



WORKING FOR THE COMMON GOOD

From coast to coast, there is a growing consensus that managed care systems need to be carefully watched to protect consumers from plans that supply minimal, or even inadequate, healthcare. Responding to a barrage of complaints from physicians and patients, federal and state governments have been restricting questionable and controversial practices. Federal law now requires payment for a minimum 48-hour postpartum hospital stay. Some states have adopted "any willing provider" legislation, requiring networks to accept any physician who has appropriate credentials and agrees to abide by contract terms. A few states now require networks to pay for emergency treatment whenever a "prudent layperson" would consider the situation an emergency; care may not be delayed for preauthorization. Federal law now prohibits certain "gag rules," meaning that health plans may not restrict what physicians tell Medicare patients about their treatment options.

For some observers, however, regulatory reform is not enough; they see managed care systems as inherently bad. Br. Daniel Sulmasy, OFM, MD, warns that "the unseen hand of Adam Smith is in every transaction in medicine because doctors are forced to limit care purely on financial grounds."¹ He points out that gatekeeping and capitation give physicians financial incentives to provide less care, request fewer tests, and make fewer referrals.

If, as Br. Sulmasy asserts, managed care is irre-

Catholic Healthcare's Opportunity To Shape Values-based Managed Care

BY DANIEL O'BRIEN

deemably flawed, then Catholic healthcare providers ought to get out of it. However, I submit that the evils of managed care are not inherent, but the result of letting it be shaped solely by market forces rather than mission-driven values.

Should we bury managed care before we have really given it a chance to live? We have two options: fight it, or shape it into what it ought to be. If we choose the latter path, we will find that managed care presents unique opportunities for Catholic healthcare to help shape healthcare in this country in accordance with its values and

Summary Managed care has come under fire lately, and states and the federal government have stepped in to regulate some plans' deficiencies. Some say regulation is not enough; managed care is morally flawed. But the evils of managed care are the result of letting it be shaped solely by market-driven forces rather than mission-driven values.

In the Catholic tradition, healthcare is part of the common good. Viewed in this light, managed care becomes more than just a way to control costs. For managed care to serve the common good, we will have to collaborate with other providers that demonstrate a commitment to human life and dignity that is similar to our own. Such collaborations may force us to negotiate (without compromising) our values, but this gives us the opportunity to recognize a hierarchy of goods to be pursued and evils to be avoided.

Through our involvement in managed care, we can help shape the greater culture, as well as the culture of healthcare. But we must prioritize our commitments according to values and principles grounded in the Catholic moral tradition. Without these values to guide us, Catholic healthcare will lose its identity and fade away.



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mission. These are opportunities we should not miss, for our very survival may depend on what we make of them.

How Bad Is It?

Managed care, all too obviously, is not a perfect system of healthcare delivery. A cursory glance would reveal little to attract us and much that appears problematic from a Catholic healthcare viewpoint. For instance, for-profit managed care plans that are in it for the money often pay their executives exorbitant sums for racking up large dividends for investors.² For-profit plans may ruthlessly recruit the healthiest patients, exclude the sickest, and ration care by making it difficult to obtain. It is frightening to think that this may become the norm.

We also see managed care plans that force physicians to act as "double agents"³ and choose between their fiduciary responsibility to patients and their contractual obligations to the plan. Caught in this trap, some physicians deliberately provide less care, while others "game" the system by bending the truth about a patient's diagnosis, knowing that the plan is unlikely to approve the treatment choice without such finagling.

All managed care systems face the temptation to provide fewer services and thus receive more money. Of particular concern for Catholic-sponsored healthcare systems is the danger of compromising ethical integrity through the loss of institutional autonomy, as well as the threat that conversion to managed care will squeeze Catholic healthcare so tightly we will no longer be able to support the services that are at the heart of the ministry: care for the poor, underserved, and underinsured; community education and health-promotion programs; and spiritual care for all we serve.⁴

NOT NATURAL ENEMIES

From an assessment of these and other aspects of managed care, it would be easy to conclude that

