New Orleans clinics in danger as funding dries up

An influx of US federal funds since hurricane Katrina have helped 90 neighbourhood-based health clinics open their doors, but the funding is about to run out. Sharmila Devi reports.

A US federal grant of $100 million that runs out in September is threatening the future of a network of primary-care clinics in New Orleans, LA, that emerged after the destruction wrought by hurricane Katrina 5 years ago, which left the city bereft of much of its basic health infrastructure.

As a massive oil spill springing from a BP well about 40 miles off the coast of Louisiana threatens further catastrophe, officials are scrambling to find a new stream of funding for 25 health-care organisations, which have handled about 1·3 million visits over the past 3 years from the region’s poorest residents.

Officials say these primary-care providers, which range from the New Orleans Musicians’ Clinic to the Lower Ninth Ward Clinic in the city neighbourhood destroyed by Katrina, could be a model for other US regions preparing to expand services under the Obama administration’s health-care reforms.

“One of our concerns pre-Katrina was care-seeking behaviour, because for generations, people would go to hospital and rely on the emergency room”, said Joseph Kimbrell, chief executive officer of the Louisiana Public Health Institute (LPHI), a non-profit organisation that administers the federal grant. “That paradigm has forever changed here and the influx of dollars made that possible.” The 3-year, $100 million grant was awarded in 2007 as a funding bridge while officials worked on widening health-care coverage. The grant helped the 25 care providers to operate over 90 neighbourhood health-care sites, which have served roughly 75,000 people.

The New Orleans region is home to a diverse and low-income population that has suffered a long history of very poor health. It has one of the highest rates of uninsured adults at 22%, compared with a nationwide average of 18%. More than 100,000 adults between the ages of 19 and 64 years lack insurance, according to a 2009 Louisiana Health Insurance Survey.

Pre-Katrina, most health care for this population was provided by the emergency and outpatient clinics at the Charity, which remains closed, and University hospitals of the Medical Centre of Louisiana at New Orleans. But patients could sometimes wait as long as 12 months for appointments.

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“Often people couldn’t get a day off work and they would lose their appointment, so of course they would go to the emergency room”, said Karen DeSalvo, a professor at the Tulane School of Medicine and the chair of 504 HealthNet, a group made up of community health service providers that is named after the New Orleans area telephone code. Building on an influx of volunteerism and philanthropy after Katrina, the community health providers strove to incorporate best practices, including the formation of medical homes and electronic records. “The clinics have been thinking about how best to relate to their community”, said DeSalvo. “There’s no point just prescribing insulin to a diabetic if that patient’s landlord hasn’t fixed the electricity because the insulin has to be kept cold. Or, instead of just telling a patient to eat more vegetables, they give them a list of farmers’ markets in their neighbourhood that also take food stamps.”

A Commonwealth Fund survey of patients at 27 clinics last year found their “responses to the change are encouraging thus far, and suggest that the new paradigm can effectively meet the primary care needs of New Orleans’ most vulnerable patients.” It also said their findings could “inform federal, state and local policymakers’ deliberations” after the grant funding ended and for future health-care reform. DeSalvo was optimistic new funding would be found to maintain the network of clinics. “It’s been a joy working with people from all these organisations”, she said. “We’re competing, but it’s also true that we’re collaborating and that makes us all better.”

Maria Ludwick, who manages the federal funding at the LPHI, was also hopeful about the future of the clinics. She said the state had requested a waiver under Medicaid that would allow Medicaid to fund the clinics ahead of health reform implementation in 2014. “This would allow us to use Medicaid funds in a different manner than before, and the negotiation process has begun”, she said. “I am very hopeful. Applying for the waiver is a concrete step by the state, and it’s aligned with health-care reform. It would give the state a step-up before 2014.”

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