people and facilities, and the slow recovery process has kept the state's health care problems front and center. Countless long-promised reforms have failed to materialize despite the obvious need.

One central problem for many of Louisiana's health policy challenges is a high rate of poverty. In fact, our poverty statistics exceed both the national and southern state averages.

These high poverty rates are unfortunately directly linked to the health of Louisiana's citizens of all ages. Studies show that infants born in poverty are more likely to be of low birth weight, children in poverty are less likely to get timely immunizations and adults in poverty are more likely to smoke, be overweight and not exercise.

Seniors in poverty are more likely to develop problems that limit their basic routine and impair independent living.

These statistics are Louisiana's bitter harvest reaped from years of pouring money into a system that seems to benefit everyone except those on whom the system's very existence is predicated.

Indeed, Louisiana's health care outcomes have long marked the state as badly in need of reform, and the truth is that the money Louisiana spends on health care is not commensurate with the results achieved.

My platform for implementing a sustainable system of quality health care for Louisiana is built around the belief that we must first do better with the resources already dedicated to health care.

My plan has three critical components, all designed to help Louisiana start getting better results.

First, Louisiana must move away from the one-size-fits-all model that is woefully inadequate and move toward a model that trusts communities and patients.

Second, we must use the assets we have more efficiently.

Finally, we must demand that those in need get the care they deserve.

After all, if the money we spend is not ultimately resulting in better health outcomes for our people, then our inefficient health care system has failed to meet the most basic of needs.

Until we insist upon changing this sad reality and making the structural reforms needed, no amount of rhetoric will make our citizens healthier.

"Few things infuriate American taxpayers more than misuse of a worthwhile effort to help the poor –especially when the misuse is done more to increase profits for the providers than to deliver help to those in need. Louisiana's

Medicaid program has been a prime example – until the arrival of Department of Health and Hospitals Secretary Bobby Jindal... But it's not just a matter of cutting expenses. The Jindal-led fraud busting is also starting to weed out medical providers who don't meet standards but who have nonetheless been collecting Medicaid funds."

–Shreveport Times, August 21, 1996

"Only two or three years ago, our state's Medicaid system was a bloated, fraud-ridden mess. In those days, it was held up as an example of what was wrong, not right, with America's health care system for the poor. That was before Gov. Foster took office and appointed Mr. Jindal, sending him on a seek-and-destroy mission against Medicaid waste and abuses. The system still needs work, but it is markedly improved 18 months later. Mr. Jindal has beefed up his investigative staff with 20 new auditors, made a partner of the attorney general's office and recovered more than \$20 million for Medicaid fraud and overpayment cases..."

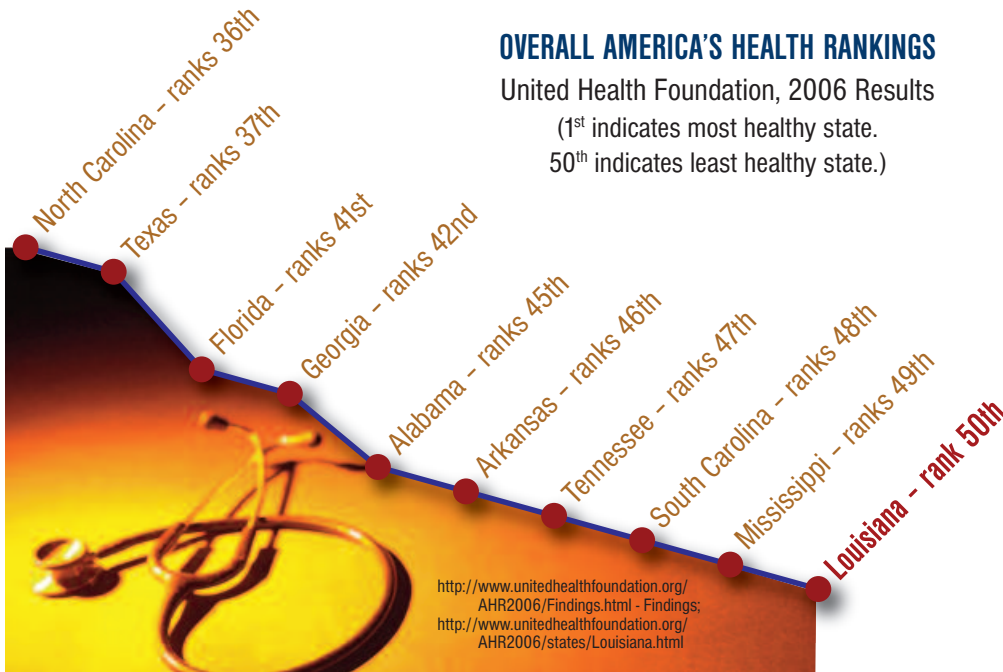
–The Daily Advertiser, August 11, 1997

"Jindal turned the Medicaid shortage into a surplus. He collected millions from contractors who had abused state health-care programs for the poor. And the once-regular flow of revelations about questionable contracts stopped cold."

