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Women's Health: A Casualty of Hospital Merger Mania

By Christine Dinsmore

Ninety miles from New York City in the Hudson Valley town of Rhinebeck, Mernie Dempster, a 66-year-old retired school librarian; Barbara Harrison, a 68-year-old former school teacher; and Gayle Wolfe, a 31-year-old homemaker and mother of two boys, have become activists in the fight against hospital mergers.

On a clear, mild day in June of 1997, they marched to Northern Dutchess Hospital in Rhinebeck to present a scroll with 1,977 signatures to hospital officials. As the three women walked toward the hospital door, they encountered a handful of picketers. The small group of angry protesters waved placards with pictures of aborted fetuses and slogans about "pre-born" babies.

But the three women knew the struggle they were engaged in was about more than safe and legal abortions. Making their way through the protesters, they handed their petition to the hospital official standing in the doorway. It demanded that the hospital board restructure a planned partnership with Benedictine Hospital, a Roman Catholic facility across the river in the city of Kingston, so that it would preserve all reproductive health services. At press time, Northern Dutchess had already joined forces with Kingston Hospital, another secular community facility. The partnership with Benedictine had not been finalized.

As part of the agreement with the Catholic hospital, the two secular hospitals have consented to abide by six religious dictates from the Ethical and Religious Directives for Catholic Health Care Services. The directives encompass abortion, sterilization, birth control, in vitro fertilization, fetal tissue experimentation, and assisted suicide. (Since in vitro fertilization and fetal tissue experimentation are done only in large research hospitals, these do not apply to Northern Dutchess and Kingston Hospitals.)

The jury is still out on how end-of-life decisions would be made because the wording of the directives is vague. On one hand, the directives state that a person can "forgo extraordinary" means to preserve life. On the other, they caution against the withdrawal of technology for the purpose of causing death. Particularly alarming to many is the directives' call for health care providers to counsel patients in extreme pain about "the Christian understanding of redemptive suffering."

By agreeing to abide by the Roman Catholic Church's dictates, the hospitals will stop performing tubal ligations and vasectomies. In recent years, Kingston Hospital has performed about 100 abortions a year, often for Medicaid recipients. Northern Dutchess hasn't permitted abortions since 1977. If it merges with Benedictine, Kingston/Northern Dutchess would provide the service—but for medical reasons only. No hospital in the community would provide birth control counseling or family planning services.

"I know the church wants to protect its values," says Dempster, "but we want to protect our own values, too. If this merger goes through as it stands, it will set back women's rights at least 50 years."

The partnership among the three hospitals is one of the latest developments in the Roman Catholic Church's expansion within the health care field. From Portland, Maine, to Oakland, California, the church is forming partnerships with hospitals and health maintenance organizations (HMOs), and in the process, curtailing reproductive health care across the nation.

The most complete partnerships are called "full asset mergers," which means that everything from two or more hospitals is combined, including assets, property,

and all operating programs. Though activists object to all partnerships between religious and secular hospitals that result in the ban of reproductive services, they are sometimes willing to accept looser collaborations, such as joint ventures or affiliations, in which cases it's more likely that religious directives won't be imposed.

According to the reproductive rights organization Catholics for a Free Choice, there were 34 mergers involving Catholic hospitals between 1990 and 1997 alone.

A number of Catholic health care agencies are heavy hitters when it comes to mergers. Regardless of size, these agencies are posting impressive growth rates. The largest is Daughters of Charity National Health System, followed by Catholic Health Initiative (CHI) and then Catholic Healthcare West (CHW). CHW, with eight added hospitals, experienced a 33 percent growth in 1996. That same year, Sisters of the Sorrowful Mother-U.S. Health Systems, among the top 10 Catholic health care organizations, added seven new hospitals for a 47 percent hospital increase.

