

Planning for Reform

BY GERARD MAGILL, PhD

As the contours of healthcare reform become clearer, the need to establish ethical parameters for planning in Catholic institutions becomes increasingly urgent. The issues we must address are numerous and complex. In planning collaborative ventures, how can we ensure respect for Catholic morality throughout the negotiating process? What moral guidelines must we honor if our Catholic institutions are to participate in an integrated delivery network (IDN), especially one we do not control? How does our Catholic tradition affect our goals and strategies?

When we involve stakeholders in consultation and decision making, new dilemmas will require prudent discernment and wise trade-offs. Our institutional values will shed light on many of the issues we must grapple with, but we also need fresh perspectives and shrewd thinking as providers struggle to better coordinate community services and more effectively integrate operations.

The call for healthcare reform gives planners an opportunity to realize and enact a new vision. Open dialogue with the communities we serve will help us recognize their needs and preferences; consultation about our mission and identity will clarify our distinctive contribution to our communities; and honest discussions about compatibility and beliefs will guide us in selecting appropriate partners. It is crucial to the future of healthcare that our planning be an interactive, moral process.

A STRUCTURED APPROACH

The Catholic Health Association's (CHA's) Task Force on Healthcare Management Ethics has developed a model to help managers and administrators analyze and address ethical issues (see Sr. Joanne Lappetito, RSM, "CHA Task Force Helps Managers Make Values-based Decisions," *Health Progress*, September 1993, pp. 14-15). The process includes six steps:

- Understand the issue
- Identify any dilemma arising from competing values



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- Determine the most important value
- Make a decision
- Implement the decision
- Test the process

Because this article focuses on issues confronting planners, it concentrates on fundamental strategic decisions that should contribute to the resolution of specific ethical questions.

THE ISSUES

The CHA reform proposal calls for the creation of integrated networks that offer comprehensive benefits and coordinate the delivery of healthcare services within a specific geographic market. CHA envisions that these networks in a given service area would ensure equity by guaranteeing universal coverage, improve efficiency and the quality of care by promoting competition on the basis of quality and service, and control expenditures through national budgeting and managed competition (see *Setting Relationships Right: A Proposal for Systemic Healthcare Reform*, CHA, St. Louis, 1993).

THE DILEMMA

The potential conflict among some of these goals raises ethical concerns that will demand shrewd analysis and constant vigilance on the part of planners. We can maintain an ethically defensible posture in the face of these multiple demands if we carefully examine our decisions in light of a basic dilemma that will face all IDNs: how to promote institutional growth and stability while focusing on the needs of the local community.

The current delivery system disproportionately emphasizes the financial needs of institutions and providers at the expense of the healthcare needs of individuals and communities. Effectively addressing the latter needs while avoiding the other extreme of underestimating institutional needs requires a keen sense of balance. To reduce costs while promoting better health and preventive care, planners must look for creative ways to more tightly integrate primary, acute, and long-term care services. However, to effectively

address the underlying tension between institutional and community needs, planners must ultimately turn to the moral values that inform their decisions.

THE BASIC VALUES

The CHA proposal for healthcare reform was developed based on six key values:

- Healthcare is a social good, and not merely a commodity that is exchanged for profit.
- We must respect the human dignity of every person.
- Public policy should serve the common good.
- Social justice demands that special priority be given to the needs of the poor.
- Responsible stewardship requires prudent use of resources and an economic discipline with credible expenditure controls.
- The principle of subsidiarity dictates that tasks should be performed at the appropriate level of organization.

Each of these values has special significance for various phases and levels of planning. By identify-

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ing the issues, dilemmas, and values that come into play at various times and in various contexts, planners are better able to make decisions that promote the ethical integrity of our Catholic identity.

MAKING THE DECISION

Those responsible for planning a new delivery network should ensure that Catholic values inform its operations, contractual or ownership arrangements, and management structure. We should improve coordination, efficiency, and the quality of services, possibly by realigning financial incentives so they promote health and wellness. It will be imperative to provide an organized continuum of services and care that avoids duplication and overcapacity. Appropriate preventive, primary, and long-term care services must also be included in the basic benefit package.

As administrators develop IDNs, they may be tempted to subordinate community health needs. However, sound planning will nurture a fundamental shift among IDN administrators from a focus on illness to a concern for promoting

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CHA'S PRINCIPLES OF HEALTHCARE REFORM

UNIVERSAL ACCESS

Access to those healthcare services necessary for the development and maintenance of life is a basic human right.

BASIC COMPREHENSIVE BENEFITS

The federal government must determine a basic level of healthcare services sufficiently comprehensive to promote good health, to provide appropriate treatment for persons with disease and disability, and to care for persons who are chronically ill or dying.

SHARED RESPONSIBILITY

The protection, promotion, maintenance, and enhancement of health is a responsibility shared by individuals and families, private businesses and organizations, voluntary agencies and governments. In addition, government at all levels is primarily responsible for preventing or correcting situations that threaten the health of the population.