–The (Baton Rouge) Advocate, January 31, 1998

Commenting on Jindal's appointment as executive director of the National Bipartisan Commission on the Future of Medicare (Breau-Thomas Commission) following his work at DHH "Perhaps for the first time, a man in charge of a state department in Louisiana has been selected because of his accomplishments to do the same job on the national level."

–Franklin Sun, February 4, 1998



Louisiana is ranked the worst in the nation in overall health.

In 2006, the United Health Foundation ranked Louisiana 48th in prevalence of obesity, 49th in infant mortality, 48th in cancer fatality, 49th in premature deaths and most notably as the worst state in terms of overall health care outcomes.

INFANT DEATH RATE

(Latest available) by state

Louisiana - ranks 2nd

http://www.statemaster.com/graph/hea_inf_dea_rat-health-infant-death-rate

CHILD DEATH RATE

(Latest available) by state

Louisiana - ranks 4th

http://www.statemaster.com/graph/hea_chi_dea_rat-health-child-death-rate

TEEN DEATH RATE

(Latest available) by state

Louisiana - ranks 5th

http://www.statemaster.com/graph/hea_tee_dea_rat-health-teen-death-rate

FISCAL YEAR 2005 MEDICAID SPENDING PER-CAPITA:

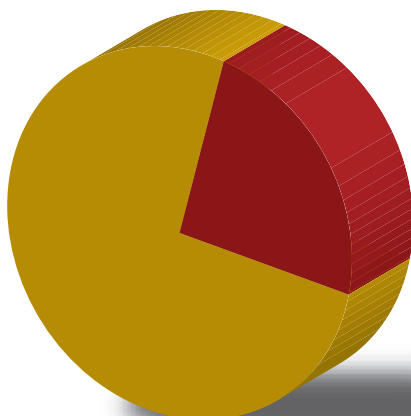
- 11. Louisiana** (\$1,204 per capita) (\$5.435 billion total)
- 13. Mississippi** (\$1,142 per capita) (\$3.314 billion total)
- 20. Arkansas** (\$1,003 per capita) (\$2.760 billion total)
- 36. Texas** (\$815 per capita) (\$18.328 billion total)

<http://www.ppinys.org/reports/jtf/medicaidtotal.html>

HEALTH INSURANCE COVERAGE OF THE TOTAL POPULATION OF LA (2004-2005)

- Employer** - 2,108,432 (50%) **Individual** - 213,493 (5%)
- Medicaid** - 633,072 (15%) **Medicare** - 553,300 (13%)
- Other Public** - 20,966 (less than 1%) **Uninsured** - 715,848 (17%)
- Total** - 4,245,111 (100%)

<http://www.Statehealthfacts.org>



24% of Louisiana adults are **uninsured.**

To make matters worse, many of those most in need of medical help are uninsured.

Louisiana has one of the highest percentages of uninsured population in the country.

Bobby Jindal's Action Plan

Creating A Sustainable System of Quality Health Care for All Louisianians

MOVE AWAY FROM THE ONE SIZE-FITS-ALL SYSTEM

■ Make private health insurance an affordable option for more of our citizens

Louisiana has the fourth highest rate of uninsured adults in the nation. Too many of these adults are in working families relying on the emergency room for health care because they make too much to qualify for Medicaid, but not enough to buy health insurance. They are not getting preventive services, providers are not getting compensated, and we all end up paying higher prices. In Louisiana, we help people without jobs, but we are not doing enough to help people afford coverage after they leave welfare and enter the workforce. While at the U.S. Department of Health and Human Services (HHS), I worked on programs to allow employers to rollover unused health care dollars on behalf of their employees rather than forcing individuals into “use it or lose it” structures that discourage saving. Also, I worked on creating the Health Insurance Flexibility and Accountability (HIFA) waiver, which allows states to move away from a “one-size-fits all” approach and encourages the use of private insurance to cover more of the uninsured by giving employers and individuals the flexibility they need. Louisiana currently has a pending HIFA waiver application. Our state should offer consumer-driven options, perhaps backed up with purchasing pools and the option to reinsure, to provide a wider array of choices. These options can stress meaningful catastrophic coverage, without limits, rather

