



Profitable Questions

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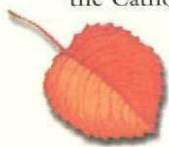
In the past few months healthcare analysts have begun to voice skepticism about the future of both for-profit and not-for-profit providers. Healthcare organizations are frantically forming alliances and making acquisitions in an effort to compete in a managed care environment. But with declining dollars available to pay for healthcare, will these actions achieve monetary benefits that are sustained over the long haul? Will for-profits stay around when their return to shareholders decreases? Will not-for-profits be able to survive if they continue to provide a safety net for the poor?

For-profits are entering the market on a larger scale than ever in the past, prompting many to wonder how their presence will affect the nation's traditionally not-for-profit healthcare system. Tax-paying providers are vocally asking why not-for-profits should remain tax-exempt. Not-for-profits ask, Do for-profit healthcare organizations have incentives to avoid serving poor and high-risk populations?

Several articles in this issue give us some ideas to consider as we attempt to answer these critical questions. On p. 10 health policy analyst Jane Hiebert-White explores the startling prediction of a venture capitalist that Catholic healthcare will not exist in 10 years.

Emily Friedman pulls no punches as she describes the shortcomings and hypocrisies of both healthcare sectors (p. 28). She examines three questions that she says rest at the heart of the debate about proprietary healthcare: Is the for-profit model inherently counterproductive to patient welfare? Is the problem making a profit, or is it profiteering? Do systems and HMOs pose special threats when they are proprietary?

Ethicists and theologians grapple with these questions every day. At a meeting convened by the Catholic Health Association, a group considered these issues and decided to begin work on tools to help the Catholic health ministry answer them. See p. 14 for a report of the meeting, which used recent writings by Notre Dame's Rev. Richard McCormick and Chicago's archbishop, Card. Joseph Bernardin, as the starting point for discussion. In particular the



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group focused on the question as Card. Bernardin has framed it: How can Catholic healthcare survive without losing its central mission—to be a sign of hope to people?

Card. Bernardin indicates that being a sign of hope entails imbuing people with an attitude that keeps them from the absolute despair of illness and loss. Catholic healthcare fulfills this mission in part by attending carefully to the needs of the people it serves.

This issue's special section, on pp. 38 to 46, highlights Catholic healthcare organizations' efforts to meet not only physical needs but also spiritual and emotional needs.

Such creative approaches demonstrate the caring commitment to people's needs that must be the overarching concern of all providers, whether for-profit or not-for-profit, as our healthcare system is shaped in the next decade.