FREEDOM OF CONSCIENCE

The right of all parties to the free exercise of their ethical and religious beliefs

must be protected in public healthcare policy.

USE AND ALLOCATION OF RESOURCES

The healthcare system must include:

- Allocation of healthcare resources on the basis of community needs
- Incentives to individuals to practice good health
- Effective measures for ensuring appropriate utilization of services
- Adequate, equitable, timely, and predictable payments to healthcare providers
- Promotion of the efficient and cost effective use of facilities, equipment, and services
- Provision for support of research, education, and training
- Standards by which these objectives can be measured

PUBLIC ACCOUNTABILITY

Public policy must ensure broad community participation in identifying healthcare needs, in establishing priorities in determining basic comprehensive benefits, and in creating standards

and mechanisms for assessing the healthcare system's responsiveness to these priorities.

QUALITY ENHANCEMENT

Public healthcare policy must ensure that effective processes and standards are established and used for evaluating and improving outcomes and ensuring the appropriateness of all healthcare services.

FINANCING

Financing the delivery of basic comprehensive healthcare services is a societal obligation. The federal government must ensure that a financing mechanism, imposed on individuals, organizations, and governmental units, will be based on an equitable and progressive formula.

ADMINISTRATION

The structure and regulations for the administration of the healthcare system must be simple, coherent, responsive, and cost-effective and must be monitored and evaluated on a timely basis.

health, and from service for individuals to service for the community.

IMPLEMENTING THE DECISION

IDNs will be accountable not only for managing their assets, but—even more important—for enhancing the health status of the communities they serve. For planners this means creating incentives not only to guarantee effective delivery but also to establish processes and standards for ensuring proper utilization of services and measurement of outcomes.

ASSESSING EFFECTIVENESS

But measuring clinical outcomes will be only part of the task. An equally important challenge will be to find ways to assess the effectiveness of the large-scale changes providers must implement as they form IDNs.

The U.S. Catholic bishops argue that the best measure of any healthcare initiative will be the extent to which it guarantees universal access, enhances the quality of care, and controls costs ("A Framework for Comprehensive Healthcare Reform," *Health Progress*, September 1993, pp. 20-23). Using the principles that inform CHA's proposal (see **Box**, p. 79), planners can perhaps sharpen their view of the concrete steps needed for reform to be effective.

For example, prospects for universal access will be enhanced to the extent that plans embody CHA's principles of shared responsibility and freedom of conscience. Planners might constructively associate the call for high-quality care with the principles of public accountability and sound administration. Finally, CHA's call for a rational, effective allocation of resources and for fair financing can be connected constructively with the U.S. bishops' requirement for controlling costs.

Whatever the spin we give these principles, we must use them to enhance accountability to the public in planning healthcare initiatives. Plans for healthcare reform must be based on ethical principles if we are to fulfill our vision of community service dedicated to promoting health. □

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components targeted at three major groups:

- *Schools.* In more than 500 elementary school classrooms in the San Fernando Valley, fourth- through sixth-grade students are receiving a four-week health education course on immunization. A second health education unit will be made available to teachers in the spring. UniHealth and the *Times* sponsored a poster contest, with cash prizes for winning classrooms. Immunization presentations from nurses and other healthcare professionals are also available to teachers who request them. In addition, education materials are being sent home to parents. This cooperation between Los Angeles Schools and the business community is the linchpin of the program.

- *Businesses.* Operation Immunization materials are being made available to more than 3,500 businesses in the San Fernando Valley. UniHealth and the *Times* are also placing immunization information throughout the valley business community.

- *Churches and synagogues.* All churches and synagogues throughout the area will be contacted through the Valley Interfaith Council. Special emphasis is being placed on the Catholic Church, in an attempt to reach members of the Hispanic community.

Immunization Clinics Immunization clinics began operations in early 1994, with all immunization materials donated by the Los Angeles County Department of Health. Three types of sites are being used to determine their effectiveness in reaching target populations:

- *Schools.* Four elementary schools have been chosen as sites for the clinics. School nurses who oversee the clinics

are assisted by UniHealth physicians and nurses, as well as nurses affiliated with other area hospitals. The clinics will be opened periodically throughout the year to build confidence within the community.

- *Discount stores.* The Operation Immunization team is setting up periodic clinics at a major discount store in an area with a large Hispanic population in an attempt to reach parents who cannot be reached through the schools.

- *Door-to-door program.* In one ZIP code, volunteers will go door-to-door to tell parents about special clinics in their neighborhoods. This tactic has been especially successful in developing countries, but has seldom been used in the United States.

BE A LEADER

"In every community across the nation, there is something important a healthcare institution can offer to improve the community's health," Waskul says. "Find it and lead the effort to do something meaningful about it. You'll inevitably touch the hearts of those you serve in a way you'll never be able to do simply by providing quality healthcare."

The success of the Heal L.A. and Operation Immunization programs is that they addressed major community healthcare needs. The company believes that the future success of its healthcare business will depend in large part on the strength of its relationship in its local areas. There is no way to better strengthen these ties than for the healthcare institution to help solve the real health problems of the community it serves. □