than limited first-dollar coverage, can help individuals lower their premiums while getting comprehensive coverage, and help individuals build savings for long-term care. Considering only 50 percent of Louisiana firms offer coverage to their employees, tax credits for small businesses can help them offer health insurance. It makes no sense for one employee to be on Medicaid while their coworker is uninsured. According to a recent survey, four out of five U.S. individuals who were without health insurance last year were from working families. It is wrong for working families to pay taxes to subsidize health insurance for others while they go without help and are often forced to rely on the emergency room for health care or skip treatment altogether. Improvements to the application and administrative process for premium assistance programs can simplify this option for the employer and help members of the employee's family receive health care from one source. Other states have pursued Medicaid waivers for premium assistance to subsidize the purchase of private health insurance, to pay the remaining subsidy after the employer and individual makes contributions, or to provide wraparound coverage. Results from these programs indicate that in order to be cost-effective, states need to pursue waivers that promote employer coverage and overall robust enrollment numbers. Studies show a five to 15 percent reduction in mortality rates for those with continuous health care coverage. Allowing individuals and employers to combine Medicaid dollars with their dollars to buy coverage that best meets their needs will not only save the state money, but more importantly, it can help to save lives.

INNOVATIVE MEDICAID WAIVERS OUR STATE SHOULD CONSIDER

Waiver	Description	Sample state(s) where used	Results
Independence Plus	More flexible delivery system with patient choice rather than bureaucratic control.	AR, FL, NJ	Arkansas got 18 percent more services without spending additional money.
Health Insurance Flexibility and Accountability (HIFA)	Moves away from one-size-fits-all. Encourages states to use private insurance to cover more of the uninsured. Allows flexibility in what employers can offer and how the state can help.	CA, NY	Helped hundreds of thousands of people obtain private health insurance.
Partnerships Program	Provides incentives for individuals to purchase private long-term health care insurance. State agrees to help with nursing home costs if coverage runs out.	NY	Cost effective because more people buy private insurance.
Pharmacy Plus	Offers prescription drug coverage to seniors, while saving taxpayers money.	IL	Covered hundreds of thousands of seniors.



Principles for a Sustainable System of Quality Health Care

- ✓ We must get better results for the money we spend on health care.
- ✓ We must do away with the “one size fits all” mentality once and for all.
- ✓ We must eliminate fraud and abuse in our health care system and do away with unnecessary and costly regulations that do more harm than good.
- ✓ We must focus on preventative, primary care so that people are not forced to rely on emergency rooms and can enjoy a more consistent level of care to prevent more severe outcomes.
- ✓ We must give less control to bureaucrats and more control to local communities, patients, doctors and other health care providers.
- ✓ We must make it easier for employers to offer insurance to their employees by giving them incentives and providing opportunities to do so.
- ✓ We must not only educate our medical students, but also be the state in which they choose to stay and spend their careers serving our population.
- ✓ We must upgrade our medical records system to the 21st century so that all patients will know their medical data will be protected, accurate and accessible by their doctors to ensure the best diagnosis possible wherever they seek treatment.

“Until we insist upon making the structural reforms needed, no amount of rhetoric will make our citizens healthier.”

– BOBBY JINDAL

■ Help our citizens afford life-saving customized health care

Louisianians deserve a health care system that provides for flexibility to pursue and afford the care they need. One glaring example is the fact that many of Louisiana’s seniors are increasingly confronted with the reality of rising prescription drug costs, forcing them to decide between paying for necessities or their medication. Research has shown that the proper use of prescription drugs can vastly improve and extend a person’s life, but if we allow the cost of that medication to be so exorbitant as to require a person to abstain from other needs, then the effectiveness of that medication and the quality of care for the patient is diminished. We must find a way to lower prescription drug costs for Louisiana’s seniors. While at HHS and before Medicare Part D was created, I helped design a national prescription drug model program called Pharmacy Plus, which has been used in several states to provide flexible prescription drug coverage to tens of thousands of seniors who had no previous access to coverage. The program allows states to extend pharmacy coverage to certain low-income elderly and disabled individuals who are not otherwise eligible for Medicaid by providing pharmaceutical products, assisting people with private pharmacy coverage with high premiums and cost sharing, or providing wraparound pharmaceutical coverage. This program has helped many across the nation gain access to the prescription drugs they need, allowing countless others to stop the dangerous rationing they were previously forced to undertake simply to make ends meet. Rather than relying on an all-or-nothing approach, a program similar to the Pharmacy Plus program can help states to meet a patient’s unique needs. Louisiana must pursue patient-specific benefits programs rather than insisting individuals get all or no help from the state. We can help seniors afford the prescription drugs they need to live healthier lives, which can also save money for the state since seniors will no longer be forced to wait until they are extremely sick or bankrupt before asking for help.

