Unlikely Entrepreneurs

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This book has depicted the early historical tensions that Catholic hospitals faced while striving to retain their religious identities in an increasingly competitive secular marketplace. It is abundantly clear that these issues continue to be played out in Catholic nursing congregations throughout the country. As sisters compete for patients, staff, and reimbursements in today’s hospital marketplace, some fear they are getting away from their original purpose of helping those most in need. To that end, many nursing congregations are getting out of the hospital business altogether, while others redirect their health care into new services.¹

The Sisters of Charity of the Incarnate Word have continued medical and nursing services in Texas, across the United States, and Mexico. Change was in the air in the 1980s, which brought a revolution in hospital reimbursement as health-care expenditures took on a greater percentage of the Gross Domestic Product. In response, the federal government and private insurance payers began capping hospital reimbursements. Due to increasing costs, duplication of services, and a large debt, in 1991 the Incarnate Word Sisters sold St. Joseph’s Hospital in Fort Worth to the Daughters of Charity Health System—West Central, after over a hundred years of service.² In 1999, the Incarnate Word Health System merged with the Sisters of Charity Health Care System to become CHRISTUS Health. It now includes more than forty hospitals and facilities in five American states and Mexico, with assets of more than $3.4 billion. As a component of that system, Santa Rosa Hospital in San Antonio, the city’s first private hospital, is now a 400-plus bed general acute-care facility and is still located in the heart of the city.³

In 1987, the Sisters of St. Joseph of Carondelet merged St. Joseph’s

Epilogue
Hospital in St. Paul into the Health East System, along with two Lutheran facilities and one Baptist hospital. Then in 1991, the sisters sold St. Mary’s Hospital in Minneapolis to Fairview Health System. The nuns could no longer obtain the financial resources needed to keep St. Mary’s a “state of the art” institution that would meet demand for a broader array of services in Minnesota’s competitive environment. These decisions caused dissension among the sisters, their congregational leadership, and the local residents.4

But the women had other health-care ministries in mind. In the 1990s, they began a system of clinics that served those who could not afford health insurance and who did not qualify for subsidized government health programs.

In 1973, the Sisters of the Holy Cross withdrew sponsorship from St. Mary’s Hospital in Cairo, Illinois. The racial situation had always been tense, and the charged atmosphere did not improve during the civil rights movement in the 1960s. Fiery crosses burned on the hospital lawn after the sisters ended the century-long segregation of hospital wards, a decision that the medical staff opposed. By 1972, the hospital was in dire financial straits, and the sisters could not get assistance from the state or the city. Some members of the media blamed the hospital’s closing on the attitudes of local city officials and their continued discrimination against African Americans. The mayor blamed “fiscal mismanagement over the past ten years.” Other sources attributed the closing to the shortage of physicians. Once again, however, the sisters did not measure their successes in monetary value alone. One historian of the congregation stated, “Not only did the Sisters work hard in the hospital, bringing healing to the sick and dying. They also brought lost Catholics back to the Church, [and] baptized countless babies and adults when they were at death’s door.”5

On October 4, 1993, the Wall Street Journal announced the intent of the Sisters of the Holy Cross to sell Holy Cross Hospital in Salt Lake City to HealthTrust, Inc., a for-profit company that operated hospitals in twenty-one states.6 Church law required the sale of Catholic facilities valued at greater than $3 million to be approved by the Vatican, based on the local bishop’s recommendation. Bishop William Weigand of Salt Lake City made the required recommendation at the sisters’ request, but only with the understanding that they would do everything possible to find a Catholic buyer. After the October announcement, the bishop learned that another Catholic health system had been interested in buying Holy Cross Hospital, and he tried to persuade the sisters’ president and general council to reconsider. But the binding and exclusive letter of
intent between the two parties prevented them from doing so. The nuns were beginning a new ministry to the undocumented and underserved sick, giving priority to women, children, and the elderly. They could no longer bear the $80 million hospital debt and still meet the demand for a broader array of services in Utah’s competitive marketplace. The hospital’s sale to HealthTrust, Inc., would enable a more comprehensive and integrated network of delivery for the Utah community.7

But the bishop disagreed, since the sale would leave Utah without a Catholic hospital. Many local residents were saddened, as well, and one even accused the sisters of being “corporate raiders, selling to the highest bidder.”8 Others objected to a hospital run “strictly as a business, without the strong mission spirit and option for the poor” that Holy Cross Hospital had.9 Bishop Weigand traveled to Rome to ask the Vatican to block the pending sale, but after months of negotiation, he was unsuccessful.10 The sisters persisted with their plan and, in fact, did sell the facility to the company of their choice. They held tenaciously to their rights to protect the integrity of their community and to determine the type of work appropriate to their particular order.

Then on June 29, 1999, officials of Holy Cross Health System, sponsored by the Sisters of the Holy Cross, announced that they would merge with Mercy Health Services based in Farmington Hills, Michigan. Both are not-for-profit Catholic health systems with hospitals, clinics, nursing homes, and home-health agencies. The resulting merger is the third-largest Catholic health-care system in the United States and the ninth-largest overall, with forty-seven hospitals and other facilities in seven states.11 As part of this network, Trinity Health, the Sisters of the Holy Cross have continued to sponsor St. Joseph’s Hospital in South Bend, now a 288-bed acute-care facility known as St. Joseph Regional Medical Center. The sisters use its resources to support other services, including clinics for underserved populations. Recently, the hospital announced plans to move to a new site and build “from the bottom up.” As of this writing, deliberations are still underway about the future use of the current campus.12

In his paper on Catholic social theory and late-twentieth-century Catholic institutional life, Clark E. Cochran asserts: “Never have Catholic health care institutions been more vibrant. They are the dominant institutions in the United States not-for-profit hospital sector. They are among the most financially stable and the most active in mergers and acquisitions.”13 In these hospitals, foundational values have not changed. A 1994 editorial in Health Progress entitled “How to Approach Catholic Identity in Changing Times” lists them as including: (1) Health care is
viewed as a service and never strictly a commodity to be exchanged for profit; (2) Every person has intrinsic spiritual worth, at every stage of development, and is the subject of human dignity with a right to health care; (3) Particular commitment is to the needs of the poor and disenfranchised; and (4) Stewardship requires that natural and social resources be prudently used.14

These values have been grounded in a historical tradition of health care embodied in Catholic sisters of the past. In the late nineteenth and early twentieth centuries, a hospital’s Catholic identity was never in question because of the nuns’ presence. Yet their numbers have significantly declined today, and their diminished presence has been felt deeply by former patients, physicians, and employees. When Holy Cross Hospital was sold, one admirer summed up the nuns’ work and unknowingly reinforced the major theme of this book: “I sincerely hope that the Holy Cross . . . sisters will be able to serve a function at the hospitals because their presence has always been an important element in health care here.”15 Likewise, in 1991 when the Incarnate Word Sisters sold St. Joseph’s Hospital in Fort Worth, a former employee noted, “Saint Joseph was different from all the other hospitals in the city, when the nuns were here.” And according to a doctor, “Fort Worth always recognized Saint Joseph as the hospital with a heart, a Christian, charitable institution, and that was because of the presence of the sisters. . . . Their presence had an invaluable influence.”16 Such spoken sentiments call for continued study of the richness and complexity of sisters’ roles in the Catholic hospital movement.