The Profit Motive and Patient Care: The Changing Accountability of Doctors and Hospitals

Bradford H. Gray

Bradford Gray wrote this book to call attention to the serious need for and understanding of accountability in the healthcare industry. The author, now the director of the Program on Non-Profit Organizations in the Institution for Social and Policy Studies at Yale University, gained much of his knowledge and experience regarding the effect of competition on healthcare in the 1980s, when he was director of the Institute of Medicine’s studies on for-profit healthcare and on utilization management by third parties. In his words, “Accountability is, to coin an oxymoron, a dull buzzword—something that everyone believes in but that few can get excited about.”

Gray provides a fairly detailed and accurate history of the transformation of healthcare from an industry committed to serving the individual patient and the community to one that responds primarily to the competitive market. In this evolution, he maintains, professionalism, trust, altruism, and local control are giving way to bottom-line management, investment strategies, and third-party control through utilization management. These changes have significantly eroded the fiduciary ethic (responsibility to protect patients’ interests and needs) of providers, especially physicians, leading not-for-profit institutions to behave more like their for-profit counterparts. Furthermore, Gray contends, for-profit businesses are less committed to their communities than the traditional not-for-profits and have a greater tendency to exploit patients and payment systems.

Gray believes that third-party payers’ increased reliance on utilization management organizations for cost control will force providers to focus even more on the bottom line and less on the patient. He points out that utilization management criteria, determinations, and outcomes are internal activities with little or no external oversight. The patient has limited control or input into the criteria these organizations use, Gray adds, and utilization management determinations saddle providers with significant administrative burdens.

Health Care Sales: New Strategies for Improving Quality, Client Relations, and Revenue

The authors explain how to plan and build a healthcare sales function that increases revenue and helps monitor quality and improve client relations. The book includes guidelines on creating new sales programs or revamping existing ones and details the organizational support, financial resources, systems, and special personnel needed for successful healthcare sales. Each chapter offers resources and tools for planning, such as surveys on physician service needs, job descriptions for salespeople, sales report checklists, and sample forms for tracking progress. The book is written for persons responsible for generating revenues in healthcare organizations.

Marketing Your Clinical Practice: Ethically, Effectively, Economically
Neil Baum, Aspen, Gaithersburg, MD, 1992, 320 pp., $59

To be successful in the 1990s, healthcare services must be actively and continually marketed. The author explains how to establish a clinical practice marketing plan by providing effective, budget-minded strategies and techniques. The book includes examples of many types of marketing tools, such as form letters, press releases, advertisements, and brochures. Issues addressed include motivating staff, obtaining and maintaining physician referrals, and keeping patients.

Dementia Units in Long-Term Care

Long-term care providers face many challenges when caring for people with dementia. Philip D. Sloane and Laura J. Mathew surveyed providers who care for people with dementia and studied 31 dementia units in 5 states. Sloane and Mathew present the results of the study, and experts in the field of dementia care provide guidelines for providers who are establishing dementia units. The book covers the following general topics: overall issues in resident care, resident characteristics, organization and staffing, the physical environment, and activities as therapy.

The Changing Context of Social-Health Care: Its Implications for Providers and Consumers
Helen Rehr and Gary Rosenberg, editors, Haworth Press, Binghamton, NY, 1991, 143 pp., $22.95 (hardcover), $14 (paperback)

Book Reviews

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To combat this trend, Gray argues, providers must maintain a predominance of traditional not-for-profit principles with a fiduciary ethic that commits them to protecting the patient’s interest and providing high-quality care regardless of economic incentives. He adds that providers must also withstand the temptation to dehumanize medicine and rely solely on cookbook recipes, remain committed to the traditional not-for-profit role of community service and care for the poor, and resist the trend to “game” the payment systems.

According to Gray, requiring not-for-profit providers to justify their tax-exempt status would be another important way to ensure that the healthcare system becomes more responsive to the needs of those it serves. He also recommends that utilization management organizations be made answerable to oversight boards, which would include beneficiaries and providers. In addition, he advocates that greater pressure be put on physicians to refrain from conflict-of-interest situations and that the public have access to meaningful data to allow them to compare providers’ quality of service and effectiveness of care.

The Profit Motive and Patient Care is well written, easy to follow, and well documented. It is essential reading for those involved in the development of healthcare policy and cost-containment measures and those who are uncertain as to the benefits and liabilities of for-profit versus not-for-profit healthcare endeavors. All physicians should read this book.

Ronald G. Blankenbaker, MD
Medical Consultant
Indianapolis

Health policy experts discuss the many changes in the provision of healthcare services resulting from the reallocation of government resources. Contributors such as Dennis O’Leary, Emily Friedman, and Bess Dana recommend reform in public policy and practice and in the education of healthcare professionals and consumers. The authors assess the current relationship between administrators and patients and propose changes that will enable providers to offer affordable, high-quality healthcare services.

BOOKS RECEIVED


Building Bridges: Gay and Lesbian Reality and the Catholic Church, Robert Nugent and Jeannine Gramick, Twenty-third Publications, Mystic, CT, 1992


GRASSROOTS ADVOCACY

Next month’s special section opens with an article by Sr. Mary Roch Rocklage, RSM, who compares the personal challenge of advocacy to prophecy. Ann Neale explores the meaning of advocacy in Catholic healthcare facilities and systems. Other articles detail a grassroots program on behalf of child health and safety at Cardinal Glennon Children’s Hospital, St. Louis; a collaborative defense of Wisconsin hospitals’ tax-exempt status; and the Catholic Health Corporation’s efforts to effect change in national healthcare policy.

HOPE IN HARD TIMES

In the first of two articles based on presentations at last year’s Catholic Health Assembly, Gregory Baum examines capitalism in light of Catholic social teaching and concludes that sources of hope can be found even in hard times. Next, Margaret O’Brien Steinfels explains how, by telling their story, Catholics can keep their values and goals alive in the modern world.

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