■ Encourage thoughtful utilization of medical resources through our Medicaid program

The administration and Congress have embraced the concept of giving flexibility to states to design effective programs to meet the needs of the states. We cannot miss this opportunity since there are no guarantees Washington will continue to embrace state flexibility and proper funding of Medicaid. Florida has pursued a Medicaid waiver to improve the predictability of Medicaid spending and reduce the rate of spending growth by offering risk-adjusted premiums to individuals to

Bobby Jindal's Action Plan

choose among different plans and allow individuals to use funds for purchase of individual or employer-sponsored insurance. Florida's model also allows individuals who participate in state defined healthy activities to receive enhanced benefit credits, which they can use for uncovered health services or for premium costs of private coverage if they lose Medicaid eligibility. While Louisiana should not copy every detail of Florida's program, we must learn from the experience of other states. Another option to consider is the introduction of modest co-payments into our Medicaid program to encourage thoughtful use of limited health care resources. This is not intended to be a deterrent to quality health care, but rather, to ensure that our state's health care resources are used at the right time and in the most beneficial manner. This will help to decrease wait times for appointments. Numerous studies have shown that such a program can help cut costs without harming health care outcomes if done appropriately and in a manner that is conscious of the financial affordability of any modest co-pays.

■ Give patients financial flexibility to pursue the care that meets their needs

I also believe that patients should be granted more autonomy in the use of health care dollars to ensure they get the treatment that best meets their needs. More consumer-driven options are needed. With consistency in both state and federal tax law governing the establishment of Health Savings Accounts, we could encourage individuals to contribute to a Health Savings Account using pre-tax monies. Such savings programs will incentivize people to affordably prepare for health care costs. We should also consider offering this option to state employees. Health savings accounts programs are being used successfully in California and the people of Louisiana should be given the same opportunity.

■ Maximize opportunities for pooling to ensure affordable and effective coverage

We should also allow individuals and small businesses to pool their health insurance purchasing power to get lower rates. Creation of a health insurance "exchange" would establish a "market organizer" that could serve as a central system for buying and selling insurance. Any resident of Louisiana would be eligible to purchase insurance through that exchange, whether as an individual or as an employee of a small business. This insurance would be a portable asset for the patient. The health care exchange would, in effect, facilitate a uniform withholding system allowing couples, for example, to combine contributions from two employers to buy coverage. The central exchange mechanism could alleviate administrative burdens for small businesses that offer group coverage by allowing employers to designate the exchange as a group insurance plan. We should also consider designating this health care exchange program as an option, in addition to the existing

employer-group health insurance plan, for government employees in order to provide stability to the exchange and to improve coverage rates and options for government employees.

■ Eliminate unnecessary and costly regulations

Options for reforming health care in Louisiana must also include the elimination of unnecessary and expensive regulations and the phasing out of mandates proven to be ineffective. According to a recent study by the American Hospital Association, for every hour of emergency room care given to patients, one hour of paperwork is required. That same study found that the ratio for home health care was 48 minutes of paperwork per hour of patient care and 36 minutes for every hour of surgery and acute patient care. Too many of our hardworking professionals in the health care community waste valuable time filling out paperwork rather than helping patients. Whether it is a nurse who has to cut a round short to plow through administrative forms or physicians who take less appointments in their day to write up comprehensive reports, it is the patients seeking care that suffer the most. With an improved, user-friendly electronic database and a focused effort to streamline these regulations, we can put our medical professionals back to where they want to be - with the patients. While working at HHS, I helped to create the Secretary's Advisory Committee on Regulatory Reform, comprised of representatives from across the country, which offered 255 specific recommendations on regulatory changes that would reduce the cost and improve the quality of our nation's health care system. Examples included eliminating duplicative paperwork and streamlining regulations to emphasize patient care instead of bureaucracy. Many of these recommendations were adopted, saving millions of dollars and allowing health professionals to spend more time with patients. Louisiana should convene a similar process, encouraging providers, patients, and others on the front lines of health care delivery to apply common sense to the complex rules governing our health care system. The result will be saved tax dollars, as well as higher quality health care.

