



School of Medicine
School of Dentistry
School of Nursing
School of Allied Health Professions
School of Graduate Studies

The Honorable Shaun Donovan
Secretary
U.S. Department of Housing and Urban Development
451 7th Street S.W.
Washington, DC 20410

April 15th, 2011

RE: HUD/Taxpayer Guarantee of Charity Hospital Loan

Dear Secretary Donovan:

On behalf of the Louisiana State University Health Sciences Center Faculty Senate, we write to express our support for the State of Louisiana's application (through the University Medical Center Board) for HUD 242 Program funding of the proposed new University Medical Center (UMC) in New Orleans.

In a recent letter of opposition, Senator Vitter of Louisiana contends that the scope of the proposed hospital is too large based on his belief that the current Interim LSU Public Hospital with 206 inpatient beds "is far from fully occupied." This in itself is a factual error. Our facility is operating at near full functional capacity as allowed by logistical limitations of the existing facility. Many of us are practicing healthcare providers within the interim hospital, and we can assure you that adequate bed space is lacking.

The proposed hospital plan, which recommends 424 beds, is sized to meet projected patient volumes and reasonable growth that accommodates the clinical needs as well as the medical education needs of the state. This has been validated by multiple studies commissioned to address this very issue. We are building a facility not only to serve current needs, but to build a foundation for the future of healthcare in our state.

Additionally, Senator Vitter notes that his "first choice since the beginning of the rebuilding discussions has been to gut the existing Charity Hospital shell" and build a new hospital within it. Multiple studies on the potential rehabilitation of the existing Charity Hospital building reveal a number of serious drawbacks. In the report to the Louisiana Department of Health and Hospitals submitted in April 2010, the recommendation from Verite Healthcare Consulting, LLC is to "abandon the concept of re-use of Charity for LSU Hospital replacement." Old Charity was


designed to serve the healthcare needs of a pre-WWII community, not to serve as a state-of-the-art, twenty-first century facility.


The proposed business plan permits the UMC to attract the right patient mix based on the historic activity of its expert faculty combined with twenty-first century facilities. In a model consistent with successful academic health centers seen across the country, the UMC would be a point of destination for those with options for their care while remaining available to anyone in need, regardless of financial circumstances. Significantly limiting bed size of the new medical center or returning to a pre-WWII facility - regardless of gutting and repair - would seriously hinder the UMC's potential to provide first rate healthcare and healthcare education in a financially responsible manner.

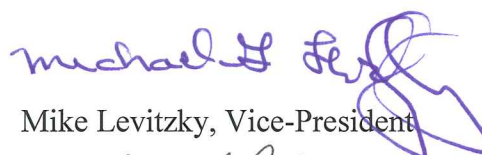
The six-year mark since the most devastating natural disaster in United States history is rapidly approaching. Beyond a groundbreaking, the start of construction on the new UMC is long overdue. In addition to the short and long-term economic impact to the region, the creation of a state-of-the-art academic medical center will help ensure the continuation of our University's strong tradition of service to the community and provide a modern facility that drives the continued attraction, training, and retention of health care providers so desperately needed in our proud state. No other hospital in South Louisiana shares this combination of ability and responsibility to meet these critical public missions.

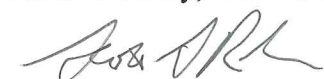
Thank you,


Neal Simonsen, President


Costa Dimitriadis, Secretary


Dennis Paul, LSU System Representative


Mike Levitzky, Vice-President


Scott Rubin, Past-President

And the entire LSU Health Sciences Center-New Orleans Faculty Senate

CC: Senator Mary Landrieu, United States Senate
Senator David Vitter, United States Senate
The Honorable Bobby Jindal, Governor of the State of Louisiana
The Honorable Joel Chaisson, President of the Louisiana Senate
The Honorable Jim Tucker, Speaker of Louisiana House of Representatives
Mr. Bobby Yarborough, Chairman, University Medical Center Board