

Considerations in Managed Care

BY THOMAS F. SCHINDLER, PhD

Despite the recent stalemate in efforts to pass federal healthcare reform legislation, healthcare reform is progressing unabated. And one of the central components of reform is the movement from a fee-for-service to a managed care system.

As a result, discussions about managed care have become a major agenda item for executive management teams, whether at the local or the system level.

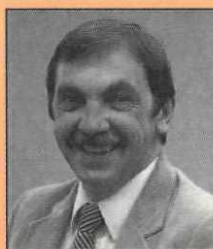
What should go into such discussions—and ultimately into the decisions? Obviously, managers must consider certain technical, financial, and legal aspects of managed care arrangements. And, as leaders of Catholic organizations, they must pay attention to issues related to the *Ethical and Religious Directives for Catholic Health Care Services*, including birth control, sterilization, and abortion.

Beyond these obvious considerations, however, both the Catholic tradition and the general tenor of ethical reflection today point up new issues raised by the growth of managed care. Although these issues are not easily resolved, neither are they so complex as to render decision making impossible. Failure to consider them, however, may seriously undermine the quality of the healthcare provided.

ISSUES TO CONSIDER

Here is a partial list of ethical issues managers should consider when assessing managed care arrangements. (For further insight, see chapter 2 of the Catholic Health Association's *Workbook for Understanding Capitation*, 1994).

Access to Care The Catholic tradition holds that all people have a right to basic healthcare. Managed care can be a means for realizing this right, but it can also be a way of denying people access. Thus, in evaluating any managed care program, managers also should analyze how it will affect the community as a whole. Will it directly or indirectly exclude segments of the population such as the poor or vulnerable? If so, what steps



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can the organization take to address those exclusions?

Appropriateness of Benefits and Treatment In the establishment of healthcare benefits, the demands of the marketplace—which often means the demands of the employer making a managed care contract for its employees—as well the requirements of the law, clearly play a significant role. But healthcare resources belong to the community as a whole and must be used for the common good, that is, to advance the community's overall health status. Thus managers should analyze the community's specific health needs and evaluate how well the benefits included in the managed care contract respond to those needs.

Appropriate treatment is a concern in managed care because the incentives for keeping costs down increase the danger of undertreatment. Thus managers must question whether adequate means for monitoring and addressing undertreatment are in place, and whether an adequate range and number of specialists are available to meet the healthcare needs of those covered.

Finally, appropriate treatment also means appropriate quality. Thus the procedures for credentialing physicians and for monitoring the quality of care provided must be considered as well.

Holistic and Wellness Care Fundamental to the Catholic tradition is the understanding that healing must extend to the whole person—body, mind, and spirit—and that, when cure is not possible, people should be helped toward a peaceful death. But under a managed care system, where decisions are driven by financial constraints, will there be money to cover all aspects of holistic care, such as spiritual and religious care?

Healthcare providers should not be concerned with caring only for those suffering disease or injury; they should also help people stay healthy. Managers must consider a managed care program's provisions for promoting wellness and prevention, including services, resources, and steps for monitoring success.

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CREATIVE RITUAL

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us was asked to think of an image representative of the heart of the hospice mission. We drew these images on pieces of felt, cut them out with scissors, and combined them in a large tapestry to display in our day care center.

In another staff ritual the group shared stories about our patients and their families. Later, a mission statement, adapted from the Book of Isaiah (58:6-12), was read:

If you share
the bread of yourself
with the hungry,
and welcome the homeless
into your heart,
then shall your light
break forth like the dawn,
and your healing
spring up speedily.
You shall be like
a watered garden,
a spring of unwearied water
failing not,
and you shall be called,
"Mender of Relationships."

After the reading our supervisors gave each staff member a scented, multicolored candle, adding a personal word of gratitude and affirmation.

These are but some of the many ways ritual can be used as a source of healing, affirmation, renewal, inspiration, and grace. As Jesus realized that we are sensual beings who need concrete manifestations of spiritual realities, so we too must use our gifts in maintaining a sense of meaning. Otherwise, our institutions will become devoid of spirit and die. □

NOTES

1. John Michael Talbot, "Holy Ground," *Praise, Prayer and Worship*, Sparrow Records, Canoga Park, CA, 1986.
2. Kenny Rogers, "You Decorated My Life," *You Decorated My Life*, Liberty Records, New York City, 1979.
3. Carey Landry, "Lay Your Hands," *Abba Father*, North American Liturgy Resources, Phoenix, 1977.

CONGREGATION

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The leaders knew that, even though the transfer decision meant the end of the FSHC system, it was critical to have the corporate staff and facility CEOs remain in place through the transfer. In the end, eight corporate employees were laid off, but the promise of adequate severance pay enabled them to stay until the transfer was completed.


MOVING INTO THE FUTURE

After completion of the transfer, each FSHC facility held a ritual of appreciation. This was important because FSHC had been not only a ministry and business but also a web of relationships. The rituals celebrated the friendship and respect that had been built up over more than 100 years. Sisters, current and former personnel, and local community members got together and celebrated with storytelling, laughter, and tears.

After the facility rituals, the Franciscan Sisters gathered privately for two days to commemorate their past and move into the future together. In the end, the sisters and their lay colleagues knew they could live in peace with the transfer decision. In making it, they had been thinking of the communities involved, and thus had been true to their mission.

That mission continues through the sisters' other ministries in health, education, social services, and pastoral care.

Transferring a system is complex, time consuming, and emotionally wrenching. It requires the commitment of everyone involved. The Franciscan Sisters and their lay colleagues completed their transfer with a shared sense of pride in a job well done. They think it was because they identified and attended to the critical factors described here that the transfer process went so well. □

 For more information about transferring sponsorship, call Sr. Bea Eichten at 507-454-0536. After January 1, 1995, she can be reached at 312-631-8765.

HEALTHCARE MANAGEMENT ETHICS

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Controlling Costs Although the Catholic tradition recognizes basic health care as a right of each individual, it recognizes other rights as well, such as food, housing, and education. All are necessary so that persons within society can live with dignity and can participate in and contribute to the common good. Therefore one of these rights cannot utilize so many resources that society is unable to meet the other basic needs. This is clearly an important issue today, given the huge cost of healthcare in the United States. Thus managers must assess how managed care programs are helping to contain or even lower healthcare costs.

Individual Initiative Finally, for effective, holistic care to become a reality, individuals must take responsibility for their own health; they must use the wellness and prevention programs and not remain merely passive recipients of medical care. For this to happen, however, individuals must understand the healthcare system and be able to use its resources intelligently.

In the past, the system has been anything but "user friendly." Today's managers must assess how user friendly a managed care program is. How does it help users (especially those who are uneducated and unsophisticated) access resources?

CONFLICTING VALUES

Behind each of these issues are values that managers must consider if they are to protect and improve the quality of healthcare. But, as is often the case in looking at issues from an ethical perspective, the values at stake can conflict with one another. Not all can be realized fully; some must be chosen over others.

In such a situation, it is important for managers to identify all the values involved; clarify where conflicts exist; establish which values are most important; and, finally, reach a decision where the more significant values are realized to the greatest degree possible and the less significant values are upheld as far as possible. □