



— **LAREDO** —  
**Public Health**

# Challenges and Needs in Developing a Pediatric Hospital in Laredo

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# Background and Current Situation

- 75% of Texas children live more than **60 minutes** from a pediatric hospital.
- Laredo is significantly underserved, and families often travel to San Antonio, Corpus Christi, Rio Grande Valley or beyond for care.
- Critical in emergency situations, these delays can result in poorer health outcomes for children.
- Pediatricians 4,096:1 at 20 (Ideal 55 need to obtain ratio of 1,500:1 , or an additional 35 pediatricians.)
- Primary Care Physicians 3,290:1



# Pediatric Space Utilization in our Local Hospitals



The CEO of Laredo Medical Center highlighted a significant underutilization of resources, noting that out of the 29 pediatric beds available, only two are typically in use on a busy day.



The CEO of Doctors Hospital noted that they consistently have an average of 2.4 pediatric patients, reflecting the ongoing but modest demand for pediatric care at their facility.



Between both hospital systems, even on a busy day, only four pediatric beds are typically occupied, highlighting the overall low demand for pediatric inpatient care in the area.



On November 25, 2024, the Health and Wellness Subcommittee decided not to support using bond funds for the construction of a pediatric hospital.





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# Health Is Wealth: Securing Laredo's Future Through Public Health

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# Change Your Perspective: What Public Health Really Means for Laredo

Our Public Health Department goes beyond birth certificates, immunizations, and WIC—it's the foundation of a healthier Laredo. Since 2019, we've focused on not only treating but preventing chronic diseases, improving well-being, and addressing growing health challenges through grants and city resources. A healthy population means stronger families, a productive workforce, and a thriving economy. Investing in our growth ensures healthier lives, stronger communities, and a brighter future for all of Laredo.



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# Public Health Challenges

Laredo faces a range of pressing public health challenges, which underscore the urgent need for robust infrastructure investment, particularly in public health facilities, specialized equipment, and expanded physical spaces for healthcare delivery.

These investments, grounded in the principles of lifestyle medicine, can shift Laredo's health system from a reactive, treatment-based model to one that emphasizes proactive prevention and management of chronic conditions at their root.

01

## Chronic Disease Burden

Diabetes, Hypertension, Obesity, Alzheimer's Disease and Dementia

02

## Mental Health Care and Behavioral Health Needs

Access to mental health care is severely restricted

03

## Substance Use and Addiction Treatment Gaps

The absence of brick-and-mortar spaces for addiction recovery prevents residents from accessing necessary, long-term treatment and rehabilitation services.

04

## Health Professional Shortage and Medically Underserved Area (MUA) Designation

Recruitment and Retention Issues (Family and Specialty Medicine)

05

## High Uninsured and Underinsured Population

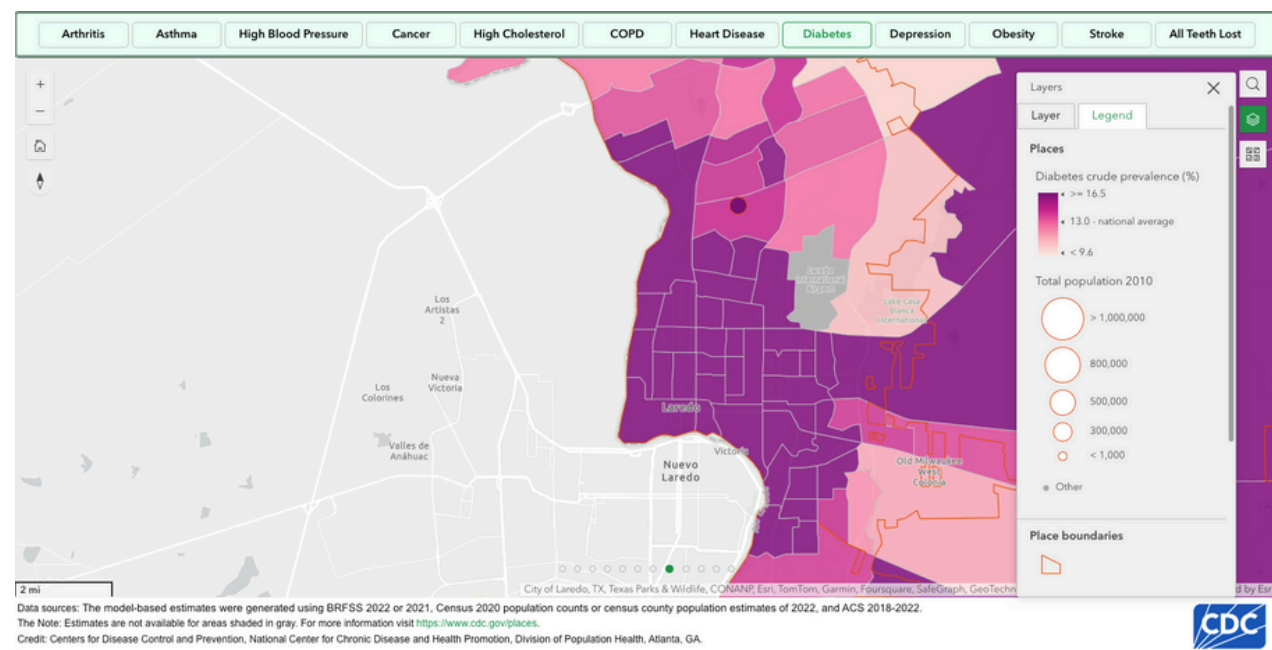
The uninsured rate in Laredo (30%) is significantly higher than the Texas average,

