A Primary Response To Healthcare Reform

BY SR. GERALDINE HOYLER, CSC

As reform of the U.S. healthcare financing and delivery system moves forward, acute care providers will need to pay more attention to primary care. Every discussion of the need for a reformed health system notes the increasing number of uninsured and underinsured individuals. Those who participate in these discussions usually assume that these persons seek medical care only when such care can no longer be delayed—that is, when they need acute care. Thus a significant need remains for primary and preventive care among this population.

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Increased Demand for Primary Care

The reformed healthcare system will likely provide good primary care benefits to those currently without healthcare coverage. Until recently, researchers believed that uninsured and underinsured persons consumed healthcare services at approximately two-thirds the rate of the insured population. New data from Lewin-VHI suggest, however, the rate may be less than half that of those with insurance. The implication is that healthcare reform will dramatically increase the number of people seeking primary care.

Where are those persons likely to go to receive these services? Many will probably turn first to their present source of healthcare, the hospital emergency room.

In addition, primary care coverage for those currently uninsured and underinsured will likely reduce their demand for acute care because they will be able to receive care at an earlier stage. These two changes in the delivery and financing systems will have a significant impact on the operating and financial positions of today's acute healthcare facilities.

The two areas most likely to see early improved primary care are pediatrics and obstetrics. Discussions are currently under way about how to provide all children with necessary inoculations. This change alone will increase the number of children who see some primary care provider on a regular basis in the first two years of life. And as they treat these children, pediatricians will certainly observe other health problems and refer the children to the appropriate source of care, thus reducing later acute care requirements.

Current efforts to improve prenatal interventions are in some cases proving successful. These interventions reduce the incidence of drug-addicted and low-birthweight babies, again lowering the demand for high-cost, high-tech services currently provided by acute care institutions. These services will not be eliminated, but organized, effective primary care will certainly reduce the need for them.

Threat or Opportunity?

Hospitals can view these potential changes as either a threat or an opportunity. In most parts of the country, private primary practitioners, including pediatricians and obstetricians, have full practices. At the same time, medical education programs are not producing a surplus of primary care practitioners, but instead are continuing to graduate a high percentage of specialists. Thus hospitals have an opportunity to become major providers of primary medical care services to a new group of clients.

Hospital managers and administrators may need to refocus their institutions' mission in light of these changing access and payment structures. Does the hospital want to become a primary care provider? If so, how can it achieve this? Will the medical staff view the hospital's primary care services as competition? What can be done to moderate this viewpoint? These are only a few of the issues hospital executives must consider.

Once hospital planners have decided they want the facility to deliver primary care to these newly covered individuals, they must consider alternatives for achieving this objective. Should care be delivered at the hospital itself or at other sites? For each alternative, what will the facility and staffing costs be? The management and gover-

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from AIDS, and I believe you need some spiritual resources to cope. Sometimes I think caring for AIDS patients helps a person find his or her own spirituality—or at least identify it."

In 1991 Barr was nominated for the California Nursing Association's Nurse of the Year Award. That same year, a private Fresno philanthropical organization named her Humanitarian of the Year and donated $12,000 to support the medical center's work on behalf of AIDS patients.

A Separate Reality Children's artist Sherri Robinson Sanders told herself that if she conquered cancer, she would create something for children being treated for the disease.

Sanders knows how frightening treatment can be. She came up with the idea of allowing children to dress in costume to make their therapy less terrifying. "It's an escape, a fantasy-type atmosphere. Anything that allows children to pretend they're not in the hospital should help them cope."

An armoire that Sanders had built for Methodist Hospital's Hodges Cancer Center in Lubbock, TX, has become the prototype for five others that have been built since, according to Doug Hodel, public relations director. "She gave the armoire to the children on Valentine's Day in 1990, at the first Mad Hatter Tea Party, which has become a favorite tradition of both staff and patient," Hodel says.

Each armoire contains 12 handmade costumes—such as a green and purple dinosaur or pink and silver unicorn—that feature a hat to mask hair loss and Velcro closures to create a good fit and accommodate intravenous lines.

"The children sign in at our front desk, then run to the armoire to see who they can be for the day," says Connie Karvas, a nurse at the center. "Their outlook on their visit and positive comments from parents have assured the staff at the cancer center that the costumes enhance the care children receive."

The costumes and armoire are designed to meet the individual requirements and decor of each hospital. Armoires come in a variety of themes, including a fairyland castle and a zoo, and the costumes are coordinated with the style of the armoire. A mirror in the armoire allows the children to view themselves.

Sanders also paints purple hearts on every armoire to symbolize courage—small hearts for the children to sign their names on and a special heart saying, "Each day a little brighter, each tear a little smaller, each smile a little bigger."

"The parents and other patients are also helped by seeing the kids in costumes," Sanders says. "With cancer, you've got to have a way to fight, and I think this helps the kids feel stronger than their disease. I just had to have cancer to find out what the children needed." □

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nance costs? Although the payment mechanism for this care is expected to be adequate, it will probably not allow for significant capital expenditures. How can the institution optimize its present capital investment?

Staffing will be another consideration. Under the reformed system, providers other than physicians will probably be able to perform primary care services. Will the facility be comfortable utilizing nurse practitioners and physician assistants? How will these professionals' roles be integrated with those of physicians? What quality assurance mechanisms need to be added?

The legal relationship between the staff and the institution must also be considered. Recent clarifications of the Internal Revenue Service rules concerning the independent contractor relationship make it obvious that such a relationship will seldom facilitate provision of primary care since staff will likely be considered as employees for compensation and similar purposes. To attract physicians and other professionals who prefer the benefits of an employment relationship (e.g., paid vacation, healthcare coverage, regular hours, pension, malpractice insurance), Catholic hospitals will have to consider any state restrictions on the corporate practice of medicine, which they must observe to retain their tax-exempt status.

Now Is the Time

Acute care institutions must anticipate and respond to the changes brought by healthcare reform. Healthcare providers cannot wait until they know all the changes healthcare reform will bring. By then, they will not have enough time to consider their alternatives prudently. Now is the time to set their goals regarding primary care and determine how to meet them. □