Collaborations between secular and Roman Catholic hospitals have made the Roman Catholic Church the largest private health care provider in the nation, according to the Catholic health care magazine, *Health Progress.* In 1996, church-affiliated health care organizations controlled more than 600 hospitals, more than 20 percent of admissions in 19 states, and $44 million in assets. By comparison, according to the same report, in 1996, Columbia/HCA Healthcare Corporation had 300 hospitals, more than 20 percent of admissions in three states, and $16 billion in assets.

If Roman Catholic hospitals are in such good financial shape, why would they want to join forces with secular hospitals, and if secular hospitals want the financial benefits of collaborating, why don't they form partnerships with each other and remain secular? The answer is the "m" word: monopoly.

JoAnn Smith is the executive director of Family Planning Advocates of New York, a reproductive rights group. Smith says of hospital monopolies: "The big money in the hospital system comes when you get a closed system and have doctors, HMOs, and hospitals all feeding each other in a closed loop."

Hospitals have seen their revenues diminish as managed care limits hospital stays and payments, all of which puts hospitals in direct competition with each other to get contracts with HMOs. Whoever offers the best discounts gets the most and biggest HMOs—the capitalist system at work. The system has been rotten for hospitals. According to Linda Berthgold, a health care consultant in California, hospitals often merge in order to create "a more powerful front with which to deal with HMOs."

Enter the Roman Catholic megasystem, Lois Uttley, project director for MergerWatch, a Family Planning Advocates program created to monitor religious and secular health care partnerships, explains: "The Catholic Health Association in St. Louis, a national trade association, has done a fantastic job over the last five to ten years of helping Catholic hospitals turn themselves into superb not-for-profit I businesses and forming chains of Catholic hospitals. CHI, Catholic Health Initiative, has 68 hospitals in 22 states. It has 54,000 employees and last year its revenues were $4.7 billion. When you have a chain with that magnitude of assets and power, the scales are imbalanced when secular hospitals try to merge with it."

Uttley says that in some cases the Catholic megasystem will try to acquire—literally buy lock, stock, and barrel—a secular community hospital simply by putting money on the negotiating table.

So the church, which has a long history of medical care giving, is strengthening both its finances and its mission with these partnerships.

The reason that secular hospitals are willing to engage in partnerships with Roman Catholic facilities is that they gain financially from being part of the only game in town. "The hospitals will also say that by merging, they'll achieve efficiency and thereby cut costs," Uttley says. "They can merge administrations, computer systems, laundries, and one facility can offer cardiac care and the other not."

Money is obviously the key factor in explaining why secular hospitals are seemingly willing to sacrifice reproductive health care and other services that are morally repugnant to the Roman Catholic Church. But Uttley also cites lack of commitment. She puts it this way: "Executives of two or three hospitals will come together to negotiate a merger or affiliation. One side, the Catholic side, puts on the table a non-negotiable set of demands that the other side must follow. On that other side is usually a white, middle-aged male hospital executive, sometimes Catholic. That man has to stand up for women's reproductive health care in the bargaining procedure and thereby run the risk of losing the deal. In the case of Kingston/Dutchess, they will have failed women's health care if they complete the business deal."

Uttley points to a case in Avon, Connecticut, in which four hospitals got together to build an outpatient surgery center. Only one of the four was Catholic. The hospitals were not merging, but the three secular ones feared competition from the Roman Catholic facility. That hospital insisted that the outpatient center prohibit abortions, contraceptive services, and tubal ligations. The other three agreed to these demands. "The only reason vasectomies were saved was because a prominent urologist went into the negotiations and insisted," says Uttley. "In all these negotiations, the Catholic side comes prepared to demand religious rules."

