Is Competition Compatible With Gospel Values?

BY SR. MARYANNA COYLE, SC

Competition is a sizzling word. It sparks emotion. To its advocates, competition beguiles with the promise of success and victory. To its critics, competition beleaguers with the threat of defeat. Reaction to competition is never lukewarm and is rarely objective. Competition is an ingrained societal practice. We first experience it and become familiar with its accolades and rejections early in life. In some form, competition is always with us.

St. Paul alludes to the paradox of competition in the New Testament. In his first letter to the Corinthians he describes healthy competition:

> All the runners at the stadium are trying to win, but only one of them gets the prize. You must run in the same way, meaning to win. All the fighters at the games go into strict training; they do this just to win a wreath that will wither away, but we do it for a wreath that will never wither. That is how I run, intent on winning; that is how I fight, not beating the air. (1 Cor 9:24-27)

But in his writings to the Philippians, Paul admonishes:

> Be united in your convictions and united in your love, with a common purpose and a common mind. . . . There must be no competition among you, no conceit; but everybody is to be self-effacing. Always consider the other person to be better than yourself, so that nobody thinks of his own interests first, but everybody thinks of other people's interests instead. (Phil 2:2-5)

These passages seem contradictory. To compete—to vie *with* another—is to excel. On the other hand, to compete—to put self-interest first—is to divide or destroy. The context in which competition occurs, the motivations, and the outcomes are significant in assessing its validity and justification.

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Marketplace Competition

The competitive marketplace characterizes society's industrial culture. Competition's anticipated outcomes are success, productivity, efficiency, and profitability—the values of business.

In a positive sense, competition means not rivalry, but many alternatives for buyers and sellers. Competition is what keeps profit at a normal level and resources properly allocated. But competition involves winning and losing: Winners tend to grow; losers disappear.

Competition in healthcare may initially have been perceived as positive—the solution to overcapacity and underutilization. Policymakers anticipated that competition would promote growth, choice, cost containment, and additional income, which seem to be ideal outcomes. Experience may prove, however, that aggressive competition has not contained costs. In fact, costs have risen in the competitive marketplace where "more is better." Sophisticated technology, extension of services, and high personnel costs have reduced revenues and severely threatened proper resource allocation.

Some economists and politicians perceive a fully competitive healthcare system as a workable answer to the current dilemmas. Stanford University economist Alain C. Enthoven proposes "managed competition" as a means of producing efficiency and equity: "The essence of managed competition is the use of available tools to structure cost-conscious consumer choice among health care plans in the pursuit of equity and efficiency in health care financing and delivery."[1]

He details the tools of managed competition: a system of accurate pricing, standardized benefit packages, an annual enrollment process, continuity of coverage, surveillance by sponsor, and quality assurance. Enthoven seems to assume that managed competition operates within set limits to prevent self-interest or destruction.

A market managed by competition may influence cost containment and expenditure control. This hoped-for outcome addresses only one of several significant concerns. Cost, access, distribution of services, delivery of services, and quality are the ongoing issues that cannot be resolved in isolation.

Not a Panacea

In the past decade providers have experienced significant competitive market forces in the U.S. healthcare system. They have not achieved the desired outcomes of controlling costs and improving access. Competition does not appear to be the panacea that will make whole the nation's ailing healthcare system. But the concern about a competitive system as a means of financing and allocating resources must be analyzed at a deeper level than that of economics. Healthcare providers should ask, To what extent does competition enable or disable the expression and transmission of the Gospel values?

Common Good The common good is a Gospel value, as well as a fundamental principle in the evolution of the U.S. government. Paul emphasized this when he wrote, "Be united in your convictions and united in your love, with a common purpose and a common mind."

The revolutionary tradition of the eighteenth century emphasized not only personal liberty but also civil liberties and the necessity of a "public virtue" on which both personal and civil liberties depend. Public virtue, the willingness of citizens to sacrifice self-interest to the common good, was the seed of the U.S. Constitution. Competition that builds on self-interest and individualism does not promote the common good.

The competitive environment of today's U.S. healthcare system has shaken the trust of both consumers and local communities. Mission priorities are blurred as not-for-profit Catholic institutions vie with one another in competitive marketing efforts.

Local communities and consumers often perceive self-interest and economic benefit, rather than the common good, as motivators. When Catholic healthcare providers compete with each other, one may validly question how they are serving the common good. When the playing field is not level, the win-lose syndrome is inevitable. However, systems and sponsors may be the channels for negotiation and collaborative efforts, particularly where individual hospitals are struggling for survival.