06

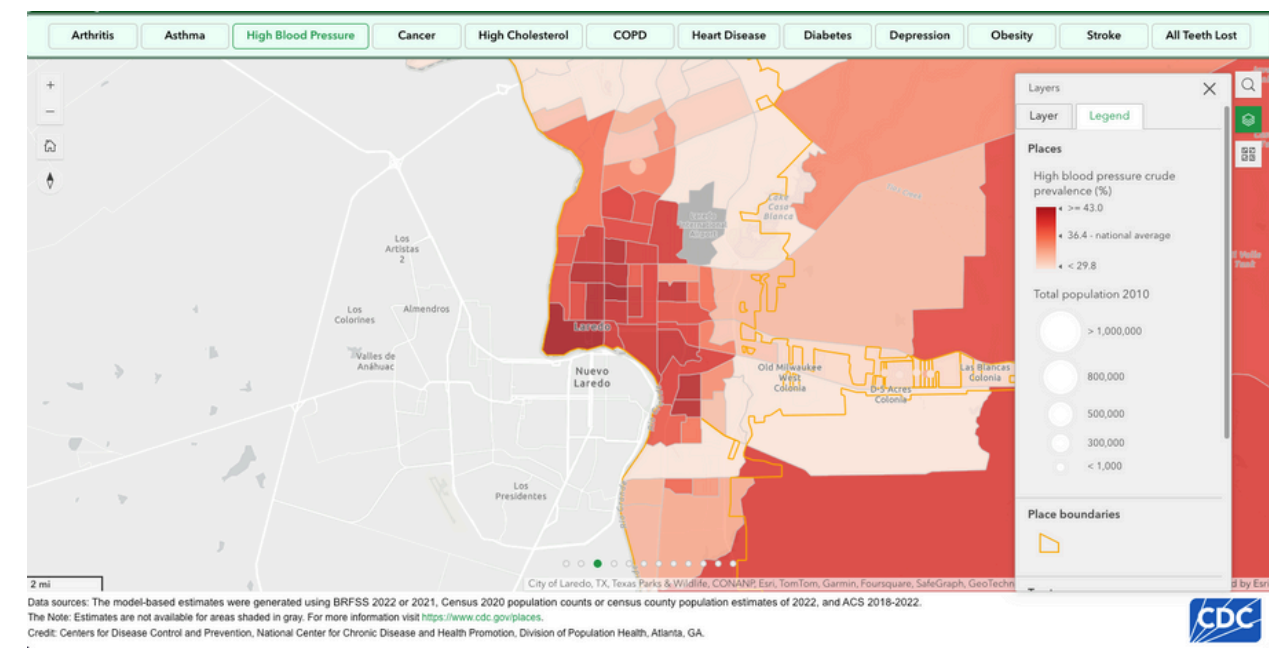
## Social Determinants of Health (SDOH) and Access Barriers

