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Development & Expansion of the Medical Industry

LA Healthcare Population Data

- LA averages 3.4 hospital beds per 1,000 population
 - National average 2.6
- 127 total hospitals in LA (2.6% of US total)
- Total LA Physicians: 12,135
 - Primary Care: 5,553
 - Specialists: 6,582
- National average physicians per 10,000 people: 24.2
- LA average: 27
- New Orleans Metro Area Hospitals (7 parishes)
 - 22 hospitals
 - 4,311 staffed beds

Source: Kaiser Family Foundation



Hospitals & the Louisiana Economy

- Contribute to economic stability and viability of the community
 - Capital improvements and ongoing hospital expenditures have a ripple effect on the economy
 - Annual direct hospital expenditures in Louisiana are estimated to be \$14.1 billion
 - Roughly \$3.6 billion in New Orleans metro area
- The healthcare sector is the largest employer in the state (measured by payroll expenditures)
- Within healthcare sector, hospitals have the largest economic impact
- New Orleans accounts for 25.8% of the state population
- 24.7% of New Orleans population are healthcare employees



Major Healthcare Assets / Facilities

Replenishment of old assets (post Katrina)

- St. Bernard Parish Hospital (opened in 2012)
- New Orleans East Hospital (opened July 2014)
- University Medical Center (May 2015)
- VA Hospital (Summer 2016)

UMC and VA projects not only fill healthcare gap, but will bring thousands of high-paying jobs to the city.



New Orleans East Hospital: Opened July 2014

- Return of high quality healthcare services will serve as a strong building block in the recovery of New Orleans East
- \$130 million facility
- Renovation of old Memorial Hospital plus addition of new 71,00 sq-ft Patient Care Pavilion
- 150+ new jobs
- 80 bed hospital provides access to healthcare services in underserved area
- LCMC Health selected as operator



University Medical Center: Opening May 2015

- ILH currently serves needs for those who would have formerly been seen at Charity
- UMC will serve the clinical needs of people with complex problems and chronic diseases
- Continues public health role of providing critical services such as Level One trauma and disaster emergency response
- \$1.2 billion medical center will have 445 beds and eventually employ 3,000 people
- 2,315,726 sq-feet
- Academic/teaching hospital
- Economic driver for well-paying jobs
- UMC will be operated by LCMC Health, which currently operates ILH



The VA Hospital: Opening Summer 2016

- When completed, the new hospital will serve more than 70,000 veterans from 23 parishes in Southeast Louisiana
- 1.6 million-square-foot facility
- 120 medical/surgical beds, 20 acute psychiatric care beds and 60 transitional beds (40 for rehabilitation and 20 for hospice)
- Two 1,000-car parking garages



Resource Needs

- Employees
- Physicians
- Potential for future clinic space
- Housing / rental needs
- Hotel proximity to facilities
- Other



Significant Healthcare Trends

- **Aging population**
 - Adults over age 65 will climb from 13 to 19 percent of total population by 2030
- **Healthcare costs continue to rise**
 - Projected to reach nearly \$4.8 trillion by 2021 (nearly 20% of U.S. GDP)
- **Industry in transition**
 - Fee-for-service medicine replaced with consumer-centered, value –based accountable care
- **Affordable Care Act will increase number of insured citizens**
 - Employer mandated insurance and Medicaid expansion
 - 95% of non-elderly, legal US residents insurance by 2021



Questions

