

MOVING BEYOND ‘NO MARGIN, NO MISSION’ IN CATHOLIC HEALTH CARE

I recently had the opportunity to present and participate in the CHA-hosted Sponsorship Institute in Albuquerque, New Mexico. This is a gathering that takes place every other year and is attended by CEOs, chief mission officers and sponsors from across the ministry. In one particularly engaging session, Sr. Tere Maya, CCVI, CHA's senior director for theology and sponsorship, used clips from the movie *Cabrini* to generate discussion about the future of Catholic health care. She also explored the vital role of sponsors in ensuring our Catholic identity as a ministry of the Church and the sustainability, growth and transformation of the ministry in reading the signs of the times.



DENNIS
GONZALES

While there are many profound moments in the film, one that I found especially powerful is Mother Cabrini's consistent response to those who doubted her aspirations: "Begin the mission, and the means will come." This immediately caused me to reflect on the constant tension that we have faced

between margin and mission, or between our faith-based ministry and heritage and the harsh realities of the health care business in the United States. One could argue that the challenges today are greater than they have ever been, and, therefore, revisiting this conversation is very timely. My colleague, Becket Gremmels, system VP of Theology and Ethics at CommonSpirit Health, offers his perspective on this issue.

UNDERSTANDING THE MEANS TO THE MISSION

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The saying "no margin, no mission" is used in Catholic health care to convey the idea that if a ministry is not financially viable, it will cease to exist, rendering it unable to live out its mission into the future. As catchphrases go, it quickly conveys the importance of having a sustainable financial margin. Given the substantial financial difficulties that many Catholic health systems (and nonprofit health care in general) have faced during recent years, it is no surprise that the phrase is heard regularly. While well-intentioned, this mantra contains several misunderstandings of our mission and how the partnership of faith and medicine is lived out on the operational side

of Catholic health care.

DUTY AS GOD'S STEWARDS

First, "no margin, no mission" relies on a dichotomy between finance and mission. It assumes that the two are different things, separate and distinct. The phrase contains an inherent presumption that "being financially viable" is not the same as "living out our mission." This relies on an overly narrow conception of mission. Good stewardship of resources is a core part of our Catholic identity and our mission. This includes financial resources just as much as any other resources, like our people, the environment or our time.

For example, if we do not focus on caring for employees and creating opportunities for them to grow, we undermine the long-term sustainability of the ministry. If we do not use our resources well, are inefficient or permit waste to persist, we are not using creation in the way God intended. We have been entrusted with these assets to serve God's people. St. Paul speaks about the financial realities of ministry to the Corinthians (1 Corinthians 9:4-12); even the founder of modern accounting systems, Friar Luca Bartolomeo de Pacioli, was a Franciscan monk.¹ If we lack financial sustainability, then we miss opportunities to be of service and fail in our moral duty as God's stewards.

Moreover, a budget is a moral document. Budgets reveal priorities, given the size and scope of allocation to various departments and projects. To a certain extent, the more valued an area is, the higher its allocation, and the reverse is also true.

Certainly, an organization cannot be financially viable without a margin, but existing to make money is very different than existing to make some money to reinvest it in the tools, resources and people needed to carry out the ministry.

We must all place value on some things more than others, but this is inherently an ethical choice. Thus, financial sustainability is just as much a part of our mission as anything else. Catholic health care connects faith and the practice of finance just as it connects faith and the practice of medicine.

SUSTAINABILITY AND QUALITY

Second, financial sustainability is a key aspect in canon law of being a ministry of the Church.² As a work of the Church, each ministry must "possess the means which are foreseen to be efficient to achieve their designated purpose."³ Those carrying out this work are entrusted with their function to fulfill the public good.⁴ This implies a certain stewardship and responsibility to maintain the organization, which requires financial sustainability.

Moreover, canon law states that a ministry should be of sufficient quality, or at least as high

quality as those in the community.⁵ If a ministry of the Church cannot meet basic standards — and a group from another faith, a secular group or the government can — then why are we doing it? We should cede that ministry to those who can best serve God's people. Quality includes financial health. A financially unstable organization cannot be described as being of sufficient quality.

EXPANDING THE VIEW OF FINANCIAL SUSTAINABILITY

Third, "no margin, no mission" takes a narrow view of financial sustainability, which is far more robust than "making margin." Certainly, an organization cannot be financially viable without a margin, but existing to make money is very different than existing to make some money to reinvest it in the tools, resources and people needed to carry out the ministry.⁶ Intention is an essential component of any ethical analysis, and assessing operational actions is no exception.

