

PATIENT CARE VERSUS MARKET SHARE

Critical Questions Facing Our Healthcare System

Healthcare has come a long way since *Health Progress* began 75 years ago. We can do more for our patients today than at any time in the past. This is the great promise of our system. Unfortunately, many Americans today do not realize that promise.

According to the U.S. Census Bureau, 39.7 million people were not covered by health insurance in 1993. That's a 1.1 million increase from 1992—and 900,000 of the uninsured were children under the age of 18. Today, fully one-seventh of our population does not have adequate access to basic healthcare.

Those of us who serve the public interest in healthcare know what a strain the uninsured are to the system. Inadequate healthcare access in turn exacerbates the other great strain on our system—rising costs. The cost shifting required to cover whatever care the 39.7 million uninsured *do* receive only accelerates rapidly rising medical costs.

Federal healthcare system reform might have relieved these strains, but legislation never made it out of Congress. We missed an important opportunity to improve our system of care and the health of our people. Yet in the absence of federal reform, dramatic changes to our healthcare delivery system are occurring. These changes are being forced by the purchasers of care—businesses and state governments—and they are aimed primarily at controlling costs.

These changes begin to treat healthcare as a commodity and threaten to affect the basic values of our healthcare system. They also raise some serious questions for the future of this nation's health and healthcare.



Greg Couch

How will we pay for the care of our most needy? How will their traditional providers fare in a competitive marketplace? What will happen to hospital capacity, especially in our less financially attractive inner cities and rural areas? And what will become of the relationship between patients and their providers in this evolving system?

Despite the many unknowns, some things can be done. Unfortunately, care providers have fragmented into turf-protecting interest groups, often putting their wants ahead of patient needs. Now, more than ever, all providers

need to come together and serve their patients. The Catholic health ministry, with its enduring and well-articulated mission of care, is well suited to foster this rapprochement.

Additionally, a number of states are working to move their Medicaid populations into managed care delivery systems. This population is traditionally less able to understand and maneuver in the healthcare system. And experience teaches us that incentives to underserve can be built into Medicaid managed care programs. Should this happen, more patients will seek care from public and the more charitable hospitals. Catholic hospitals will need to seek out natural allies, non-Catholic providers (including public and community-based hospitals), other not-for-profits, and health systems of other denominations.

We are far from the end of health system reform, and the road ahead will be quite difficult. If we are to have a system that can serve us all, we will need to keep focused on our fundamental values.

Steven Schroeder, MD

*President
Robert Wood Johnson Foundation
Princeton, NJ*

75th Anniversary
**Health
Progress**
Foundation
FOR THE
FUTURE

