



Highlights of [GAO-06-1003](#), a report to congressional committees

Why GAO Did This Study

In the aftermath of Hurricane Katrina, questions remain concerning the availability of hospital inpatient care and emergency department services in the greater New Orleans area—which consists of Jefferson, Orleans, Plaquemines, and St. Bernard parishes. Because of broad-based congressional interest, GAO, under the Comptroller General's statutory authority to conduct evaluations, assessed efforts to restore the area's hospitals by the Department of Homeland Security's (DHS) Federal Emergency Management Agency (FEMA); the Department of Health and Human Services (HHS); and the Louisiana State University (LSU) public hospital system, which operated Charity and University hospitals in New Orleans. GAO examined (1) the availability of hospital inpatient care and the demand for emergency department services, (2) steps taken to reopen Charity and University hospitals, and (3) the activities that HHS has undertaken to help hospitals recover. To fulfill these objectives, GAO reviewed documents and interviewed federal officials and hospital, state, and local officials in the greater New Orleans area. GAO also obtained information on the number of inpatient beds for April 2006, which was the most recent data available when GAO did its work. GAO's work did not include other issues related to hospitals such as outpatient services or financial condition.

www.gao.gov/cgi-bin/getrpt?GAO-06-1003.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Cynthia Bascetta at (202) 512-7101 or bascettac@gao.gov or Terrell G. Dorn at (202) 512-6923 or dornt@gao.gov.

HURRICANE KATRINA

Status of Hospital Inpatient and Emergency Departments in the Greater New Orleans Area

What GAO Found

While New Orleans continues to face a range of health care challenges, hospital officials in the greater New Orleans area reported in April 2006 that a sufficient number of staffed inpatient beds existed for all services except for psychiatric care—some psychiatric patients had to be transferred out of the area because of a lack of beds. Overall, GAO determined that the area had about 3.2 staffed beds per 1,000 population, compared with a national average of 2.8 staffed beds per 1,000 population. Hospital officials told GAO they planned to open an additional 674 staffed beds by the end of 2006, although they reported that recruiting, hiring, and retaining nurses and support staff was a great challenge. With these additional beds, the population would have to increase from 588,000 in April 2006 to 913,000 by December 2006 before staffed beds would drop to the national average. Hospitals also reported a high demand for emergency services, consistent with a June 2006 Institute of Medicine report, which found that emergency department crowding is a nationwide problem.

Steps have been taken to reopen University Hospital, but as of July 2006, LSU had no plans to reopen Charity Hospital. LSU plans to open portions of University Hospital in fall 2006 and would like to replace both hospitals with a new one. LSU and FEMA have prepared cost estimates to repair these hospitals. For Charity Hospital, FEMA's estimate of \$27 million is much lower than LSU's estimate of \$258 million, which covers, for example, repairing hurricane damage and correcting many prestorm deficiencies. In contrast, FEMA's estimate covers repairs for hurricane damage only—the only repair costs eligible for federal reimbursement.

HHS provided financial assistance and waived certain program requirements to help hospitals recover in the area. For example, HHS included \$221 million in hurricane relief funds designated for Louisiana through Social Services Block Grants, which may be used in part to reconstruct health care facilities. HHS also waived certain Medicare billing and other requirements and accelerated Medicare payments to providers, including hospitals, in the hurricane-affected states.

Rebuilding the health care infrastructure of the greater New Orleans area will depend on many factors, including the health care needs of the population that returns to the city and the state's vision for its future health care system. In light of the current sufficiency of hospital beds for most inpatient services, GAO believes a major challenge facing the greater New Orleans area is attracting and retaining enough nurses and support staff.

HHS and the Department of Veterans Affairs (VA) agreed with the draft report. DHS said it had no formal comments on the draft. HHS, VA, DHS, and Louisiana's Department of Health and Hospitals provided technical comments, which GAO incorporated where appropriate. LSU did not provide comments.