USE THE ASSETS WE HAVE MORE EFFICIENTLY

■ Promote preventative, primary care that will improve the health of our citizens, relieve health care budgetary concerns and decrease dependence on our emergency rooms

Too many Louisianians rely on emergency rooms for primary care, leading to increased costs and diminished health outcomes for our people. Louisiana has an annual average of 2.4 million emergency room visits each year and ranks fourth worst in non-emergency visits to the emergency room. An average visit to an emergency room costs \$383 and an average visit to a physician's office costs \$60. We waste billions of dollars on asthma and obesity-related illnesses that could have been prevented with better primary care options. By better managing diseases, giving providers the technology and incentives to move

away from the current fragmented delivery system, and setting reimbursements based on outcomes rather than processes, we can finally begin to emphasize preventative care and better patient health. We must embrace the “medical home” model so that the state’s uninsured are able to access primary care options and preventative measures and screenings. We must make it easier for people to enroll in private plans and make dollars more flexible so patients can have improved community access to outpatient services and private providers. Similar to measures I advanced when Secretary of DHH, we should also improve immunization rates to prevent seasonal illnesses, reduce the ability for underage persons to access tobacco products, and increase preventative screening for children. As Governor, I will pursue innovative federal waivers to allow disproportionate share hospitals dollars to pay for non-hospital care for the uninsured and to lessen overall dependence on inpatient care when outpatient services can be more effective and efficient.

■ **Promote health information technology solutions to improve the efficiency and quality of health care**

According to a recent Institute of Medicine study, up to 98,000 Americans die of avoidable medical errors each year. It is critical that Louisiana develop a coordinated electronic health information infrastructure to help physicians effectively treat patients and prevent medication mistakes. I will make this transition a top priority, commit state resources, and seek federal grants and appropriations to turn this vision into reality. We must improve efforts to take advantage of HHS grants to implement electronic medical records in emergency departments and allow that information to be shared with other community-based health care providers. The Louisiana Health Information Exchange is a current demonstration project to establish a pilot for exchanging patient clinical data between Baton Rouge and New Orleans. The LSU Health Care Services Division is undertaking a similar effort by contracting with a provider to automate and connect patient management and documents in its hospital emergency departments. In addition, large employers in the state are pursuing similar electronic systems. We should consider bonus Medicaid payments as an incentive to invest in electronic patient records the way Medicare pays more for electronic submission of claims. In Congress, I supported legislation to give tax deductions for physicians that purchase health care information technology systems. As Secretary of DHH, I promoted a computerized prescription drug system to ensure proper use of medications within the Medicaid program and the ability of physicians to utilize a simple swipe card to gather patient medical data. These and other efforts are all productive steps that we must build upon.

■ **Target and eliminate fraud, waste and abuse**

Our health care system must tackle wasteful spending and prevent any entity from manipulating the system for personal

gain. When I became Secretary of DHH, the department was facing a \$400 million Medicaid deficit and bankruptcy was just around the corner. Without immediate action, countless families and children would have lost access to critical health care services and other spending priorities like education would be on the chopping block in order to balance the state budget. We cut Medicaid spending below the national average for the first time in five years and reversed the upward spending trend of the early 1990s. Per-person spending in Medicaid was reduced from a high of \$3,452 in 1995 to \$3,127, and DHH’s full-time workforce was reduced by 1,000 employees while maintaining services. However, I was most proud of the improvements in outcomes and services to people. We made better drug treatment available to more people, cut waiting lists for public facilities, reduced by one-half the percentage of tobacco sales to minors, and passed one of the nation’s toughest anti-fraud laws, including triple damages for the worst offenders. Louisiana moved to 3rd best nationally in health care screenings for children, increased childhood immunizations to nearly 90 percent, and offered new and expanded services for elderly and disabled persons. Unnecessary hospitalizations plummeted. We explored new ways of delivering health care and established national models in several areas. These actions will continue to guide my commitment to improving health outcomes and state budgets by eliminating fraud, waste and abuse.