Naïveté and ignorance can also cause officials at secular hospitals to agree to merge with Roman Catholic ones. A proposed partnership in Baltimore is a case in point. The Greater Baltimore Medical Center (GBMC) was originally made up of two hospitals, one of which was the Women's Hospital of Maryland, whose purpose was to ensure women's health care. Says Uttley: "The hospital was caught up in the same merger mania that we're seeing in other parts of Maryland and across the nation. The president of GBMC's board entered negotiations with a Catholic hospital, even though there were other secular partners, such as the large and prestigious Johns Hopkins, which GBMC could have pursued. My guess is that the GBMC officials mistakenly thought that they'd have more control of their future if they merged with the Catholic hospital rather than with Johns Hopkins. They saw it as a little Catholic hospital down the street and not as part of CHI, a 22-state, 68-hospital chain. There was a tremendous outcry in the community from prominent women trustees of the foundation that started the Women's Hospital of Maryland, threatening to withhold financial support if the merger went through."

GBMC officials say their facility negotiated with the Catholic hospital for a joint operating agreement, which would have allowed reproductive health care to continue. But the GBMC board could not come to a final decision, and the Catholic hospital lost interest.

Catholics for a Free Choice president Frances Kissling points out that while abortion was the sticking point in partnerships prior to 1995, now reproductive counseling, sterilizations, contraception, and even sexually transmitted diseases (STDs) and HIV prevention counseling are being lost. In following the Roman Catholic Church's position regarding birth control, medical personnel cannot discuss condom use—a prohibition that also hampers HIV prevention counseling. And while this information, as well as information on birth control, exists sub rosa even in Roman Catholic institutions, a community cannot rely on chance.

The National Coalition on Catholic Health Care Ministry, Catholic Health Assembly (CHA), and Consolidated Catholic Health Care—three Roman Catholic health care professional organizations—recently launched New Covenant, whose mission, according to *Health Progress,* is to collaborate with managed care, form mergers and affiliations, take over health care practices, and enlarge Roman Catholic HMOs. While these mergers help the church financially, they may also result in the implementation of the church's directives.

In a video shown at the 1995 CHA conference, Sister Jean deBlois, CHA's vice president of Mission Services, said that "fidelity to Jesus today mandates identifiable Catholic presence in the broader health care system."

While "fidelity to Jesus" is bandied about in Roman Catholic health conferences, hospital officials say publicly that these joint ventures are motivated solely by financial concern. A merger between Kingston/Northern Dutchess and Benedictine would save $30 million over five years, claims a financial consultant who analyzed the case.

Across the nation, Roman Catholic and secular collaborations have taken on various permutations. Partnership agreements range from requiring total compliance with Roman Catholic doctrine to allowing all reproductive services except elective abortion.

The agreements vary from place to place because all alliances between Roman Catholic and secular agencies must be approved by the local diocese. What results is an agreement based, in part, on the philosophical interpretation of Catholic directives by the bishop who heads the diocese. The Kingston/Northern Dutchess and Benedictine merger must be approved by conservative John Cardinal O'Connor, the head of the New York Archdiocese, who acts as its bishop.

In response to community pressure, some health care agreements have included an independently run women's health clinic. Some activists say it's a lousy solution because separate women's health clinics are often easier targets for antiabortion extremists. There are other drawbacks. Says Catholics for a Free Choice's Kissling: "Establishing a free-standing clinic as part of the elimination of services from an existing hospital is not a good compromise. Women should not have to go to more than one provider for their reproductive health services. They should be able to choose between a hospital and a clinic—the decision should not be made for them. In addition, most women deliver their babies in hospitals. And it is important for those seeking tubal ligations to be able to have them immediately postpartum." Another problem with separate clinics planned by hospitals, says Kissling, is that they often experience financial difficulties because women's health care is not as profitable as a lot of other specialties. Lastly, hospitals will often say they'll set up a separate women's health clinic as part of a partnership agreement and then simply not follow through on that part of the agreement.

Women who receive Medicaid are particularly hurt by the partnerships. Not only is it difficult to find a provider other than the hospital who will accept the low rates of Medicaid, but if a provider is found after their local hospital no longer provides a given service, it's often difficult for poor women to obtain transportation to facilities outside their neighborhoods. And they're forced to make two trips, one to their community hospital and one to a reproductive health care facility somewhere else.

