Catholic Healthcare Ministry's Key Role in Healthcare Reform

BY SR. BERNICE COREIL, DC

The national healthcare reform debate has the potential to become America's most significant domestic policy discussion since the adoption of Social Security. The outcome of this debate holds high stakes for the Church and its healthcare ministry.

WHY HEALTHCARE REFORM IS REAL

Healthcare reform is being driven by four economic and social forces, the most potent of which is the rapidly rising cost of healthcare. At current rates of growth, it is predicted that in six years the annual healthcare costs for a family of four will be $30,000—more than the family will spend on food, housing, transportation, and clothing combined.

These costs are creating substantial economic burdens for every segment of our society, from the business community and various levels of government to healthcare providers and individual Americans. Many of our not-for-profit organizations—including our own parishes, schools, and charities—are increasingly burdened by the cost of providing health insurance to their employees.

Another factor undermining our healthcare system is the deterioration of private health insurance markets. Almost all private insurers today compete on the basis of risk selection (i.e., they attempt to pre-identify the people who are likely to be frequent users of healthcare services and systematically exclude them from the benefits of health insurance).

The so-called cost shift is also destabilizing the healthcare system. Hospitals and doctors have traditionally recouped the cost of charity care and shortfalls in government healthcare program payments by passing the losses along to the privately insured. As the number of uninsured and the amount of government shortfalls have increased, however, so has the size of the cost shift. Many employers resent this practice because it is pushing premium payments up much faster than they would otherwise be increasing.

Finally, and of greatest concern to all of us, the number of uninsured Americans is growing each year. In 1991, 1 million middle-class Americans were added to the ranks of the uninsured. At this rate 40 million Americans will be uninsured for healthcare by the year 2000. It is noteworthy that three-quarters of the uninsured are workers or their dependents.

Not only is our current healthcare system unsustainable from an economic perspective, it is unjust.

CHA'S REFORM PROPOSAL

In response to this situation, the Catholic Health Association (CHA) Board of Trustees established in 1990 a task force that produced a comprehensive healthcare reform proposal. As chairperson of CHA's task force, I am happy to report that the U.S. Catholic Conference and Catholic Charities USA played an important role in our deliberations from beginning to end.

CHA's proposal is anchored in Catholic social teaching. The proposal would reform both our healthcare delivery system and its method of financing. It is important to understand that,
although U.S. healthcare services are the most technologically proficient in the world, the current healthcare delivery system is seriously flawed. By restructuring it, we can improve its clinical effectiveness and its cost efficiency and make it much more responsive to patient needs and preferences.

The CHA proposal would do this by creating integrated delivery networks. Integrated delivery networks integrate physician care, hospital care, nursing care, rehabilitative care, and other care in a single, self-contained organization. Each network would be formed collaboratively by doctors, hospitals, and an insurer. Under CHA's proposal, patient choice would be expanded, since the majority of Americans would no longer be limited to one plan but would each year be able to select any one of a number of networks that would compete in their communities on the basis of quality and service, but not price.

CHA's reform proposal has enabled us to play a constructive role in the healthcare reform debate. This role is enhanced by the fact that the Catholic healthcare ministry is a large presence in the nation's healthcare system. Nearly 900 Catholic healthcare facilities employ almost 1 million people and serve more than 20 million patients a year. When we do our homework, we are impossible to ignore. But the principal reason CHA's proposal has been well received is that it flows directly from our ministry's historic mission of placing the patient, the poor, the sick, and our communities at the center of everything we do. CHA's commitment to that ideal has produced a balanced reform proposal that harmonizes the specific needs of patients, providers, and payers on behalf of the common good.

**DIMENSIONS OF THE HEALTHCARE REFORM DEBATE**

Some of the broader dimensions of the healthcare reform debate will have far-reaching consequences for the future of the Catholic healthcare ministry. It is important to understand that healthcare reform is evolving on several different fronts, being debated at the national level, but also under consideration in many state legislatures. And numerous local communities across the United States are beginning to experience a restructuring of their healthcare delivery systems.

The powerful economic forces driving the legislative debate on reform are not waiting for Congress to act. During the next five years or so they will force the consolidation of healthcare providers in nearly every U.S. community. The simple fact is that our nation can no longer afford, and does not need, much of our existing hospital capacity. We also have too many highly trained subspecialists and not nearly enough primary care physicians. Growing payer resistance to supporting this situation will cause most U.S. healthcare markets to be restructured. The historical pattern of each hospital, each physician, and each nursing home operating as separate, autonomous units is a luxury that our healthcare system and our patients can no longer afford. In some areas of the United States, from beginning the West, this revolution is already well underway.

To survive this restructuring and retain a strong Catholic presence in our nation's healthcare system, Catholic facilities will have to find ways to collaborate with one another, as well as with providers who are not Catholic. This latter requirement will have to be achieved without losing our Catholic identity or compromising our ethical integrity. At the same time, a strong Catholic presence implies more than an occasional or an accidental involvement in our future healthcare system: To be truly effective, we must be fully present.

During the next several years, leaders of Catholic facilities, systems, and sponsoring religious institutes will have to meet enormous organizational, financial, and ethical challenges. How well we deal with each of these challenges in the context of our pluralistic society will largely determine whether our ministry survives into the next century.

**HIGH STAKES**

That the Catholic healthcare ministry survives is an imperative. A continuing Catholic presence in healthcare is and will be as important as ever. Our nation is moving from an expenditure-driven healthcare system, where providers and patients are largely free from worrying about the cost of care, to a budget-driven system in which costs will play an ever-more dominant role in determining which patients receive what services. In such an environment the poor, the elderly, and the disabled will be especially vulnerable. A strong Catholic healthcare presence, with our perennial insistence on the essential dignity of each patient, will be critical to preventing economic concerns from completely overwhelming human concerns.

Along these lines, the large presence of Catholic healthcare facilities in Washington and California enabled the Church in those states to conduct successful campaigns against recent euthanasia initiatives. Had our hospitals, with their close ties to their communities and to
Dr. Tom Dooley

Tom Dooley, Physician, teacher, philosopher, legendary humanitarian. Before his tragic death from cancer in 1961 at the age of 34, he inspired the world by his selfless devotion to the sick children and forgotten village people, hungry for a better life. In his few short years, he tirelessly established 17 medical programs in 14 countries. His memory continues to inspire the young and the old.

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