■ **Promote transparency in health care costs and treatment**

When individuals are armed with information about cost and quality measurements, they are able to make more informed decisions about where they seek their medical care. Many states have taken measures to improve the amount of information available so people will know what comprises their health care costs. Florida has a web site that allows consumers to get information on hospital charges and re-admission rates. California’s web site lists hospital cost comparisons as well as the prices for all services, goods and procedures for state hospitals. Louisiana’s reporting program is voluntary and maintained by the hospitals rather than the state. Building on legislation I cosponsored in Congress, we should consider incentives to encourage providers to disclose infection rates and other quality measures. I will work to incorporate best practices from across the nation, strengthen the disclosure requirements, and incorporate the data on an understandable web site. In addition to ensuring patients have more information on the cost of their treatment, they must also better understand their condition and available medical options. Studies have consistently shown that the more a patient understands about their medical condition and the actions they can take to manage that condition, the better the potential for a positive health outcome. In many instances, our nurses and emergency first responders, among others, are tasked with relaying this information to the patient. They typically serve as the closest link between the health care system and the patient seeking

Bobby Jindal's Action Plan

care. We can improve patient literacy by helping our medical professionals understand appropriate teaching theories, how best to incorporate them into a health care setting, and alternative ways to educate a patient with other health characteristics, such as a learning disability.

■ Leverage our existing health care assets to maximize research efforts

Louisiana must do a better job of attracting federal and corporate research and development investments in the health care sector where we already have substantial assets. Louisiana is 49th amongst states in attracting industry investment in research and development and 36th amongst states in federal research dollars. Louisiana has the third highest cancer rate in the nation. While Secretary of DHH and serving in Congress, I have consistently supported a nationally-designated cancer research center in Louisiana so that our patients and dollars no longer go to Houston. I believe such a center would create good paying jobs in Louisiana and provide access to the latest cures for our residents. The University of Alabama at Birmingham receives more federal research funding than all of Louisiana's public universities combined. We should take inventory of the public assets we have in place, like LSU, academic medical centers in New Orleans and Shreveport, and the primate research centers, along with entities like the Pennington Biomedical Research Center, Shehee Biomedical Research Institute, Oschner, and Tulane, and develop a coordinated plan to compete for federal dollars and new research grants. This effort would not only improve our economy, but lead to better health awareness and top quality cancer treatment in Louisiana.

■ Maximize opportunities to attract federal dollars in our medical training programs

We must also maximize opportunities to attract federal investment in our system. One critical way is to re-examine how we train our medical students. Most of the training programs for our medical students are done through the charity hospital network. Due to the diminishing number of Medicare patients our charity hospitals have served over the years, most of our students are trained while treating Medicaid patients and the uninsured. Most teaching hospitals in other states take advantage of the more lucrative Medicare reimbursements to fund their graduate medical education (GME) programs. This distinction is crucial considering that Louisiana would be eligible for at least \$150 million more in reimbursement funds if we better utilized Medicare reimbursements. Louisiana can no longer simply ignore this federal funding that is there for the taking. We need to explore opportunities to increase the number of Medicare patients our graduate students treat by increasing the number of Medicare patients that visit our charity hospitals and partnering with private hospitals where prudent to perform some of our training programs. We saw



firsthand in the days after the hurricanes that private hospitals were able to play a larger role in our graduate medical training programs. There is no reason we cannot become eligible for this additional funding without harming our charity hospital system and our graduate medical training programs.

■ Keep our medical students at home and encourage study in primary care

According to the Kaiser Family Foundation, Louisiana has one of the lowest percentages of primary care physicians in the nation. Over 85 percent of Louisiana's parishes are identified as health professional shortage areas. Despite this need, more than half of Louisiana's medical school graduates leave the state to pursue their graduate medical education. Unfortunately, too many of those that leave do not come back to practice in our communities. Many Louisiana primary care providers report excessive administrative burdens, high patient loads, and declining revenue coupled with increased costs for providing care. Additionally, higher medical school tuition rates and high levels of school loan debt are contributing factors to many of our medical students choosing not to pursue general medicine. Louisiana must target some of these factors if we are to convince our best and brightest to choose the types of primary care practice our state desperately needs. While a partial increase was recently approved, we should continue to pursue increases in Medicaid reimbursements for primary care physicians. We should also pursue a Medicaid waiver from HHS to implement a premium Medicaid payment rate for physicians who choose to practice primary care in underserved areas and incentives to help with the rising cost of malpractice insurance for our primary care doctors. We should also examine current tuition reimbursement programs to ensure they are effective in encouraging medical students to pursue primary care and nursing and then upon graduation, practice here in Louisiana. South Dakota has implemented a physician tuition reimbursement program that kicks in when a doctor practices for three years in the rural areas of that State. While DHH has begun to utilize loan repayment programs, its effectiveness is unclear. In particular, we should examine

whether tying tuition assistance to primary care physicians participating in the “medical home” program, a certain number of years of practice in identified areas of need or embracing electronic medical record systems are appropriate motivators. These proposals can help encourage primary care doctors to spend their careers in Louisiana.