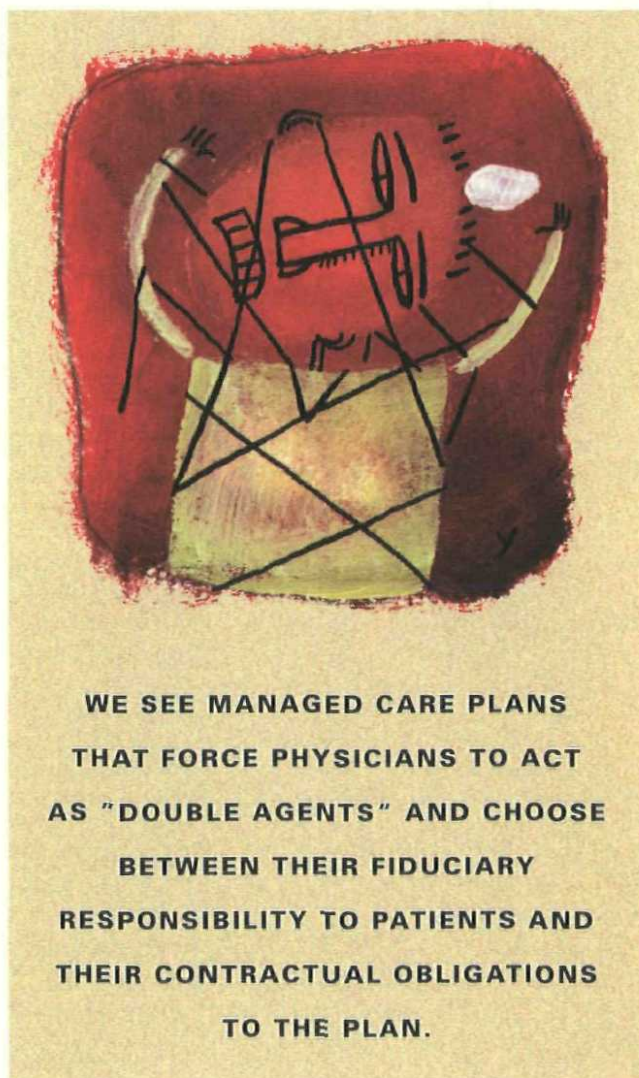
it and Catholic healthcare are natural enemies. But that is true only if we accept the premise that healthcare is just another commodity for sale at whatever price the market will bear. And that is exactly what the Catholic healthcare ministry does not accept. In the Catholic tradition, healthcare is part of the common good—necessary for human flourishing in community. Although medical knowledge and expertise are entrusted to professionals, they are reserved for the common good.

More Than Cost Control Sound business practices guided by a sense of stewardship are essential for the economic health of any organization, but managed care need not be construed simply as a way to control costs. Managed care's principal mechanism for bringing together patient, provider, purchaser, and insurer is the integrated delivery network. Under this system, the hospital becomes one piece of a much larger complex. The challenge is to find other, less costly forms of care without compromising quality.

If we view managed care from a Catholic perspective—asking how it can serve the common good—its potential opens up before us. We see that it can promote health and healthy living, address the causes of disease, facilitate prevention, and rationalize care according to the most appropriate points of service and the most appropriate standards of practice. Managed

care can deliver high-quality care and improve access and affordability. It can promote greater patient participation in selecting treatments and formulating guidelines.

Building Strong Systems How can we build strong systems that can mold managed care into such a force for the common good? Through carefully considered collaborations with other providers. Indeed, managed care forces us to form partnerships with non-Catholic providers in order to survive. Although such cooperation may force us to negotiate (without compromising) our values,



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James Yang



this gives us the opportunity to reflect on and prioritize our ethical commitments, recognizing a hierarchy of goods to be pursued and evils to be avoided. In our negotiations, we need to consider that while Catholic Church teaching makes it clear that we are never morally free to choose or to do evil,⁵ neither are we obliged to engage evil when doing so would bring about worse harms or cause us to forfeit greater goods.⁶ Without collaborating with others, Catholic healthcare will become increasingly isolated and weak, and eventually disappear. In many communities, this has already happened.

Respect for human life and human dignity are hallmarks of Catholic healthcare and foundational for the common good.⁷ We can strengthen the integrity of all healthcare by collaborating with providers, purchasers, and payers that demonstrate a similar respect and commitment.

UNPRECEDENTED OPPORTUNITIES

Negotiated collaboration gives us the opportunity to stay strong, and the importance of building strong systems cannot be overemphasized. With strong Catholic systems and organizations we can educate patients and communities, support community programs, and help communities identify their own needs. We can fulfill our commitment to the poor and underserved, and advocate good public policy. Because of our commitment to religious freedom and pluralism, we can also help ensure the right of other religiously sponsored healthcare providers to practice healthcare in accordance with their ethical commitments. With our respect for religious, ethnic, and cultural diversity, we can promote human dignity in ways that will serve as a model for other organizations.

