

# Executive Summary

This project is concerned with affiliations between Catholic and non-Catholic health care providers and their impact on the availability of reproductive health services in communities. The project examines trends in affiliations involving Catholic health care organizations, key issues in the affiliation process, the role of reproductive health services in the affiliation process, the impact of affiliations on the availability of a range of reproductive health services, and approaches used to provide these services. The number and types of formal affiliations (including joint ventures, mergers, acquisitions, consolidations, and long-term lease agreements) involving Catholic health care organizations between 1990 and 1996 are described, and a comparative case study method is used to describe the affiliation process and its outcomes. The cases are intended as illustrative models of successfully negotiated affiliations between Catholic and non-Catholic organizations and of possible solutions to issues involving the availability of reproductive health services. The study finds that the number of affiliations between Catholic and non-Catholic health care organizations has been increasing (as have affiliations in the health care industry as a whole) and that a range of strategies is used to accommodate the partners' different values and traditions. The case studies of four successfully negotiated affiliations between Catholic and non-Catholic health care organizations suggest that acknowledging the importance of ideological differences early in the affiliation process and developing explicit strategies to deal with controversial issues are critically important. Overall, the case studies reveal little change in the availability of reproductive health services as a result of affiliations. Surgical abortion was the service most likely to be curtailed post-affiliation, and obstetrical services were most likely to be expanded or improved. Specific findings are highlighted below.

## Overall Context for Affiliations

- Catholic hospitals represent about 10% of U.S. acute-care hospitals and were involved in about 18% of the nation's hospital affiliations between 1990 and 1996.
- Between 1990 and 1996, 131 formal affiliations involving a Catholic hospital or health system were publicly reported, of which 78% were between Catholic and non-Catholic organizations.
- Between 1990 and 1996, 40% of known affiliations between Catholic and non-Catholic providers were mergers, and 39% were acquisitions.
- Key factors motivating affiliations between Catholic and non-Catholic organizations in four case studies were increased competition in local markets resulting from the growth of managed care and capitation, declining hospital census, and a desire to increase market share.

## Factors Associated with Completed Affiliations (in Case Studies)

- Ethical and religious concerns about reproductive health services were evident in all case studies, and the reproductive service most often at issue in the affiliation process was abortion.
- Successfully negotiated affiliations between Catholic and non-Catholic case study organizations were characterized by:
  - identifying a strategy to address differences in ethical and religious values and their impact on controversial services early in the affiliation process;
  - developing strategies to obtain necessary approvals from the Department of Justice and the Catholic Church;

- developing a plan for managing the operational and cultural changes required to support an affiliation, including human resources issues;
- developing a plan to motivate physicians' participation in the affiliation process; and
- actively informing the community and soliciting community involvement in all phases of the affiliation process.
- Ongoing challenges for the affiliation partners included managing cultural integration, workforce reduction, and physician-hospital relationships.
- Benefits to the communities included avoiding closure of facilities, improved services, reduced health care costs, and expanded community-based health programs.

## **Outcomes with Regard to Availability of Reproductive Health Services (in Case Studies)**

- Outcomes for reproductive health services were influenced by several factors: the pre-affiliation range of services provided by the partnering organizations, the history of earlier affiliation attempts, community involvement in the affiliation process, and community traditions with regard to women's reproductive rights.
- Hospital-based surgical abortion services were discontinued in two cases and unchanged in two cases; policies proscribing abortion referrals were not observed.
- Obstetrical services were expanded in two cases and unchanged in two cases.
- Family planning/contraceptive services were regarded before and after affiliations as issues best considered within individual physician-patient relationships.
- Emergency contraception services were unchanged as a result of affiliations and were available either on-site or at local or regional rape crisis centers.
- Sterilization services were expanded in one case and continued to be provided in the other cases.
- Infertility services were unchanged in all cases.
- Emerging issues related to reproductive health services in the case study sites include provision of non-surgical abortion, providing core benefits, and defining and providing comprehensive women's health services.

A key policy implication of this project is that assessing the potential impact on a community of affiliations between Catholic and non-Catholic health care organizations is complex. There is no simple correspondence between the type of affiliation and the outcomes with regard to availability of reproductive health services. Community members and policymakers need to weigh the potential benefits of affiliations (such as preserving community providers or enhancement of services) against the potential costs of affiliations (such as loss of proscribed services or added burdens to consumers seeking care).