While margin helps the ministry flourish, it does not define the broader purpose. In a larger organization, it is likely that some areas or departments do not bring in any revenue or provide cost savings and are instead supported by those that do. Financial sustainability allows an organization not only to provide these services but also to reinvest in and update areas

that do produce revenue. Moreover, a finance department's responsibilities include much more than making money, such as capital planning, financial analysis or payor analytics. The phrase "no margin, no mission" risks reducing this entire field down to "making margin," which does a disservice to finance and the concept of financial sustainability itself.

INTENTIONAL FOCUS AND REFLECTION

Fourth, the phrase "no margin, no mission" could be seen as prioritizing finance over mission which can send the wrong message that our focus is income first and caring for people second. People who use this phrase likely do not mean to convey this, but it is often what is understood by those who hear it. They may very well respond by asking, "If we focus so much on margin that we lose sight of our mission, then why do we even need the money?"⁷ Clear communication on this point

is critical when developing the leaders who will guide the ministry into the future to avoid organizational drift and loss of identity.

For example, a colleague recently recounted to me how a CEO affirmed this with new leaders in an executive formation session. He emphasized that they must be balanced in their approach to living the mission and managing financial needs. All leaders have different strengths, but they must keep the reason why we exist front and center in their work to ensure a sustainable ministry. This was a new concept for some leaders in that session who came from secular organizations. However, it reinforced their new reality of leading a ministry that requires intentional focus and reflection.

EVER EVOLVING AND ADAPTING

Given these limitations of the “no margin, no mission” mantra, Catholic health care is better served by turning to other language that depicts an authentic understanding of the relationship between finance and mission. The best option, in my opinion, is “financial sustainability.” This reflects the mutually supportive relationship between mission and financial margin.

If this does not resonate, some alternative phrases can include: “called to be stewards,” “continuing our heritage,” “cultivating our future,” “maintaining our mission” or “stewardship sustains.” Using these or similar terms can fulfill the good intentions behind “no margin, no mission” without reducing our ministry and the field of finance to the goal of generating income. Ultimately, we should move away from phrases that oversimplify systemic challenges toward language that complicates the narrative with a nuanced approach.

As leaders in Catholic health care, we are called to join faith and medicine in finance meetings, strategy planning and other operational aspects of our work. This may require us to think differently and change how we talk about our work, but a ministry that has lasted for centuries must constantly adapt and reinvent itself to survive. To do so, we must portray an accurate picture of the deeper relationship between financial sustain-

ability and Catholic identity in our words as well as in our actions.

Some questions you may want to consider and discuss:

- How do you think about the relationship between mission and finance in your work? Are they separate or mutually supportive?

- What is your first reaction to the idea that financial sustainability is a core part of living out our mission? How might this change your approach to budget planning?

- What language do you think best reflects the idea of financial sustainability? How does this language support our Catholic identity?

- How do you define stewardship in your ministry? How can you help your colleagues and co-workers develop an expanded understanding of stewardship beyond financial sustainability?

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NOTES

1. Lawrence Murphy Smith, “Examining Intersecting Lives: Luca Pacioli, Father of Accounting, and His Friend, Leonardo da Vinci,” *Accounting History* 27, no. 3 (April 2022): <https://doi.org/10.1177/10323732221084988>.
2. Code of Canon Law, c. 1284, 1, in *The Code of Canon Law: Latin-English Edition* (Washington, DC: Canon Law Society of America, 1983); Fr. Francis Morrissey, “Canon Law—What Does Canon Law Say About the Quality of Sponsored Works?,” *Health Progress* 88, no. 2 (March/April 2007): 10-11.
3. Code of Canon Law, c. 114, 3.
4. Code of Canon Law, c. 116, 1.
5. Code of Canon Law, c. 806, 2.
6. Pablo Bravo Vial, “Boundless Collaboration: A Philosophy for Sustainable and Stabilizing Housing Investment Strategy,” *Health Progress* 100, no. 5 (September/October 2019): 23-26.
7. This rejoinder is discussed in more detail in the following: Dr. Thomas Beckman, “No Money, No Mission: Addressing Tensions Between Clinical Productivity and the Culture of Medicine,” *Mayo Clinic Proceedings* 94, no. 8 (August 2019): 1401-1403.

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