■ **Expand the use of outpatient care and community-based clinics to meet the needs of our citizens**

Another way to improve preventive, primary care for our citizens is to expand the availability of outpatient care and community-based clinics. If we are truly going to end the practice of treating everyday ailments with expensive emergency care, we must ensure that there is convenient and affordable access to the kinds of care that help treat everyday ailments before they reach crisis levels. I will make it a priority to work with nonprofit groups to expand the number of community health clinics so we can bring Louisiana up to par with other Southern states. Mississippi and West Virginia, for example, each have three times the number of community health clinics as Louisiana, despite having much smaller populations. Louisiana has the fourth-highest rate of emergency room usage in the nation. A study by the National Association of Community Health Centers shows that Louisiana has more than \$350 million in emergency room department visits that could have been avoided with a more robust availability of community health clinics. We must take advantage of federal incentives to expand the number of federally qualified health centers (FQHCs), as long as we ensure these centers do not undermine the existing safety net providers, especially rural hospitals. These nonprofit, consumer-directed clinics provide to the underserved and uninsured cost-effective and high quality of care and treatment. FQHCs prove to be valuable assets because they provide health care to all people, with fees for service charged in accordance with an approved sliding-fee scale based on a patient’s family income and size. We should also better encourage people to live healthier by promoting a “Healthy Society Initiative,” designed to focus on prevention, general health improvements and good nutrition programs. Health care expenses and ailments, such as diabetes, can be reduced when people know how to take care of themselves and their families.

HELP THOSE IN NEED GET THE CARE THEY DESERVE

■ **Empower patients and their providers, not bureaucrats, to make health care decisions**

Louisiana must commit to ensuring that seniors and their families have affordable long-term care options both within and outside of their home. We need to offer these citizens more coordinated and effective care by providing them options without mandating they go bankrupt in the process. While serving in HHS, I helped to create the Independence Plus waiver program to help states encourage planning and long-term care coverage, which we originally piloted in Arkansas, Florida, and New Jersey. This waiver allows states to make it easier for a person with a disability by cutting through

needless bureaucracy and giving them more choice to pursue the care and living arrangements that best meets their needs. Some patents may require part-time care as compared to full-time care, or would benefit from purchasing a piece of equipment as compared to continuously renting it. Pursuing this waiver will finally give patients and families real choice by doing away with the current all-or-nothing approach. In the states that participated in the initial pilot program, patients were given more control over how health care dollars were spent on their behalf and the result was perfect satisfaction rates, no fraud, and more services using existing dollars. While the elderly and the disabled are not a majority of Medicaid patients, the reality is they make up a majority of Medicaid spending. Families, rather than bureaucrats, know better if a minor home modification, temporary respite care, or some other inexpensive service will allow their loved one to stay healthier longer.

■ **Give people incentives to purchase long-term care insurance**

Another Medicaid waiver I helped to expand is the Partnership program, which encourages individuals to purchase private long-term coverage. This program allows people who have used some of the benefits of a private long-term care insurance policy to access Medicaid without having to first go bankrupt. This will encourage those that would not normally purchase long-term care insurance to now do so, reform the current policy that encourages people to transfer their assets to qualify for Medicaid sooner than they otherwise would, and help contain the overall rate of Medicaid spending growth. We must change our policies to encourage, rather than discourage, people to plan ahead. In Louisiana, we have a 10 percent tax credit for long-term care policy premiums on the books, but since the Legislature did not fund it, the credit is not being used today. This must change and we should also consider joining states like Alabama and Arkansas by turning this tax credit into a tax deduction to give people the strongest incentive possible to save for long-term care needs. Additionally, we should give state employees the option to buy long-term care insurance to help stabilize and improve the price and availability in the market. In Louisiana, rather than encouraging saving and investment in long-term insurance, we force people to sit on the waiting list for years to get into programs such as the New Opportunities Waiver (NOW) for home and community-based services. Pilot programs such as the Program of All-Inclusive Care for the Elderly (PACE), offered to people 55 years or older who require nursing home care. When I served as Secretary of DHH, I



Bobby Jindal's Action Plan

expanded community-based programs for the elderly. We cannot allow Louisiana's seniors and the state's poorest and sickest citizens to wait for extended periods of time and run through their life savings just to get regular medical care and life-saving medicines.

