

## **The Challenge of Mission and Margin**

The list of the most difficult health care issues we face: financial pressure, reimbursement, uninsured/underinsured, increase in the self pay population, staffing and rising costs of labor causes me to wonder just why do religious congregations continue to sponsor health care in such complex and difficult times?

How closely connected are we to the original purpose in today's changing and difficult health care environment? What makes us distinctly Catholic?

The Church has always sought to embody Jesus' concern for the sick in its ministry. Christ's healing mission went further than caring only for physical affliction. He touched people at the deepest level of their existence; he sought their physical, mental, and spiritual healing. The mission of Catholic health care is to see Christian love as its animating principle; to see healing and compassion as a continuation of Christ's mission.

The Sisters of Charity of Nazareth, like many other congregations, became involved in health care in response to a need. In 1832 the cholera epidemic raged in Louisville. Because of public dread of this disease, nurses were hard to come by our Sisters closed their school and responded to the call for help both in Louisville and in Bardstown. The agreement was to reimburse the Sisters for their expenses.

Catherine Spalding, our founder, later learned of an accusation from one of the pulpits in the city that the Sisters in Louisville were mercenaries, that they had been paid not for their "expenses" in nursing cholera but for the "services" of the Sisters. Catherine returned the \$75.00 ironically begging the Mayor and Council to "pardon the liberty I take in refunding you the amount paid. Well convinced, that our community, for whom I have acted in this case would far prefer incurring the expense themselves rather than submit to so unjust an odium. Gentlemen, be pleased to understand that we are not hirelings. & if we are, in practice, the Servants of the poor, the Sick & the Orphan; we are voluntarily so..."The mayor apologized, returned the money, and ordered the correction.

What an example of clarifying mission and margin!

This event marked the beginning of our formal health care ministry. We opened our first hospital in 1836. For 160 years sponsorship for us meant hands on care and administration of our health care institutions with our doors always open to the poor and vulnerable. We continued to respond to needs where others either could not or would not go.

In the past three decades, both religious congregations and the healthcare environment have changed. Religious congregations found themselves with fewer qualified Sisters to manage the complexities of health care. The Sisters of Charity of Nazareth merged our 7 hospitals into Catholic Health Initiatives in 1997. We felt that joining with others with a similar mission was a way to continue the mission into the future in the spirit of Catherine Spalding.

This changed the sponsorship model for us. We became an active participating congregation with a representative on the Members of Catholic Health Initiatives. I currently serve as this representative.

Among other responsibilities, sponsorship now means:

- Attending annual meetings for Stewardship Accountability
- Participating in organizational advocacy efforts
- Encouraging members of the participating congregations to participate in the ministries sponsored by Catholic Health Initiatives
- Approving any substantial change in the mission or philosophical direction of the Corporation
- Appointing between 2 and 5 persons who are members of Active Participating Congregations to serve as Sponsorship Trustees on the Board of Stewardship Trustees

Catholic Health Initiatives is a public juridic person and as such reports to the Congregation for Institutes of Consecrated Life and Societies of Apostolic Life. This is the same body which governs pontifical Religious congregations. The Members along with the Board and national staff of Catholic Health Initiatives will meet with the Congregation in Rome in April 2008.

In this sponsorship model, we ensure that mission permeates the local facilities through a mission leader at the Senior management level. I know there are a number of mission leaders here today. Balancing mission and margin is high of this person's agenda by having a voice in planning and financial discussions. The mission leader also serves to remind the organization of the founding story, the reason for being to continue Christ's healing ministry.

Also integral to the new model of sponsorship is advocacy. In Catholic Health Initiatives, the Members set the Advocacy Agenda each year. The Sisters of Charity are connected to this agenda and receive regular alerts for pending legislation. Our Sisters are great at writing letter and making contacts with legislators on both the state and national level. We were very active in the

recent effort to get SChips passed. And disappointed when Congress failed to override the Presidential veto!

Catholic Health Initiatives Advocacy Priorities for 2007-2008 are:

- Access and coverage for all including children's health, immigrant health care and disparities in health care
- Rural Health care - access to and quality health care services in rural communities including Critical Access hospitals
- Fair Payment to providers and programs - ensure Medicare and Medicaid payments that cover costs of providing quality care and maintain the viability of health care programs. Oppose payment reductions that negatively impact the provision of needed services to seniors, the disabled and low-income individuals.
- Preserve the charitable and tax-exempt status of non-profit health care
- Support initiatives and public policy opportunities that reduce violence in society, to promote building healthy communities

If you go back to the list of difficult issues you are facing, you will note these priorities on the list.

I'd like to share an experience when balancing mission and margin was critical to the continuation of our mission at Memorial Health Care System where I spend to the past 12 years. Two years ago the governor reformed TennCare - Tennessee Medicaid. This involved removal of more than 200,000 from the TennCare rolls which left many with no insurance coverage at all. This impacted the hospital because we received zero reimbursement for treatment for which we had previously received TennCare payments. Although TennCare covered only about 65% of the cost of care, it was better than nothing. The increase in write offs for uncompensated care increased by more that \$5 million a year.

Balancing mission and margin would not let us reduce access to care or services. When the cost of providing free prescription drugs skyrocketed from and average \$15,000 a month to \$90,000 a month, we established a drug formulary to ensure good stewardship of limited resources and put in place an in-house process in our clinics to help the patients qualify for free drug programs sponsored by the drug companies.

We established a program in the hospital infusion center to apply for replacement drugs provided to poor persons in the hospital.

We got a federal grant to offset the costs related to the two clinics which serve the poor.

We looked at operational improvements rather than simply cutting the community benefit services. For example, we spend about \$750,000 a year to provide free services to cancer patients. Without a clear focus on mission when faced with financial challenges, it would be much easier to cut out these services than take the time and effort necessary to increase efficiency elsewhere.

Another initiative I was involved in while in Tennessee was the establishment of Project Access in collaboration with the Hamilton County Medical Society, the three hospitals in the city and the Health Department. It provides for free care for the uninsured not eligible for TennCare. In establishing eligibility, a proposal was made to exclude undocumented persons from the service.

As a Catholic facility we were able to speak against this proposal to the point of stating that we would not be part of the program if undocumented persons living in the county were excluded. The proposal was defeated but more importantly, awareness was raised in regard to this issue of justice.

The Sisters of Charity of Nazareth sponsor Nazareth Home in Louisville, a long term care facility. Originally opened to care for our Sisters, Nazareth Home is now open to anyone who qualifies. Balancing mission and margin led us to develop a model of care to keep our Sisters out of the nursing home as long as possible. We utilize government health care programs for our members who qualify for them.

Balancing mission and margin also led to us look at programs to utilize the facilities at Nazareth Home in a financially feasible manner. For example, we converted some beds to a rehab to home program.

Just as Catherine Spalding raised her voice for justice in 1832, we continue to raise our voices that the rich tradition of Catholic health care service offered in the past will be continued into the future.

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