Strong partnerships will enable us to shape managed care in positive ways, but they will also be essential if we are to promote our fundamental values of respect for human life and human dignity. We can use our partnerships to design and support organizational and public policies against euthanasia and assisted suicide. We can advocate for appropriate care at the end of life and offer effective pain management. We will be able to address the issue of "futile care" in the context of appropriate respect for patients and professional moral responsibility.

If we stay at the forefront of changes in healthcare and help shape the direction of managed care, we also will be able to promote patient care

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policies that emphasize a holistic view of people as body-spirit unities. This is an opportunity to promote spiritual care, informed consent, appropriate patient autonomy, confidentiality, clarification of the professional-patient relationship, and ethics education shaped by our values. It is also an opportunity to demonstrate our commitment to a just work environment that enables employees to provide food, shelter, clothing, education, and medical care for themselves and their families.

EMBRACING A BROADER VISION

Our involvement in managed care can lead us to even greater opportunities. Through continuous education and dialogue with administrators, boards of directors, healthcare professionals, and the community, we can help shape the culture of healthcare, as well as the greater culture.

Our commitment to value-driven healthcare is our strategic strength. Too often, the healthcare ministry is narrowly viewed as the Church's mission to heal the sick. We need to embrace a view of the healthcare ministry as contributing to the Church's mission to heal the world. The ministry of the Church is not just about healing the sick, but about restoring relationships, community, human dignity, the planet. Such a model encompasses environmental considerations and addresses the root causes of sickness. We must shed contractual views of justice and espouse instead a biblical model of justice as participation in society. Managed care, if done well, is more suited to this model than traditional fee-for-service structures, which responded only to individual patients, not to communities.

TAKING UP THE CHALLENGE

The choice is now ours. Do we believe in what we have and in what we stand for? Are we committed to that belief enough to take the lead? If we are committed to changing the face of healthcare and managed care, then we have to work with others who are equally committed to the common good. This means we must prioritize our commitments according to values and principles grounded in the Catholic moral tradition. First and foremost, we must be about the healing and transforming ministry of Jesus, who came that we might have life and have it abundantly (Jn 10:10). Our non-Catholic and non-Christian partners will expect no less of us. We must pro-

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mote human life, human dignity, and the human spiritual vocation. This is our opportunity to reexamine and promote the traditional guiding principles of totality, double effect, proportionate/ordinary means, the common good, subsidiarity, stewardship, justice as participation, justice in the workplace, concern for the poor, cooperation, and toleration. Without these values and principles to define our commitments and guide our decisions, our ships will founder and sink under the storms of managed care, and human life and dignity will be diminished.

Our values and principles must be more than a mantra. We must use them to drive the decisions we make and the partnerships we form. We must identify and prioritize our values daily, as an "exercise of self-understanding."⁸ Unless we make such exercises part of our normal corporate routine at all levels in our organizations, Catholic healthcare will lose its identity and simply fade away. □

NOTES

1. "Managed Care 'Morally Flawed,'" *St. Louis Review*, October 18, 1996, p. 1.
2. Jerome P. Kassirer, "Managed Care and the Morality of the Marketplace," *New England Journal of Medicine*, July 6, 1995, pp. 50-52.
3. Marcia Angell, "The Doctor as Double Agent," *Kennedy Institute of Ethics Journal*, September 1993, pp. 279-286; John H. Fielder, "Disposable Doctors: Incentives to Abuse Physician Peer Review," *Journal of Clinical Ethics*, Winter 1995, pp. 327-332; Marc A. Rodwin, "Conflicts in Managed Care," *New England Journal of Medicine*, March 2, 1995, pp. 604-607.
4. Kassirer.
5. John Paul II, *Veritatis Splendor*, 1993, nn. 76-83; Rom 3:8.
6. St. Thomas Aquinas, *Summa Theologiae*, II-II, q.10, a.11; also II, q.96, a.2.
7. Catechism of the Catholic Church, nn. 1906-1912.
8. Lawrence O'Connell, quoted in Chuck Appleby, "Managed Care's True Values," *Hospitals and Health Networks*, July 5, 1996, p. 13.

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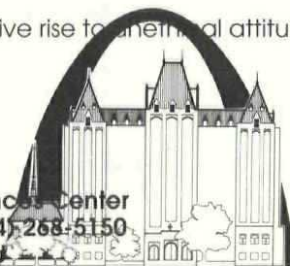
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