TRENDS & *Ideas*

Catholic Hospitals Go Green

Protecting the environment is important to Catholic healthcare organizations in the Golden State, writes Gary Cooke in *CACH Networking*, the newsletter of the California Association of Catholic Hospitals. Among these organizations are:

• *Catholic Healthcare West (CHW), San Francisco.* In 1996 CHW joined the CERES program, agreeing thereby to conserve energy, help protect the biosphere, use natural resources prudently, keep the public informed about its ecological efforts, and follow other environmental precepts.

CHW, which comprises 37 hospitals and other healthcare facilities, is the largest not-for-profit healthcare organization in the western United States. CERES—the Coalition for Environmentally Responsible Economies—was formed in 1989, after the Exxon Valdez oil spill. Endorsed by General Motors, BankAmerica, Polaroid, and other companies, CERES provides "a moral code of corporate environmental conduct." The fit was natural, according to Sr. Susan Vickers, RSM, the system's director

of advocacy. "The impulse to join CERES was that all nine religious congregations sponsoring CHW have saving the planet as part of their mission."

• *St. Agnes Medical Center, Fresno.* The Environmental Protection Committee of St. Agnes Medical Center has led neighborhood cleanups, urged the recycling of paper, and sold coffee mugs in an effort to discourage the use of Styrofoam cups. Meanwhile, the children of St. Agnes employees have their own program, called "Kids in the Community." The youngsters, ranging in age from 6 to 12, have cleaned up a local park and recycled aluminum cans, among other projects.

• *Alexian Brothers Hospital, San Jose.* The hospital sponsors programs encouraging the recycling of paper, aluminum cans, plastic, and x-ray film. In addition, Alexian Brothers recently installed equipment that allowed it to cut electricity use by more than 500,000 kilowatt hours a year, saving the hospital about $45,000 annually.

HMO Battle Moves to Maryland

Undaunted by a narrow legislative defeat, Maryland's Board of Physician Quality Assurance is continuing its campaign to make HMO medical directors accountable to it, writes Leigh Page in *American Medical News*.

Similar struggles have raged in several states, including Arizona (see "HMO Medical Directors Lose a Round," *Health Progress*, November-December 1997, p. 56), where, in January, the state supreme court upheld the medical board's

right to discipline HMO medical directors.

In Maryland as in Arizona, medical directors contend that in making insurance coverage decisions they are simply performing administrative tasks and thus should not come under the state medical board's jurisdiction. "Medical directors are not telling doctors how to practice medicine," says Bernard Mansheim, MD, who supervises medical directors for United Health-Care of the Mid-Atlantic.

"They are just making an administrative decision."

But Israel Weiner, MD, the Maryland board's former chairman, says, "A medical director has a responsibility to make sure that the practices of the HMO make for good medical care. He should answer to the medical board and he shouldn't be a pawn of the HMO."

This spring, a bill that would have held medical directors accountable for coverage decisions found to adversely affect patient care

was defeated by two votes in Maryland's senate. Instead the legislature approved a measure that tightened HMOs' internal appeals process for denied coverage and added an independent appeals process under the state's insurance commissioner.

The medical board, which argued that the measure was insufficient, now plans to sidestep the legislature by issuing regulations that would render medical directors accountable. In March

the board's newsletter said HMO officials who make medical determinations "must be responsible for ensuring that the decision made is within the boundaries of necessity and appropriateness."

In choosing this route, the board has all but guaranteed that the dispute will land in court. "Now it's just going to take longer," Weiner says, "because the HMOs are going to challenge the rule and it's going to wind up being litigated."

Illustrations by Sim Gellman

Company Clinics Are Growing in Popularity

Some corporations—particularly big, self-insured firms located in rural parts of the country—are establishing their own clinics, writes Janet Gemignani in *Business and Health*.

One such company is Southwire Corporation, based in Carrollton, GA. In the early 1990s, Southwire discovered that its employees were reluctant to get medical care under the firm's indemnity plan because they thought the care too expensive. "Our people were waiting until they were very sick to see a doctor," recalls Doug McKelvey, the company's director of compensation and benefits. As a result, productivity was falling.

In 1993 Southwire built an 11,000-square-foot healthcare center for its workers and their dependents. The center includes examination rooms, outpatient surgery facilities, x-ray equipment, a laboratory, and a drive-through pharmacy. Southwire outsourced the operation of its center to a third-party provider that specializes in on-site services. In 1996 Southwire added a clinic for its employees in Hawesville, KY.

Since the facilities opened, Southwire employees have been much more quick to see their doctors. (The Carrollton clinic's staff includes three primary care physicians; the Hawesville clinic has two.) Because workers' general health has improved, their productivity is climbing. Last year, the two clinics saved Southwire $1.2 million it otherwise would have spent on community healthcare.

Now the Southwire clinics are operated by Meridian Corporate Healthcare, a Nashville, TN–based third-party provider that covers 120,000 lives in 18 states. Meridian's clients include the Goddard Space Flight Center, Bridgestone/Firestone, and the U.S. Department of Energy.

When outfits like Meridian create a corporate clinic, they usually handle everything: construction, recruitment, staffing, purchasing, billing, setting protocols, and maintaining quality assurance. Outsourced on-site clinics typically save client firms 20 percent to 25 percent in total healthcare costs, says Susan Mathews, president of Corporate Health Dimensions, a third-party provider based in Troy, NY. Outsourcing also protects client companies against malpractice suits.

On-site clinics are popular with employees because they are convenient and free of bureaucratic red tape. Workers are charged a copay ($15 at the Southwire clinics) for each visit; they need not file a claim.

Healthcare: A Healthy Environment for Ethics

According to results from a nationwide business ethics survey, only 35 percent of employees in healthcare say they know of ethical violations in their organizations in the past two years. Topping the list is conflicts of interest, followed by lying on reports and stealing. Lying to supervisors, sexual harassment, discrimination, drug or alcohol abuse, improper accounting, environmental violations, and improper reporting of gifts or entertainment are also in the top ten. The study of 2,000 employees at U. S. companies was conducted by Walker Information, an Indianapolis research firm.

The majority of workers (72 percent) in healthcare feel their organization is highly ethical, and 58 percent feel that some consideration is given to ethics before decisions are made that could affect profitability. Only 9 percent say profits take priority over ethics. This healthy ethics culture encourages the development of ethics resources, and in the healthcare field these are as high or higher than in other industries. Ninety-three percent of healthcare workers say their organization has a code of ethics, 84 percent report a credo or statement of core values, and 57 percent have an ethics officer at work. And healthcare workers have confidence in ethics: Fifty-five percent feel that ethics resources are effective in ensuring that good decisions are made when ethics are in question, a percentage considerably higher than most other industries.

Yet ethical conflicts remain. While 66 percent of those surveyed believe that senior leaders clearly communicate the importance of ethics and values, and 76 percent give them credit for including values and ethics in decision making, fewer than half (46 percent) feel that senior managers actually live out company ethical values day-to-day. Fifty-seven percent agree that leaders respond appropriately to reports of misconduct; however, only 43 percent claim they would feel comfortable reporting misconduct.