Poverty and Food Insecurity & Housing and Transportation Limitations

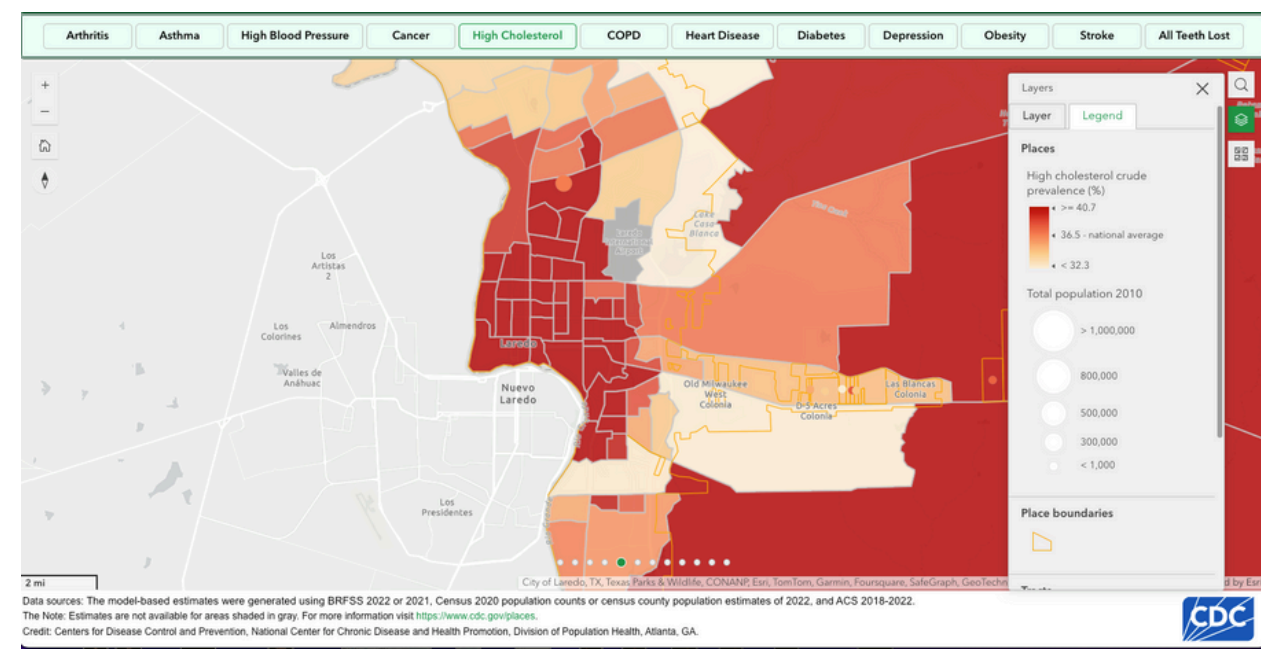
# Laredo's Public Health Challenges



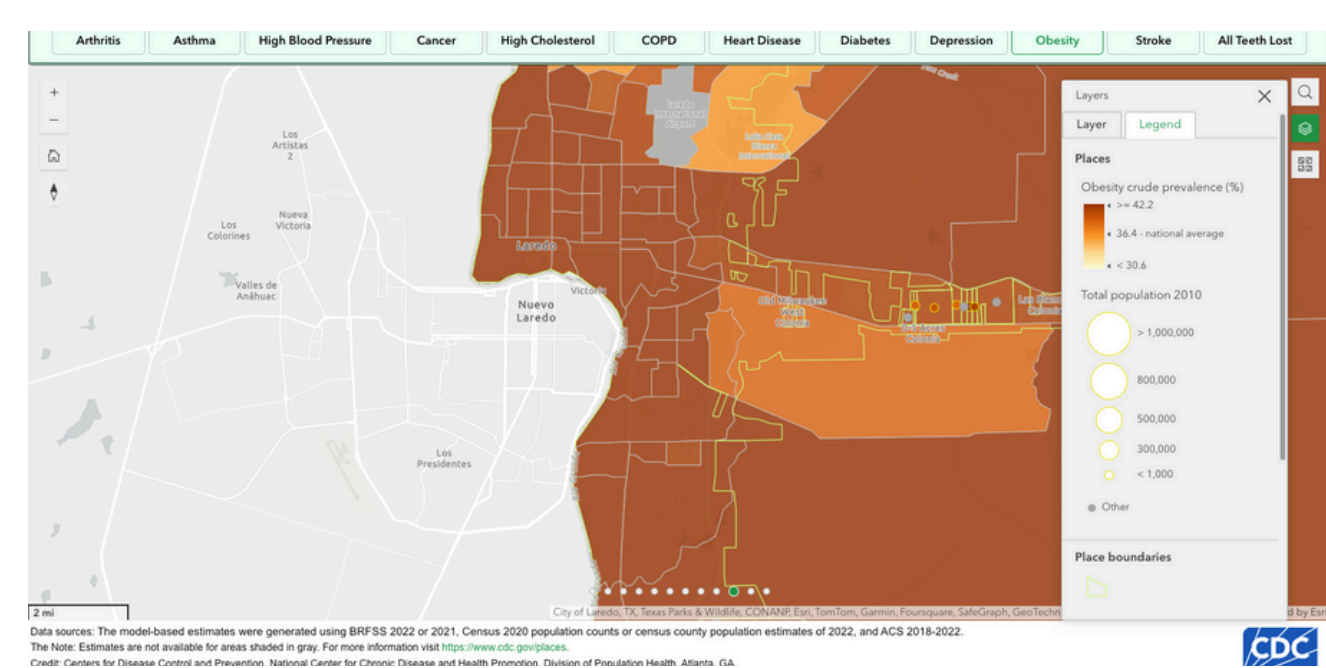
**Diabetes: Tract 48479001900, the estimated prevalence of diabetes among adults aged 18 years and older (%) was 28.1 with 95% CI (25.3, 31.1) in 2022. On average most of Laredo is over double the national diabetes prevalence rate.**



**High Blood Pressure: Tract 48479001900, In this area, the estimated prevalence of high blood pressure among adults aged 18 years and older (%) was 46.9 with 95% CI (42.5, 51.7) in 2021. Census tracts prevalence rate of greater than 40%. 36.4% - national average.**



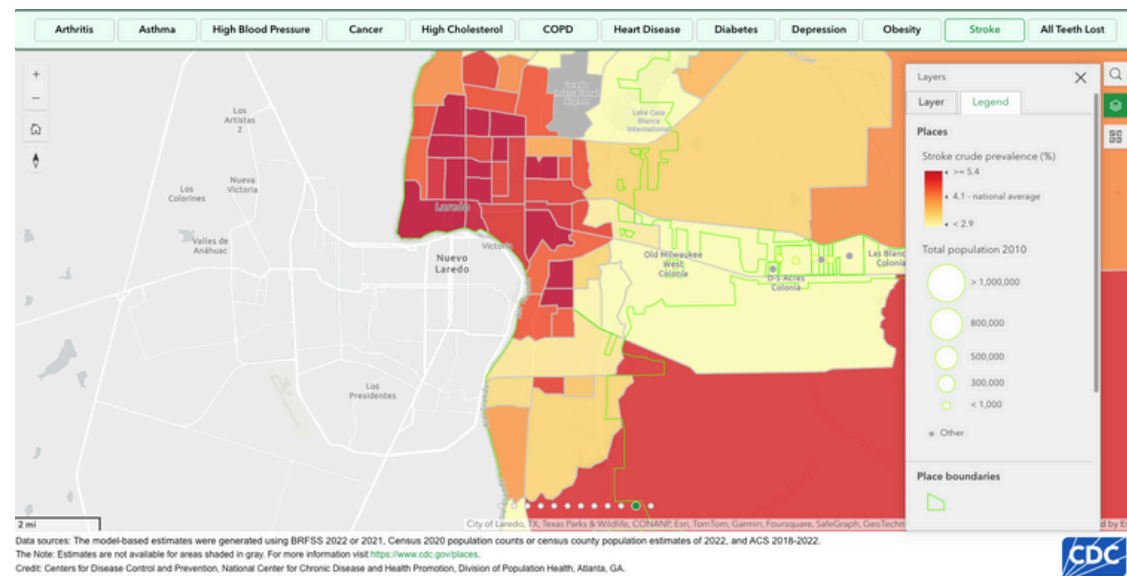
**High Cholesterol : Tract 48479001900, In this area, the estimated prevalence of high cholesterol among adults aged 18 years and older who have been screened in the past 5 years (%) was 47.1 with 95% CI (42.2, 52.0) in 2021.**