There have been other unacceptable compromises:

• In 1994, when residents of Grass Valley, California, learned about a proposed collaboration between Sierra Nevada Memorial Hospital and Catholic Mercy Health Care Sacramento, they organized a public meeting to discuss the proposed partnership. More than 400 people, braving a torrential rainstorm, showed up to protest the partnership. In response to the community objections, Catholic Healthcare West, the entity behind the proposed partnership, agreed to a "compromise" that established a Roman Catholic hospital and a "community model" hospital in which all services would be provided except abortions.

Besides the decrease in women's health care services, other changes occurred because of the new hospital configuration. According to Susan Fogel, legal director of the California Women's Law Center, Sierra Nevada Hospital had been part of a sexual assault response team in which medical staff, domestic violence specialists, and members of the sheriffs office worked together to make certain that the needs of both the sexual assault victim and law enforcement were met. Since the takeover, Catholic Healthcare West no longer participates in the program. It claims that it takes

care of the victims in-house without coordination with its former team members.

• In Great Falls. Montana, the community facility, Deaconess Hospital, joined forces with church-run Columbus Hospital and now provides all reproductive services except abortion. The loss of abortion services is not mitigated by the fact that hospital officials agreed to set up a fund to help pay travel expenses for women—if they need the procedure for medical reasons.

• In Washington state, Everett General Hospital Medical Center stopped performing abortions and sterilizations after it joined forces with Roman Catholic-run Providence Hospital. In a "compromise," the secular hospital donated $500,000 to Planned Parenthood so it could bolster local reproductive health care services.

But even in the most flexible compromises, patient services are still being threatened. What alternatives do men have for securing vasectomies, for instance, when a hospital no longer provides sterilizations but has agreed to set up a free-standing clinic for women only? What if a woman who is raped goes to her local hospital and has no access to emergency contraception?

The Roman Catholic Church is also making inroads into the HMO business. Recently, for example, the Roman Catholic HMO Fidelis Care of New York (FCNY), a Catholic Medicaid managed care plan, bought out Better Health Plan. Fidelis, which insures 22,000 Medicaid patients in New York City, tripled its enrollment with the addition of 40,000 enrollees in upstate New York. The HMO also gained 10,000 providers. But with the church's acquisition of Better Health Plan, thousands of people lost coverage for abortion, birth control, sterilization, and safer-sex counseling.

In a letter to its providers, Deborah Redd, Better Health Plan president and CEO, and Thomas Sheehan, M.D., its medical director, wrote: "The only policy change or note is with regard to family planning services. Consistent with its ethical and religious policies, FCNY does not provide family planning." It goes on to say that members may receive these services from other Medicaid-qualified providers through "self-referral."

Though the task of taking on the Catholic church may seem daunting, when communities have enough warning about impending collaborations, activists have been successful in modifying and even stopping partnerships between Roman Catholic-run and secular facilities. Coalitions among reproductive rights advocates, health care workers, clergy, women's groups, and people with HIV/AIDS have sprouted up in communities across the country. MergerWatch even maintains a Web site to keep updated information flowing to these groups (http://www.fpaofnys.org)

• In Wilmington, Delaware, when community activists learned that abortions and tubal ligations would be banned at an outpatient surgical center because of a planned collaboration between St. Francis Hospital and secular Christiana Care (Medical Center of Delaware) Health Systems, they organized a campaign to block it. They bombarded the newspapers with letters of protest; galvanized community members, including non-Catholic clergy; and attended en masse the state's hearing on the hospital merger. Christiana Care Health Systems withdrew from the plan.

• In Poughkeepsie, New York, Vassar Brothers Hospital and St. Francis Hospital decided to collaborate. Because the collaboration would have resulted in the loss of reproductive health care, the community, including 50 ministers, protested. As a result, the two hospitals joined in a "virtual merger," through which services are shared, but the Catholic directives are not forced on the secular hospital.

