The Influence Model Of Sponsorship

A Catholic Hospital Is Now Part Of the "Mayo Clinic"

BY DAVID A. LEONARD & GARY B. MORRISON

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The number of hospitals in the United States is shrinking as mergers of both secular and religious hospitals occur in response to financial pressures. Catholic hospitals are increasingly confronted with the question of whether they must forgo continued Catholic sponsorship when union with a secular institution is the only survival strategy available.

An initial question is whether religious sponsorship makes any difference. Is it anything more than a holdover from the day when opening a hospital was truly a charitable endeavor rather than a business venture? Is it still valid to try to infuse religious values and a spiritual dimension into the highly competitive and controversial "healthcare industry" of the 1990s?

This article offers the case study of a hospital in which these questions were answered in the affirmative. Although the setting and organization are atypical, the experience may be relevant to other hospitals with religious sponsorship.

Patient Confidence

The value of continued Catholic sponsorship to Saint Marys Hospital in Rochester, MN, can be seen in three ways. First, a majority of the hospital's patients are from other communities, often under the stress of serious medical problems. They leave hometown support to entrust themselves to strangers; they feel overwhelmingly vulnerable. But the hospital's religious sponsorship can act to reassure them that these strangers are trustworthy and will become their advocates. The public tends to view Catholic sisters as the embodiment of charitable selflessness. It is comforting to patients to be able to assume that hospital staff are agents of the sisters, who are in turn agents of their religious congregation. Patients have a strong need to feel that they are in the

Summary *Saint Marys Hospital was founded in Rochester, MN, in 1889. Constructed by the Sisters of St. Francis, it was staffed by physician members of the local Mayo family. The Mayo practice grew into an association of many physicians and medical residents who later began to staff Rochester Methodist Hospital also; the three healthcare institutions became collectively known as the "Mayo Clinic."*

By the mid-1980s, billing was so complex for the three still-independent facilities that their leaders decided to integrate more formally. This was done in three phases and resulted in the creation of a single institution known as the Mayo Medical Center. From Saint Marys' standpoint, the facilitating document in this process was a "Sponsorship Agreement" whose purpose was to maintain the sponsor's interests and obligations in the integrated structure. A Sponsorship Board was created to continue the hospital's Catholic tradition, including maintaining its chaplaincy, chapels, religious symbols, and special funds.

The Sponsorship Board views the new environment as a special challenge. Its members know that Catholic sponsorship:

- *Comforts patients, who realize they are in the hands of people motivated by the Christian ethic*
- *Creates an atmosphere in which patients and their families can seek the spiritual support that often aids healing*
- *Strengthens a sense of community among physicians, hospital staff, and administrators*

The Sponsorship Board hopes the sponsor's influence may come to affect the whole Mayo Medical Center, bringing patients, family members, and staff an "added dimension" of care.

hands of people who are not only competent but also motivated by the Christian ethic to do only what is best for the patient. Making this assumption possible is not only humane; it usually facilitates the whole process of diagnosis, treatment, and recovery.

Religious sponsorship of a hospital facilitates a search for spiritual support.

Spiritual Support

Second, religious sponsorship creates an atmosphere within the hospital that facilitates a search for spiritual support, perhaps especially among patients and families for whom religious faith has not been prominent in their lives. A sudden confrontation with debilitating illness or possible death often triggers a search for help that can be found in spiritual reflection. To the extent that a hospital is successful in communicating its Christian origins and character, and in creating an aura in which spiritual strength seems easily available to those who seek it, it adds an important dimension to the staff's ability to help acutely ill patients and their families.

Staff Support

A third reason for religious sponsorship relates to the climate in which staff members function. Medical intervention is both a humane and a stressful endeavor, usually practiced by compassionate persons who are guided by strong personal values. The physical and emotional costs of illness and injury are borne by both the patients and those who care for them. An atmosphere that can encourage a patient's search for peace and strength through spiritual faith can offer support to medical and hospital staffs as well. Interactions among hospital staff, medical staff, and hospital administration are also facilitated by an underlying trust that motives are open and selfless and that the welfare of the patients, employees, and community is a common goal. To the extent that religious sponsorship elicits and strengthens such an environment, it has value.