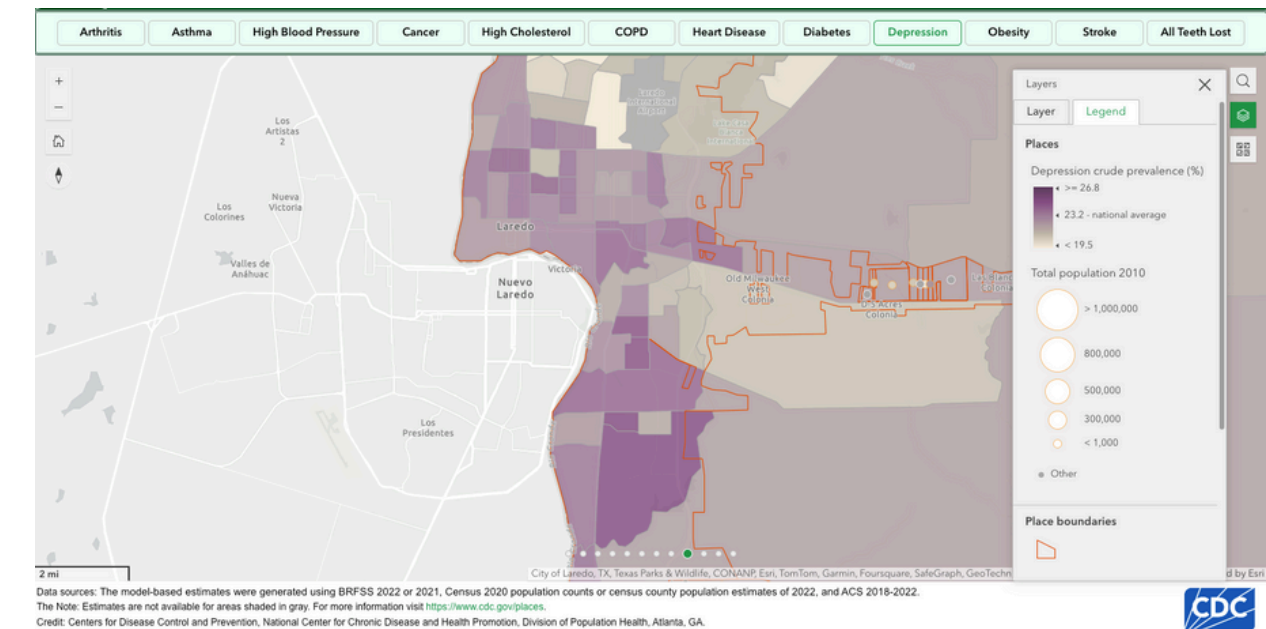
**Obesity: Tract 48479000101, In this area, the prevalence of obesity among adults aged 18 years and older (%) was 48.2 with 95% CI (40.3, 56.1) in 2022.**



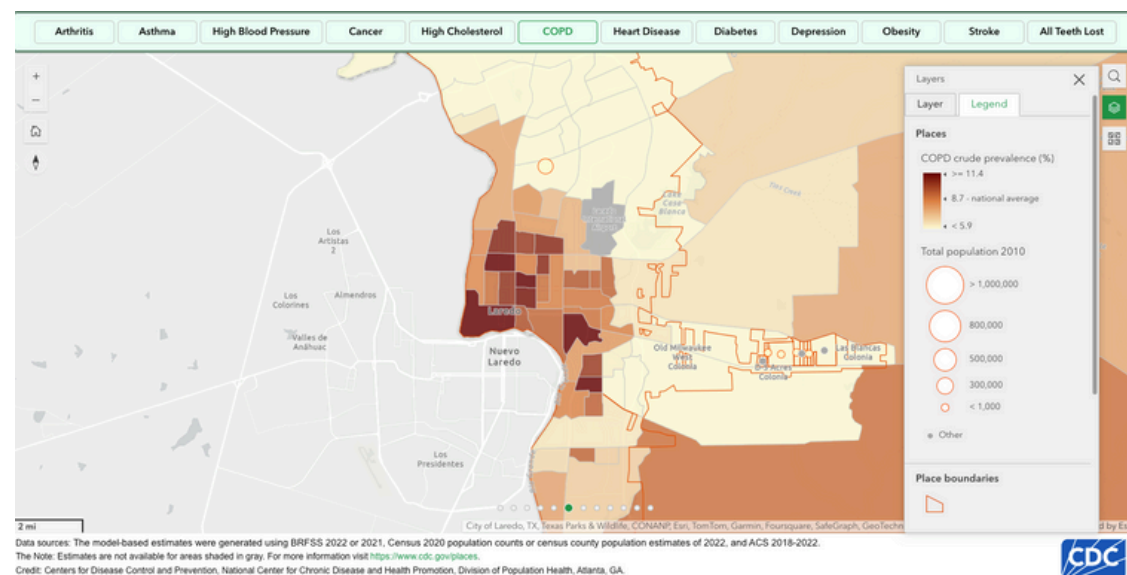
# Laredo's Public Health Challenges



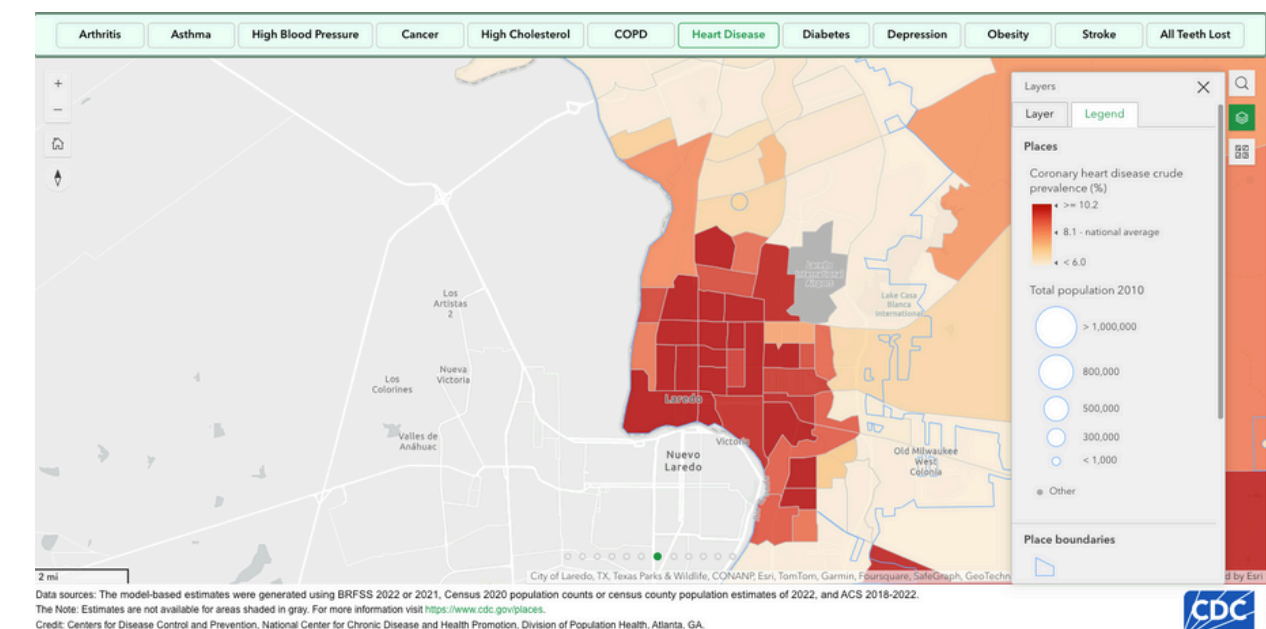
**Stroke:** In this area, the estimated prevalence of stroke among adults aged 18 years and older (%) was 7.4 with 95% CI ( 6.7, 8.1) in 2022. Census tracts host a prevalence rate of greater than 4.2%. 4.1 - national average



