

COSPONSORSHIP PRESERVES HEALTHCARE MINISTRY

Unification Cuts Region's Excess Capacity

BY DARRYL R.
LIPPMAN AND
MARKLAND G. LLOYD



Mr. Lippman is president and CEO, and Mr. Lloyd is regional associate vice president, marketing and communications, Mercy Health Partners, Toledo, OH. Mercy Health Partners is one of eight regional organizations within Catholic Healthcare Partners, headquartered in Cincinnati, OH.

In northwest Ohio, a cosponsorship arrangement between the Sisters of Charity of Montreal (Grey Nuns) and two congregations of the Sisters of Mercy of the Americas has created a health system that delivers cost-effective, high-quality care across a continuum of services. The system has fulfilled the expectations of its sponsors and preserved the Catholic health ministry in the region.

NEW APPROACHES

The 1995 National Convocation of Catholic Healthcare Leaders* challenged leaders to envision healthcare as a ministry of the Church, rather than of individual congregations, and to recognize geographic proximity, rather than sponsorship affiliation, as a basis for partnerships. The Grey Nuns and the Sisters of Mercy listened. Only a few months later, in 1996, they became cosponsors of the Mercy Health System (see **Box**), creating the largest regional healthcare system in northwest Ohio. The agreement brought together 5 acute care general hospitals, 70 outpatient centers, 150 system-employed primary care physicians, 1,400 physicians with staff privileges, and nearly 6,800 employees.

Solutions The lessons of the *New Covenant* process had helped solve two problems. St. Vincent Medical Center, in Toledo, OH, had been founded by the Grey Nuns in 1855 but was geographically separated from the other hospitals operated by the Grey Nuns' Covenant Health Systems in New England. Mercy Hospital of Toledo, opened by the Sisters of Mercy in 1917, had seen

its inpatient admissions sharply decline since the early 1990s.

Neither sponsor wanted the communities they served to lose Catholic healthcare, but neither could continue its mission individually. In 1996, they agreed on system cosponsorship.

THE UNIFICATION PLAN

The new regional system's board of trustees and executive team faced challenges: to provide strategic leadership for the new system and focus on resources to assure the healing mission, effectively manage care, improve clinical outcomes, and reduce operating costs. St. Vincent already had experience addressing these issues. In 1994, the tertiary referral center had acquired and closed the 114-bed Parkview Osteopathic Hospital and successfully consolidated its outpatient services and teaching programs under St. Vincent's auspices, in collaboration with the osteopathic physicians.

Nine months after the cosponsorship announcement, the new system announced its plan to consolidate inpatient services from Mercy Hospital of Toledo at the region's other two Toledo facilities. Mercy Hospital—less than two miles from St. Vincent, with a declining census and an aging physical plant—would be reconfigured.

Under the plan, Mercy Hospital would become an important outpatient healthcare center and a regional operations support site for system departments, including planning, marketing, and development. Two schools of nursing's programs would eventually be consolidated on the Mercy campus, under the auspices of Mercy College of Northwest Ohio.

St. Charles Hospital, on the east side of the Maumee River—which divides Toledo into two communities—would enhance its existing acute

*The National Convocation brought together more than 170 representatives of the Catholic health ministry in the first step in the *New Covenant* process, which aims to promote the ministry through national, regional, and local collaborative strategies.

care services and develop a 20-bed transitional care unit, transferred from Mercy Hospital. All behavioral health services from the system's three Toledo-area hospitals would transfer to St. Charles.

St. Vincent Medical Center would add acute care capacity and develop a 16-bed transitional care unit, transferred from Parkview Hospital. Existing acute care services would be enhanced.

Consultants estimated that the community could save more than \$20 million from the consolidation of services, which would also trim nearly 250 excess beds.

COMMUNICATION STRATEGY

System leaders developed a comprehensive communication strategy to announce the changes both internally and externally. An employee advisory panel helped evaluate the communication strategy's effectiveness and allowed two-way communication. The communication plan also identified key audiences and ways to contact them.

Employees were an important group considered in the communication plan. They heard the announcements of changes at meetings, where they had the opportunity to comment and discuss the plans. The system's human resources department established an employee resource center, which provided support and placement assistance. The resource center also offered counseling for individuals and families feeling the stress of change. A weekly newsletter kept employees informed about unification changes and progress.

EMPLOYEE TRANSITION

Hospital executives were acutely conscious of the impact of the changes on employees, many of whom had worked for years at Mercy Hospital. A board-approved employee transition plan guided system actions that would affect employees. Their plan for the system was based on the principle that all changes would:

- Reflect the cosponsors' mission and values
- Be just and equitable, yet consistent with stewardship responsibilities
- Support the regional strategic plan
- Minimize adverse operational impact
- Be communicated to employees at appropriate times
- Minimize the number of involuntary terminations

Before the public announcement of the unification plans, positions were held open at St. Vincent Medical Center and St. Charles Hospital so that affected employees would be able to apply for the vacancies. The employee resource center provided training, skills assessment, and employment counseling. Managers and departments

receiving the displaced employees underwent specialized training. Eligible employees were offered an enhanced early retirement option.

Employees who did not accept early retirement or who were not placed in other jobs were assigned to a transitional pool in the employee resource center, and earned their regular salary and benefits for up to six weeks. If at the end of that time they had not found a job within the system, they received the normal severance package.

By the end of March 1997—a little more than six months after the unification announcement and three months after implementation of the plan—754 of the 794 employees at Mercy Hospital had found new jobs within or outside the system, or had accepted early retirement.

A SUCCESSFUL OUTCOME

Work continues to complete the consolidation of services outlined in the unification plan. The transitional-care units at St. Vincent Medical Center and St. Charles Hospital opened in the summer of 1997, and all behavioral services were relocated to St. Charles in August.

Regional support services are now on the Mercy Hospital campus, renamed the Mercy Healthcare Center. The number of outpatients at the Mercy Healthcare Center campus continues to rise. □

 For more information, contact Markland G. Lloyd at 419-251-2011.

in the spirit of



New Covenant

A NEW SPONSOR, A NEW NAME

In December 1996 the Sisters of Humility of Mary, with acute care and long-term-care facilities, assisted living centers, and congregate housing facilities in northeast Ohio, joined the Mercy Health System, as its fourth cosponsor. (Existing sponsors were two congregations of the Sisters of Mercy, from Cincinnati, OH, and Dallas, PA, and the Sisters of Charity of Montreal [Grey Nuns].) The Sisters of Humility of Mary's integrated delivery system was close both geographically and culturally to the Mercy system, which has regional organizations serving Ohio, Pennsylvania, Kentucky, Tennessee, and Indiana.

In April 1997, Mercy Health System was renamed Catholic Healthcare Partners, reflecting the organization's historic beginnings within the Catholic tradition. When CHP adopted its new name, its eight regional systems also took on new names to reflect their relationship with the parent organization in Cincinnati. For example, Mercy Health System-Northern Region, headquartered in Toledo, became Mercy Health Partners.

The new naming structure—which incorporates *partner* in each regional name—reflects each region's connection with its parent, yet preserves the identity by which each regional system is known in its local market.