■ Improve our Charity Hospital System by working with communities to meet their needs

Louisiana's unique statewide system of charity hospitals is in need of reform to meet the health care needs of the 21st century. Charity hospitals typically receive less than 20 percent of their revenue from private insurance, while the average for public hospitals in other states is closer to 60 percent. We must help these hospitals expand the number of private insurance patients, while also relieving pressure on private providers currently not compensated for treating uninsured patients. We should pursue regional governance, even as we keep economies of scale. We started the option of local governance of outpatient services in Jefferson Parish, and then, while I was running the Department of Health and Hospitals, we expanded that to the Capitol Area region. The state should commit to local communities a base level of indigent funding so they keep additional revenues generated, thereby incentivizing efficiency. Some communities will choose to make investments to develop state of the art academic medical facilities or focus on unique centers of excellence rather than duplicating programs. Others may choose to contract with the private sector to use existing excess capacity when it is more efficient to do so and expand primary care services. Local communities can discover the efficiencies of integrating care, and providing one-stop services rather than offering citizens complicated bureaucracy. We should shift our emphasis to preventive, primary, and outpatient care to improve patient outcomes, lower the cost of health care, and reduce the burden on private providers.

■ Rebuild a replacement for Charity Hospital in New Orleans

We have witnessed study after study to analyze how best to replace the health care that was provided by the charity hospital in New Orleans. The time has come for action. We must rebuild a replacement for Charity Hospital in New Orleans to help rebuild Southeast Louisiana's health care infrastructure. This effort should be pursued through partnership with the VA Medical Center, Tulane, and others, sized appropriately to meet the population needs of the area, and with a focus on unique services such as providing Level 1 Trauma Care. The construction of a new, top flight hospital would help Southeast Louisiana attract the doctors and nurses we need, provide improved medical training for residents, and attract medical and biomedical research companies and other health care-related businesses. This effort could help serve as the engine that

drives the New Orleans recovery. I am proud to have fought diligently in Congress to help secure the \$550 million in funding for the VA Medical Center in New Orleans, along with the additional \$75 million for planning at the VA Hospital. A new Charity facility must be rebuilt to an appropriate size, recognizing that some prior patients are now permanently getting care elsewhere. Additionally, the region needs more neighborhood-based outpatient and primary care. Rather than trying to be all things to all people or duplicate what is already available, we should use cost savings to allow some resources to follow the patient as they pursue preventative and primary care that best meet their needs.

■ Expand insurance coverage for children in poor and working families

We must also expand insurance coverage for children in poor and working families. LACHIP is an important part of ensuring that all Louisiana's children have access to both health insurance and health care. This program is one of the few bright spots on our health care report card. In fact, Louisiana ranked 10th in the nation last year for the percentage of children with health coverage. However, when it comes to our children, we should not be satisfied with 10th place. We should increase promotion efforts to get schools, hospitals, clinics, and state agencies to inform parents about their eligibility and about the ease with which children can be enrolled. Recent simplifications in the LACHIP registration form have expedited the application process, but more can be done to get more children enrolled, including an effective media and public communication campaign to reach the populations who will most benefit from LACHIP but who, to date, are least likely to hear about the program's availability. An often overlooked component of children's health programs are those focused on pre-natal health. Efforts to educate mothers-to-be on healthy initiatives and the availability of pre-natal care can be the determining factor in trying to address the alarming rates of infant mortality we have in Louisiana. We need to do a better job of learning from successful programs such as the one implemented by the Northwest Louisiana Coalition for the Health of Women and Children (NWLC), which is targeting perinatal-infant mortality in Caddo Parish. Any woman in the parish meeting poverty guidelines and less than 28-weeks pregnant was eligible to participate in the program. Over the first two years of the program, there were no reported deaths in the group of participants. Considering Northwest Louisiana led the state in infant mortality rates in the year before the program, the success is notable and one that we should use as a model for other parts of the state.

Paid for by Friends of Bobby Jindal.



FOR MORE INFORMATION:

www.bobbyjindal.com
info@bobbyjindal.com