**Depression:** Tract 48479001809, In this area, the estimated prevalence of depression among adults aged 18 years and older (%) was 24.5 with 95% CI (20.8, 28.3) in 2022. 23.2% - national average



**COPD:** Tract 48479001900, In this area, the estimated prevalence of COPD among adults aged 18 years and older (%) was 11.6 with 95% CI (10.5, 12.7) in 2022. Census tracts host a prevalence rate of greater than 10%. 8.7% - national average.



**Heart Disease:** Tract 48479001900, In this area, the estimated prevalence of coronary heart disease among adults aged 18 years and older (%) was 13.6 with 95% CI (12.5, 14.9) in 2022. Census tracts host a prevalence rate of greater than 9%. 8.1% - national average



# The Cost of Inaction



## Direct Costs

Immediate medical expenses, including hospital visits, medications, and equipment.



## Indirect Costs

Broader economic losses like absenteeism, reduced productivity, and caregiving burdens.

The combined economic burden of diabetes, hypertension, and obesity in Laredo is conservatively estimated at **\$854 million** to **\$1.2 billion** annually. This includes:

- **Direct Costs: \$861.5** million (medical services, medication, etc.)
- **Indirect Costs: \$506.3** million (lost productivity, premature mortality).

These chronic conditions perpetuate poverty cycles, affecting workers, businesses, and families.

- Direct Costs = Immediate healthcare expenses on individuals.
- Indirect Costs = Long-term economic losses for society.



# Background and Need

- The Laredo Public Health Department is requesting \$70 million in bond funding to expand and modernize its infrastructure, opened in 1970 and currently insufficient to meet Laredo's health needs.
- This investment will enable us to expand to 120,000 square feet (currently 79,938 sq ft.; 15,000 sq ft. clinical/ research building and a third floor), allowing better accessibility and program growth.
- A Structural Assessment of the Laredo Public Health Department is funded for FY 2025 and has commenced
- Since January 2024, Laredo Public Health submitted 18 funding applications totaling \$48 million, securing seven awards and two pending, totaling over \$10 million.



# Key Needs Addressed



## Return on Investment

A modest reduction of 1–2% in just diabetes cases could eliminate 412–824 cases annually, saving the community between \$7.14 million and \$14.29 million per year in healthcare and productivity costs. This proactive investment would allow the \$70 million bond to pay for itself within 4.9 to 9.8 years, demonstrating both economic and public health benefits.



## Proactive Solutions for Long-Term Gains

Investing in 40,000 sq. ft. expansion will increase space for staff, research, services, and programs, enhancing Laredo Public Health’s capacity to address critical challenges like diabetes, hypertension, and obesity. This growth supports hiring 75 to 150 additional staff, expanding all programs and services, and advancing preventive efforts like lifestyle medicine and youth educational campaigns to address evolving health needs.



## Building a Healthier Future

Investing in a stronger public health infrastructure ensures program growth, code compliance, and efficient service delivery. This proactive approach reduces chronic disease burdens, supports a healthier workforce, and strengthens the economy, securing a healthier future for Laredo.



# PROJECT TIMELINE

**FY 26**  
**Design & Survey**  
**Community**

Clinical/Research Center  
 15,000 sqft @ \$750/sqft (Today's Market)  
 \$11,250,000.00  
 15,000 sqft @ \$882/sqft (2027/28 Market)  
 \$13,230,000.00  
Project Contingency  
 \$1,200,000

**FY 28**  
**Construction &**  
**Remodel**

Today's Market Cost  
 \$61,125,000.00  
2027 to 2028 Inflation Cost  
 \$68,913,000.00

Clinical /Research Center  
 15,000 sqft \* 15% of sqft  
 \$3,187,500.00  
 3rd Floor and Remodel  
 25,000 sqft \* 15% of sqft  
 \$4,875,000.00