Influence Model Emerges

Saint Marys Hospital's history illustrates movement from an ownership or "control" model of sponsorship to a structure that maintains sponsorship values through "influence."

The hospital was founded by Mother Alfred Moes, superior of a small Franciscan teaching congregation organized in the late 1800s in Rochester, MN, a rural town of 5,000 people. After a devastating tornado in 1883, Mother Alfred approached William Worrall Mayo, a local physician, and proposed that a hospital be built in town. The sisters would earn the funds to build and operate it, she said, if Dr. Mayo and his two physician sons, Will and Charles, would staff it. Dr. Mayo was doubtful at first. He argued that the city was too small and that hospitals were almost solely for the indigent, often places where they went to die. Mother Alfred persisted, however, and in the ensuing six years money was saved, plans were drawn, and a building was constructed, despite some local religious bigotry focused on the partnership of Catholic sisters and Protestant physicians. The determination of the founders reflected what would be written nearly 100 years later in the *Decree of the Apostolate of the Laity* from the Second Vatican Council:

> The common heritage, so to speak, of the Gospel, and the common duty of Christian witness resulting from it, recommend and frequently require the cooperation of Catholics with other Christians, on the part of individuals and communities within the Church, either in activities or in associations in the National or International field.

Saint Marys Hospital opened in 1889 with 27 beds. Both the Mayo practice and the hospital grew rapidly; 30 years later Saint Marys had 600 beds and the three-physician Mayo family practice had grown to an association of nearly 100 doctors, who were educating nearly 100 additional physicians as medical residents. This phenomenal growth can be attributed to many factors, not the least of which were the energy, compassion, and moral code of the founders, who designed the group practice model which focuses collective skills on the needs of each patient.

The "Mayo Clinic" Structure

This group practice structure is the "atypical" setting mentioned above. Today's 1,000-physician private group practice known as the Mayo Clinic became, in the words of former U.S. Supreme

In each issue of *Health Progress* in 1995, the journal's 75th anniversary logo highlights an article of particular significance to the Catholic health ministry.

Court Chief Justice Warren Burger, a one-time Mayo trustee, a "private trust for public purposes." The founders saw substantial programs in medical education ($84 million in 1993) and medical research ($127 million in 1993) as moral obligations of their successful clinical practice. The programs also stimulate and balance that practice, which finances a large portion of them. Administration is directed by a group of practicing physicians who constitute a board of governors confirmed by the entire professional staff. All the staff are salaried.

The "Sponsorship Agreement" ensures Saint Marys' continuity as a Catholic institution.

The physician-hospital relationship has always been unique. Since its founding, the medical staff of Saint Marys Hospital has consisted entirely of Mayo Clinic physicians, and the clinic has never maintained inpatient facilities of its own. During an early period of tremendous growth, when Saint Marys could not keep up with the demand for beds, the clinic persuaded the for-profit Kahler Corporation to open other hospital facilities in town. The Kahler hospitals were the predecessors of Rochester Methodist Hospital, incorporated in 1954, which, like Saint Marys Hospital, has always been staffed exclusively by Mayo Clinic physicians. The understanding between the clinic and the hospitals has been based on mutual respect and trust: No formal written agreement detailed the closed-staff arrangement or the understanding about provision of facilities, staffing, or any other basic element of interaction. Each question was discussed and agreed on as needed, with each institution deferring to the integrity and expertise of the other as participants in a common mission.