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To maintain and restore credibility, Catholic healthcare providers must convince their publics that they are living up to who they say they are. The Catholic healthcare provider's message to its community needs to reinforce its commitment to respond to need and to provide high-quality care. Sharing with the local community the information gathered through the Catholic Health Association's (CHA's) *Social Accountability Budget* demonstrates that the efforts of Catholic-sponsored providers are mission-oriented.[2]

In CHA's *Ethical Issues in Healthcare Marketing*, one of the basic ethical assumptions addresses this priority for the common good:

> A healthcare delivery system that is marked by order and fairness is created through the organized efforts of people and institutions working toward the common end of improved healthcare for all. This approach calls for the distribution of healthcare resources on the basis of need in a particular community rather than on the basis of the dynamics of competition operative there. It requires that the good of the community be pursued as a directly sought and measurable good, rather than hoped for as a by-product of the pursuit of institutional self-interest.[3]

Stewardship Catholic healthcare providers are stewards who hold in trust all of creation. The religious notion of stewardship means that as trustees, they are accountable to God and to society.

Stewardship refers to the responsible use of resources. It also imposes a responsibility for the institution's mission: "Stewardship is managing carefully the institutional and societal resources entrusted to healthcare providers; working to develop strong and vital institutional responses to health needs."[4]

Competition may be perceived as enabling responsible stewardship, as when institutions respond to need and provide resources previously unavailable in the community. Competing for physician loyalty through incentives and formal relationships such as joint ventures may, in fact, be offering the community a more efficient

healthcare delivery system and avoiding duplication of services.

Competition disables responsible stewardship, however, when physician economic interests take priority over mission. Competition diminishes the stewardship responsibility for mission when institutions use extensive financial resources to obtain the physician commitment: "The proper stewardship of limited healthcare resources could be compromised if the joint venture duplicates an expensive service or piece of technology already available in the community, or if resources needed for services go into incentives for partners."[5]

Service The meaning of the Gospel value of service is revealed in the actions and words of Christ. To be for others, to love our neighbor, is the explicit message of Christianity. Through service, Catholic healthcare providers witness to Christ's healing ministry and further the Church's mission.

In the parable of the Last Judgment, Christ provides the yardstick by which the good servants merit the kingdom: the extent to which people respond to the needs of the least (Mt 25:31-40). Service is graced by a preferential option for the poor, the needy, and the vulnerable.

Serving those in need characterizes the origin of our nation's healthcare system. Service to the sick, regardless of economic status, race, or creed, distinguishes the purpose of voluntary hospitals.

The process of competition enables service to the extent that it supports, not eliminates, response to the needs of those without access. If competition balances a decrease in the duplication of service with unduplicated high-quality care and access, service to neighbors in need is enhanced.

The degree to which competition restricts the U.S. healthcare system's efforts to provide service to the needy, it disables the accomplishment of this Gospel value. The priority of service declines when business priorities overshadow mission priorities.

Today's Imperative Agenda

U.S. healthcare policy looms as the primary debate of the 1990s. Addressing the benefits of a competitive model (as opposed to a regulatory model) is not the end point for a comprehensive solution.

The starting point of this debate is a serious reflection on societal values. Policymakers have a responsibility to weigh policy choices in light of ethical principles and values. Healthcare providers also need to reflect on the values that impel their actions.

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Perhaps the predominant failure and sin in the U.S. healthcare system today is a fall from grace—from the original blessing that characterized its beginnings. The original grace of the U.S. healthcare system was in its aspirations: response to need, investment of the voluntary system, compassion, care, and commitment to quality. The original blessing of the healthcare system came from the values of service, concern for the common good, and stewardship.

Restoring this original blessing requires a social commitment and a renewed vision as a community of people sharing a common destiny. Articulating the vision of the healthcare system's potential should be the agenda of all the stakeholders in its success.

The debate over the future of the U.S. healthcare system, particularly for those in the Catholic system who serve over 43 million people, needs to begin with that conversion of heart—a conversion that calls them to their original purpose—as faithful people who do the work of justice through the healing ministry.

Transformation of the nation's healthcare system needs the voices and actions of Catholic healthcare providers to speak the truth on behalf of those who have no voice—that truth which ensures for them room in the marketplace. Transformation begins with providers' willingness to do those actions in the provision of healthcare which nurture the common good, protect the integrity of providers' mission as stewards, and ensure adequate service so that the needs of all are met with compassion and care. □

NOTES

1. Alain C. Enthoven, "Managed Competition: An Agenda for Action," *Health Affairs*, Summer 1988, p. 28.
2. *Social Accountability Budget: A Process for Planning and Reporting Community Service in a Time of Fiscal Constraint*, Catholic Health Association, St. Louis, 1989.
3. *Ethical Issues in Healthcare Marketing*, Catholic Health Association, St. Louis, 1990, p. 16.
4. *Physician-Hospital Joint Ventures: Ethical Issues*, Catholic Health Association, St. Louis, 1991, p. 2.
5. *Physician-Hospital Joint Ventures*, p. 3.