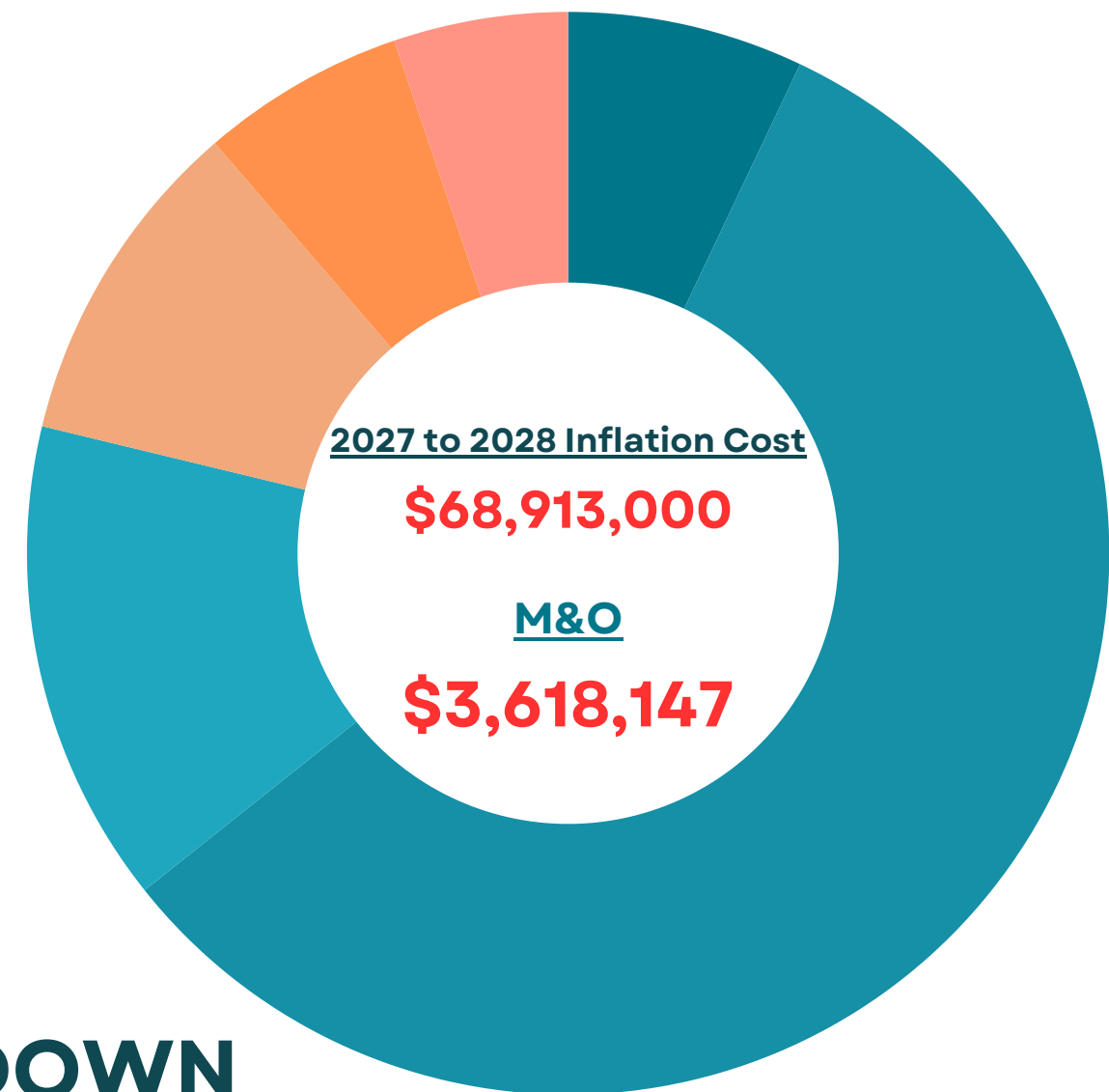
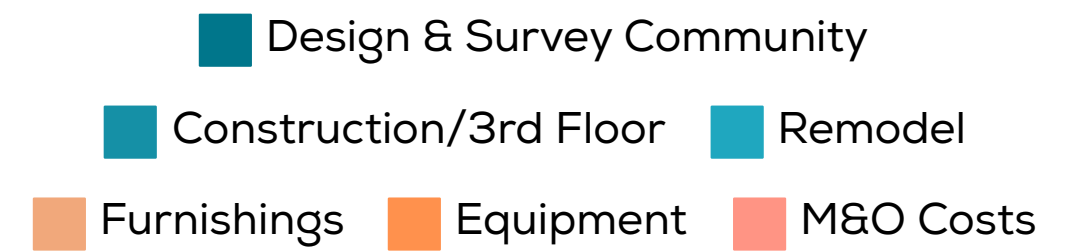
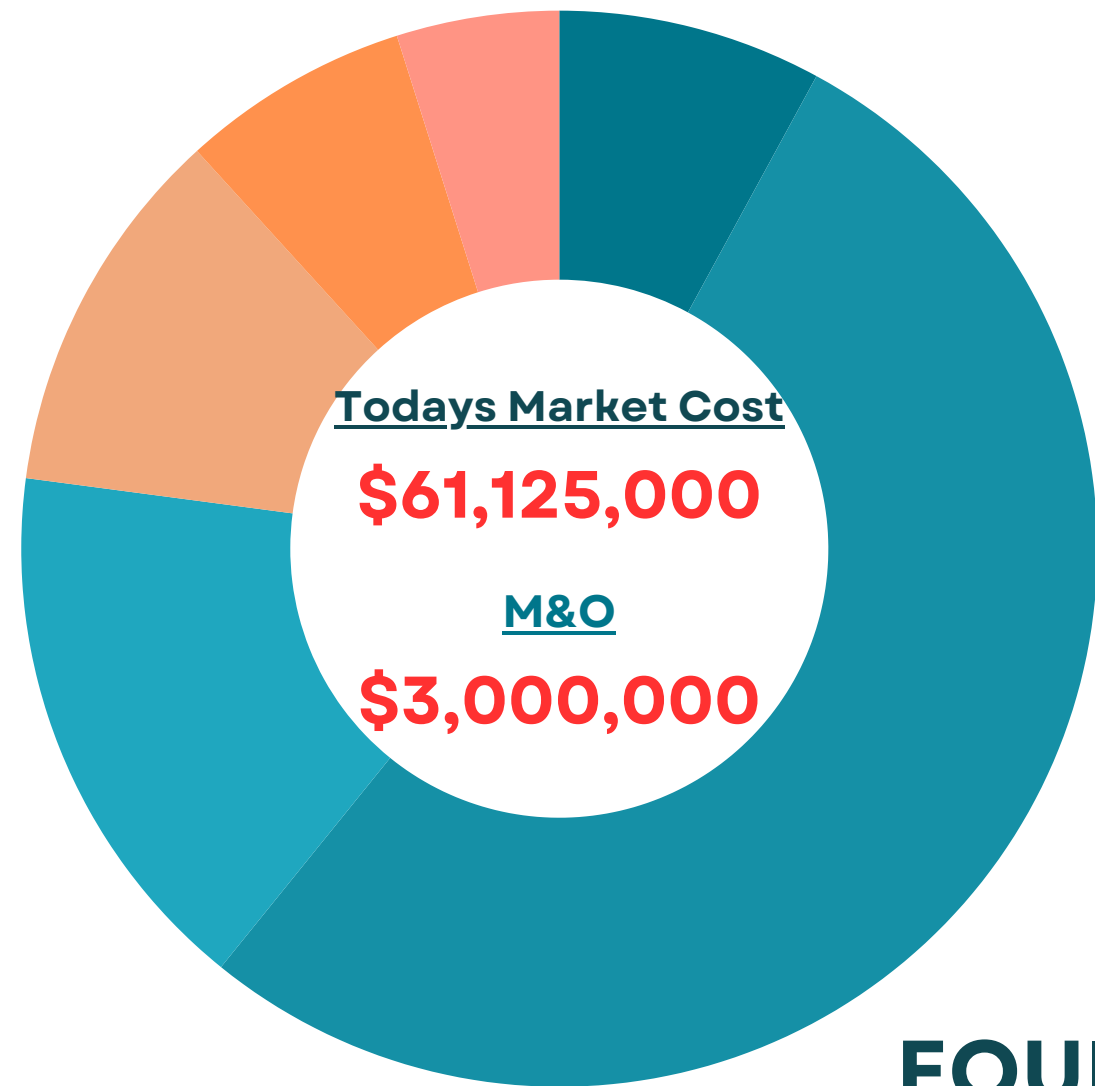
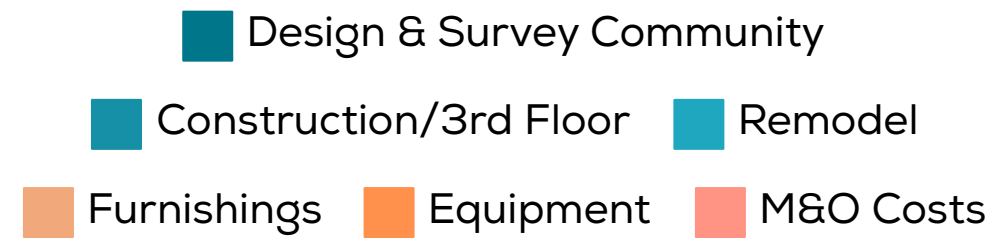
**FY 27**  
**Construction**