A lawsuit in Troy, New York, illustrates what can happen when there is inadequate community notification of impending hospital partnerships. In 1994, Troy's Leonard Hospital, an extensive secular facility, stopped providing family planning services when it merged with St. Mary's Hospital, a facility five miles away. They became Seton Health Systems, a new Roman Catholic entity. When a 20-year-old

woman walked into Leonard Hospital's outpatient clinic, the doctor refused to provide her with her regular Depo Provera shot. She had had no warning that the merger would take place and that her contraceptive services would be suspended. Since the clinic did not offer any form of birth control, the woman was left unprotected.

Outraged, she went to lawyers for Family Planning Advocates (FPA) for help. FPA had already learned that Leonard Hospital and its primary health care clinics no longer provided sterilizations or referrals for abortions and tubal ligations.

In response, FPA turned to the Center for Reproductive Law and Policy, an organization that advocates for reproductive rights. The center agreed to challenge the anticipated merger by filing a first-ever lawsuit on behalf of FPA, two local chapters of Planned Parenthood, and two women affected by the loss of services, including the 20-year-old mentioned above. The suit charged that the state should have refused to allow the merger because it deprived women of basic medical coverage by limiting access to contraception, abortion referrals, and counseling formerly provided at the hospital's outpatient clinics.

In a May 1996 settlement, Seton Health Systems agreed to provide a list of practitioners who offer reproductive health services to patients who request referrals for family planning or sterilization.

The original lawsuit sought to have the merger set aside. Although the settlement forced the hospital to give referrals for services, the merger stands. The hospitals do not provide full reproductive health services, forcing some patients to travel out of their communities to get them. Eve Gartner, the attorney for the plaintiffs in the case, says that the settlement is a compromise—and not an ideal one at that." Some women are at risk for unintended pregnancy while waiting for a referral," says Gartner. "Challenging a partnership after it has already been approved by the state is difficult," she adds.

Currently there are few laws requiring community notification of impending nonprofit partnerships, but Roman Catholic hospitals' partnerships with secular facilities may be slowed as activists pressure state lawmakers to pass protective legislation. In California, for example, legislation is pending to ensure public notification or impending non-profit partnerships. At press time, the bill was still in the legislature.

And in New York, in response to pressure from the community, two bills in the state assembly call for public notification of partnerships and for the commissioner of health to assure no loss of medical services if a partnership occurs.

Not surprising, the New York Catholic Conference, a statewide Roman Catholic lobbying group, has made the defeat of these bills a priority. In fact, Buffalo's Bishop, Henry Mansell, has made the goal of stopping these bills second only to banning late-term abortions. In March, Mansell accused legislators of proposing bills that would require joined hospitals to provide reproductive procedures banned by the church.

"Political pressure is mounting to force Catholic entities, including hospitals, health systems, and managed care plans to abandon their moral and ethical principles," Mansell told reporters. “We are apprehensive about that because we see this as part of a larger movement across the United States, not only to impede the delivery of Catholic health services, but to eliminate them.'"

Needless to say, activists are wondering who's impeding whom?

Meanwhile, more than a year and nearly 10,000 signatures later, the three women attempting to prevent the Kingston/Northern Dutchess collaboration with Benedictine in upstate New York continue to work to stop the proposed partnership. Two ad hoc groups have sprung up—Save Our Services in

Rhinebeck and Preserve Medical Secularity in the Kingston area. They have joined forces with a long-standing pro-choice group—Ulster County Coalition for Free Choice. In this mid-Hudson Valley community, signs are popping up on front lawns like spring flowers, reminding passersby that "People of all faiths use our hospitals."

As the church attempts to win on two fronts—the political and the economic—the ongoing merger wars have seen victories, losses, and draws. But if medical decisions continue to be made by the diocese, the Church will have indeed circumvented the State.