This was the prevailing culture when the U.S. government became the third-party payer for a rapidly increasing number of patients. With this increasing presence came new arrangements for reimbursement, including prospective payment for in-hospital care including ancillary services that had always been provided for and billed separately by the Mayo Clinic. As reimbursement based on "diagnostic-related groups" came to bear an increasingly less realistic relationship to actual costs or billings, and as "package pricing" became more attractive to other third-party payers, separate accounting and billing by the three institutions—the Mayo Clinic, Saint Marys Hospital, and Rochester Methodist Hospital, comprising what is now the Mayo Medical Center—became less viable. The leaders of those institutions began to talk about integrating them.

The Three Become One

In 1985, Sr. Generose Gervais, OSF, Saint Marys' administrator, asked the hospital's board of trustees to participate in a study by all three institutions of a more formal integration. By May 1986 the arrangements were completed for the first phase, blending the three institutions into one. The ownership of the hospitals was essentially transferred to the Mayo Foundation, a charitable corporation, although two reconstituted hospital boards of directors remained. The Mayo Foundation's public-dominated board of trustees became the "senior" governing body for the three institutions; one previous trustee from each hospital joined this board.

From Saint Marys' standpoint, the facilitating document was a "Sponsorship Agreement" developed jointly by the Mayo Foundation, Saint Marys Hospital, the Academy of Our Lady of Lourdes (the corporate name of the Rochester Franciscans), and a newly created Sponsorship Board, whose purpose is to maintain the sponsor's interests and obligations in an integrated structure. The purpose of the agreement was to ensure that Saint Marys would continue to operate as a Catholic healthcare institution. It specified that Saint Marys would function within the principles and guidelines of the *Ethical and Religious Directives for Catholic Health Care Services*, the *Philosophy of Sponsorship of the Sisters of Saint Francis*, and the *Philosophy and Mission Statements* of Saint Marys Hospital. It described certain obligations of the sponsor—to advise, monitor, and report on a series of subjects—as well as to provide assistance with sponsorship education. The agreement also provided for the continuation of and membership on the Human Resources Committee and the Ethics Committee, which influence hospital policies. It further specified 12 areas in which the Mayo Foundation and Saint Marys Hospital would

"make every reasonable effort" to ensure continuation of the hospital's Catholic tradition. These included things such as maintenance of chaplaincy, chapels, religious symbols, and special funds.

> The Sponsorship Board is the mechanism that perpetuates the sponsor's influence.

Perpetuating Influence

The Sponsorship Board, a corporation of which the Academy of Our Lady of Lourdes is the sole member and which is funded by an endowment gift from the hospital, is the mechanism through which the influence of the sponsor is to be perpetuated. The nine members of this board are Franciscans and laypersons (both Protestant and Catholic) appointed by the academy. Their responsibilities, as stated in the Sponsorship Agreement, include monitoring and assisting in the development of sponsorship programs for hospital staff, conducting periodic sponsorship reviews of hospital operations, and developing "a strong base of lay Sponsorship at both Board and hospital levels through education and active participation of lay persons."

As expected, the initial integration of governance was followed shortly by a second phase: the integration of certain administrative support operations, such as fund development and legal services. Next, the two hospital boards were restructured to have common membership with the Mayo Medical Center's board of governors, and a single Hospital Management Board was formed to oversee the establishment of uniform hospital procedures. During this period, the Sponsorship Board began to function, led by a part-time executive director, a Franciscan sister who also served as president of the board. The hospital's administrative team then added to its ranks a second professional position, described as "Counselor for Human Values and Sponsorship," and another Franciscan sister filled this role. She had responsibility for providing advice, education, and oversight from a sponsorship perspective to those involved in everyday operations, largely through participation in the committee system that marks the administrative style of the Mayo Medical Center. The Sponsorship Board initiated periodic reviews of hospital departments, which search for reflection of sponsor values in daily practice; these have since been integrated into Mayo's triennial department reviews.