Remodel Floor 1 and 2  
 25,000 sqft @ \$400/sqft  
 \$10,000,000.00  
Construction 3rd Floor  
 25,000 sqft @\$850/sqft (Today's Market)  
 \$21,250,000.00  
 25,000 sqft @\$1,054/sqft (2027/28 Market)  
 \$26,350,000.00  
Project Contingency  
 \$2,758,000

**FY 29**  
**Projected Costs**



# BUDGET BREAKDOWN



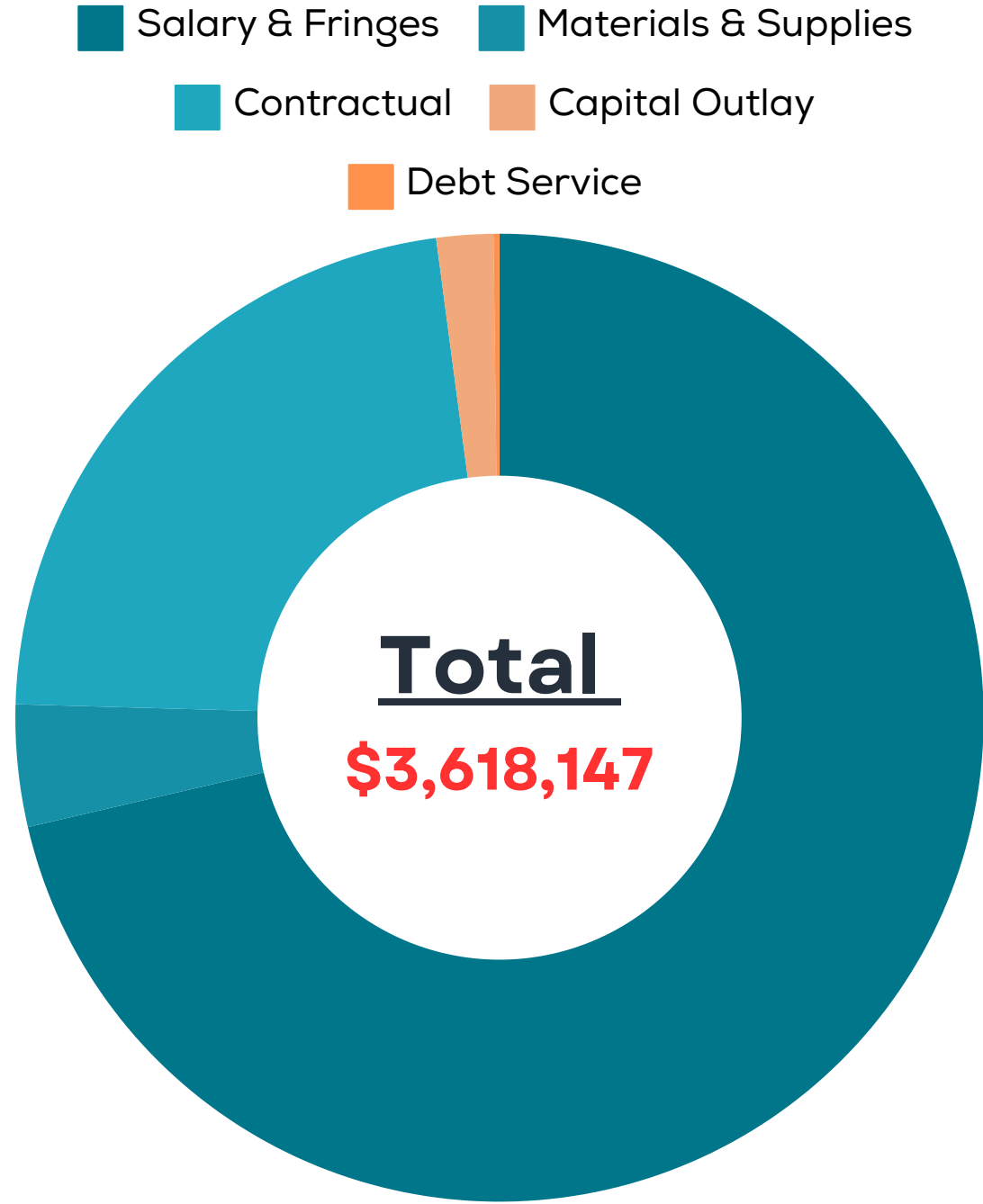
## EQUIPMENT BREAKDOWN

- Mammogram: \$500,000.00
- X-Ray: \$300,000.00
- Lab - Autoclave: \$111,000.00
- Lab - Infectious Disease Analysis Machine: \$100,000.00
- Generator - Clinic Expansion: \$200,000.00
- Generator - Main Campus Expansion: \$315,000.00
- M&O Costs - 3,200,000.00



# MAINTENANCE AND OPERATIONAL COSTS

Category Breakdown	FY 26	FY 27	FY 28	FY 29	FY 30
Salary & Fringes			\$634,248	\$1,739,187	\$2,660,747
