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## Report Highlights

# Louisiana State University Health Sciences Center - Health Care Services Division

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## Why We Conducted This Audit

We conducted procedures at the Louisiana State University Health Sciences Center – Health Care Services Division (HCSD) as a part of our audit of the Louisiana State University System and the State of Louisiana’s financial statements for the year ended June 30, 2012.

## What We Found

Medical Center of Louisiana at New Orleans’ (MCLNO) management identified approximately \$9,000 in unauthorized purchases made by an employee on a LaCarte procurement card at a home improvement store between April 2010 and May 2012.

MCLNO did not have adequate documentation to support the eligibility determinations for all 43 HIV Care Formula Grant Program clients that we tested, which resulted in costs totaling \$67,000 that may have to be returned to the federal grantor.

The HCSD is a part of the Louisiana State University System and consists of an administrative office (HCSDA) and seven charity hospitals: Medical Center of Louisiana at New Orleans (MCLNO) in New Orleans, Earl K. Long Medical Center (EKLMC) in Baton Rouge, University Medical Center (UMCLA) in Lafayette, Leonard J. Chabert Medical Center (LJCMC) in Houma, Lallie Kemp Regional Medical Center (LAKMC) in Independence, Washington-St. Tammany Medical Center (WSTMC) in Bogalusa, and Dr. Walter O. Moss Regional Medical Center (WOMMC) in Lake Charles.

LSU System is currently in negotiations with private hospitals to enter into public-private partnerships for EKLMC, LJCMC, MCLNO, UMCLA, WSTMC, and WOMMC.

HCSDA and the seven hospitals suffered budget cuts of over \$100 million during the past three fiscal years. Cuts totaled \$39.1 million for FY 2010, \$28.6 million for FY 2011, and \$32.6 million for FY 2012.

During FY 2012, HCSD cut the following services: Closure of Obstetrics at EKLMC, MCLNO, and UMCLA; Closure of Pediatrics at EKLMC, LAKMC, UMCLA, and WOMMC; Closure of Surgery at LAKMC; Closure of General Dentistry and Hyperbarics at MCLNO; and Reduction of hours of Urgent Care Clinic at MCLNO.

Budget cuts that occurred during FY 2010, FY 2011, and FY 2012 forced HCSD to eliminate 1,790 positions. For FY 2013, the six hospitals expected to be privatized had a total of 5,748 positions.

View the full report at [www.lla.la.gov](http://www.lla.la.gov).