The board also appointed an Education Committee and a Research Committee, whose memberships reflect a cross-section of Mayo Medical Center personnel. These committees have initiated an array of conferences on topics related to medical ethics, access to medical care, spirituality and medicine, and working parents, and have also organized "think tanks" to explore medical-ethical issues. The committees offer research awards to nursing and other staff interested in exploring healthcare trends as they may support or erode Franciscan values. For the Mayo Medical Center leadership, the committees have conducted programs and retreats that examine sponsorship purposes and potentials. The Sponsorship Board designated areas of new hospital construction reflection, meditation, and solitude, and has provided appropriate religious symbols for them. The Karis Award, given to staff members nominated by their peers for special acts of caring, has raised awareness of sponsorship efforts.

The Merger Completed

In 1989, three years after the initial agreement, a third phase of the integration process accomplished essential merger, with virtually all administrative functions of the three institutions and the clinical staffs of the two hospitals being combined. All staff members of the three institutions were placed on a single payroll, with common personnel policies and benefits. The resulting efficiencies, deemed necessary to meet the financial challenges medical institutions currently face, were purchased at the cost of the inevitable stresses of displacement and relocation and sadness over loss of unique institutional culture and identity. Uncertainty about federal healthcare proposals and their impact on the future of the Mayo Medical Center have added to this stress. The Sponsorship Board has viewed this new environment as an added challenge. It has used its offices to assure staff that change need not be threatening and that the fundamental principles and beliefs on which the institutions were founded remain intact. The credibility of the Sponsorship Board reinforces that of the institu-

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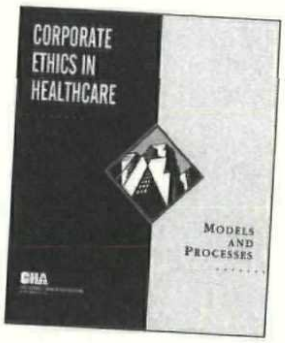

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Influence Model

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The optimal role of religious sponsorship has not been fully defined.

tion's leaders as they assist employees in coping with rapid change.

This experiment in religious sponsorship through influence is today meeting one of the most severe tests it will undergo. Certain staff, especially those outside clinical care areas, view the continued religious sponsorship of Saint Marys Hospital as largely sentimental. However, there is a counterbalance to this passive view of sponsorship. It is the feeling of a large number of staff members that a significant dimension of the vigorous culture that supports and directs this medical undertaking derives from religious origins.

The optimal role of religious sponsorship in the still-evolving restructuring of the Mayo Medical Center has not been fully defined. The sponsorship's influence may continue to be limited to Saint Marys Hospital—or it may come to affect the entire Mayo Medical Center. Its current advocates will—through their ability to capture the imagination, understanding, and conviction of their colleagues—determine the degree to which future patients, their families, and the Mayo Foundation staff will be beneficiaries of the "added dimension" of care that religious sponsorship brings. □

Persons interested in learning more about the influence model of sponsorship may call Sr. Ellen Whelan, OSF, executive director of the Sponsorship Board, 507-255-4277.

Assisted Suicide

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reviewed for consistency of approach to our vision statement on compassionate care. Develop policies and procedures that address at least the following:

- Management of acute and chronic pain
- Management of symptoms associated with pain, including nausea, vomiting, bowel care, weakness, and emotional and spiritual suffering
- Organizational philosophy on care of the dying, with an emphasis on a description of comfort care services
- Use of advance directives
- Administration of narcotics for the dying patient

5. Establish a multidisciplinary study that involves monitoring of at least one aspect of compassionate care as part of the quality assurance program.

6. Develop and implement an organizational-based training program that addresses the following audiences:

- Clinicians
- Management staff
- Members of governing boards (foundation, community)
- Mission leaders

7. Seek information via patient satisfaction surveys and community surveys that identifies to what degree pain and suffering were addressed and/or controlled during a procedure, physician office visit, or hospitalization.

Collaboration Increases

Recently, the Daughters of Charity National Health System, the Carondelet Health System, and the Catholic Health Association—all based in St. Louis—have joined this collaborative effort. □

For more information, call Lawrence A. Plutko, 206-464-3392.