Materials & Supplies			\$114,050	\$87,650	\$136,150
Contractual			\$402,978	\$565,276	\$751,258
Capital Outlay			\$87,602	-	\$63,350
Debt Service			\$3,321	\$3,321	\$6,642
<b>TOTAL</b>			<b>\$1,242,199</b>	<b>\$2,395,434</b>	<b>\$3,618,147</b>





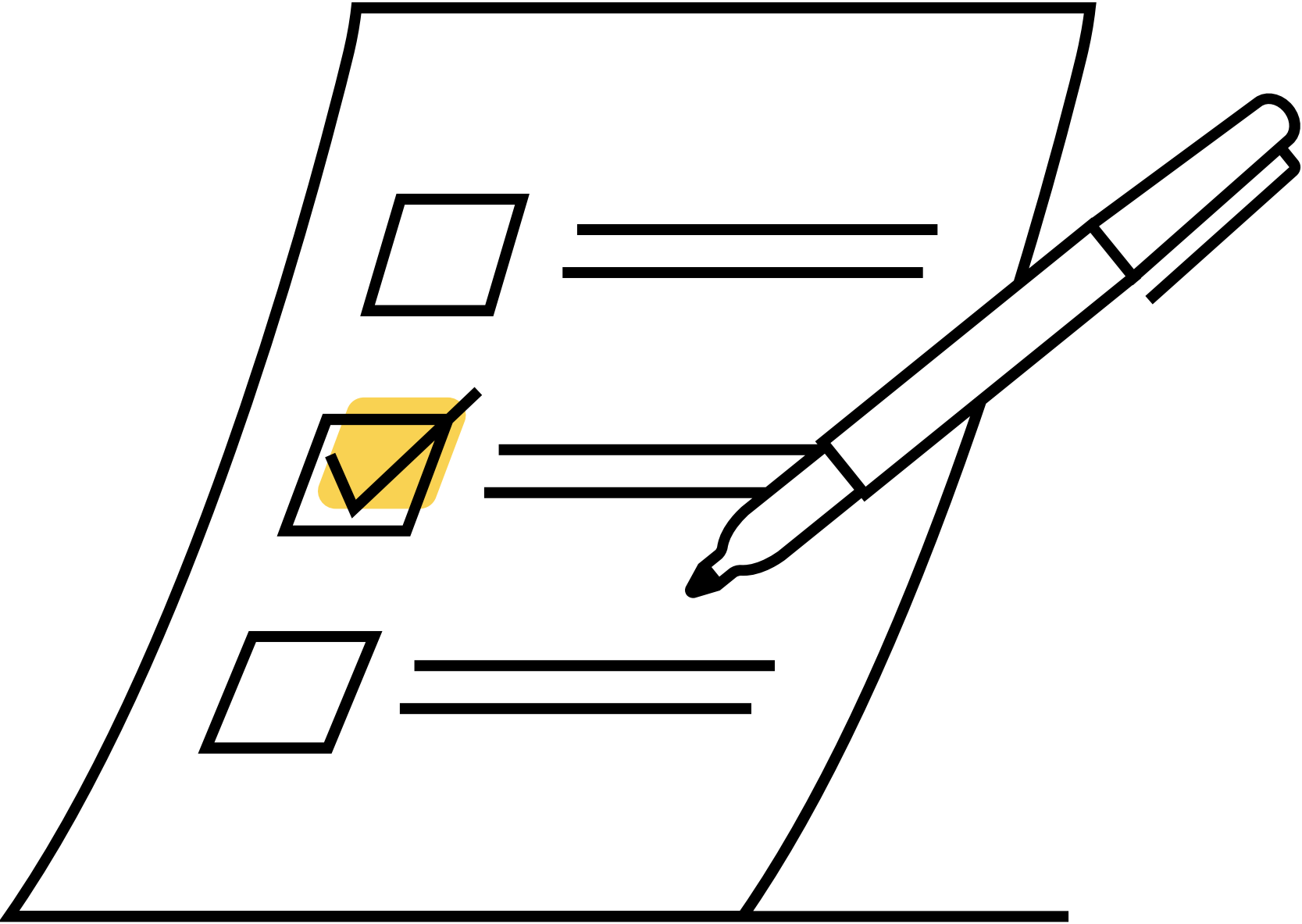
Fernando A Salinas

Google

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# Subcommittee: Decision on Bond Allocation

On December 9, 2024 the subcommittee motioned and approved to allocate \$70 million from the proposed bond referendum funds to strengthen public health initiatives by expanding the infrastructure of the Laredo Public Health Department.





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# Thank You

For Your Attention



Visit Our Website  
[www.laredopublichealth.com](http://www.laredopublichealth.com)

