

Catholic HMOs and Reproductive Health Care

E X E C U T I V E S U M M A R Y

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Catholic HMOs and Reproductive Health Care

Since the mid-1990s, Catholics for a Free Choice (CFFC) has been documenting the scope of the Catholic health care system and its impact on access to reproductive health care. Through qualitative and quantitative analysis, CFFC has looked at limitations on the provision of reproductive health care in Catholic hospitals, particularly when Catholic hospitals merge with non-Catholic hospitals and impose restrictions on the delivery of reproductive health services. In *Catholic HMOs and Reproductive Health Care*, the most recent report in CFFC's Access Series, we explore the role of Catholic health care in another important area: managed care and insurance coverage for reproductive health care controlled by Catholic institutions.

In many ways, the 1990s were the decade of managed care as much as the decade of hospital mergers. Rapidly rising health care costs drove employers and state and federal government to look for ways to control health care spending. As a result, enrollment in managed care—a form of health care insurance that promises to control costs by "managing" care for optimal outcomes—increased an astonishing 91% between 1993 and 1998. In just the two years between 1995 and 1997, the percentage of insured U.S. workers who were in managed care doubled to nearly three-quarters of the workforce. With government-funded health care programs such as Medicare and Medicaid also encouraging or mandating the use of managed care, some 168 million Americans were enrolled in managed care by 1998.

Catholic Managed Care

The explosive growth of managed care has led to questions about the scope of Catholic managed care plans. Are they a significant presence in the U.S. health care system or in the Medicaid program? Are they limiting reproductive health care in a manner similar to Catholic hospitals? Since managed care plans limit the doctors or hospitals from whom members can obtain care or charge more for out-of-network services, a Catholic managed care plan that refuses to cover reproductive health services such as tubal ligations or contracts only with Catholic hospitals that refuse to provide such services would severely limit enrollees' ability to access reproductive health care. This is particularly problematic for lower-income women and younger women who may not have the means to pay for care their health plan will not cover, or for those who do not have a choice of health plans.

The report surfaces important public policy questions. Should Catholic plans, particularly those that receive money from participation in programs like Medicaid that mandate the provision of family planning services, be allowed to refuse to provide reproductive health services based on religious beliefs? Are states monitoring the practices of Catholic plans regarding the denial of reproductive health care? Should consumer protection laws guarantee that Catholic plans provide full disclosure on the nature and scope of reproductive health services that they will not deliver before women enroll in the plan?

And what about employers, who are the ones who usually make the decisions about what managed care plan their employees will have and, to some extent, what services will be covered? Are they taking steps to ensure that any plans with which they contract provide the full range of reproductive health services? This is particularly important because only 64% of families who are offered employer-sponsored plans have a choice of more than one plan, and only about half have a choice between an HMO and a less-restrictive plan. The choices are even more limited for those who live in non-metropolitan areas or work for small firms. Only 37% of families in areas with less than 200,000 people have a choice of plans, and just 25% of employees in firms with less than 50 people have a choice of plans.

Report Highlights

- CFFC identified a total of 48 Catholic managed care plans serving nearly 2.5 million Americans.
- A total of 25 Catholic managed care plans are providing contraceptive coverage for enrollees—some specifying only oral contraception. This represents 52% of all the Catholic plans CFFC identified.
- A total of 23 Catholic plans are covering tubal ligations for enrollees, representing 48% of Catholic managed care plans. This is a surprisingly high number given that the provision of tubal ligations by Catholic hospitals has been a highly contentious issue.
- There are several methods that Catholic health plans use to make reproductive health services available to enrollees. The key element is distancing the Catholic plan from the direct provision of, and in the case of most services—especially abortion—direct payment for, forbidden services. One method is for the Catholic plan to contract with non-Catholic providers—another hospital or clinic—to provide the services it cannot provide. Secondly, Catholic plans can also arrange for the portion of the monies they receive from the payers for health services—either employers, individuals or the government—that pay for reproductive health services to go through third-party administrators. Thirdly, a Catholic plan can arrange for another insurer to handle payment and provision of reproductive health services.

For example, in Missouri, Mercy Health Plans covers contraception for its enrollees through a third-party contractor, Med Plans 2000, that handles billing for these services. In Texas, Seton Health Plan works with Planned Parenthood to provide contraceptive coverage for enrollees in its Medicaid HMO. Family Health Plan of Ohio and OSF HealthPlans of Illinois make a rider available to employers that they can purchase to cover contraception and tubal ligations for their employees. And Mercy Health Services in Michigan gives employers the option of providing reproductive health coverage through a third-party vendor.

- There are 15 Catholic managed care plans participating in the Medicaid program serving approximately 770,700 people. Thirteen of the 15 plans make reproductive health services available to their enrollees through one of two methods: a formal partnership with a non-Catholic insurer who provides reproductive health services or a third-party billing arrangement whereby the family planning monies go to an administrator that pays claims for a third-party provider.
- Two Catholic managed care plans participating in the Medicaid program have failed to develop a relationship or system that allows them to provide family planning services: the New York State Catholic Health Plan, also known as Fidelis, and AmeriHealth Mercy in South Carolina. As a result, some 87,350 Medicaid enrollees are forced to seek family planning services elsewhere.
- Twelve of the 15 Catholic health plans participating in Medicaid—including Fidelis—are also participating in the new Children's Health Insurance Program, with the same implications for family planning.
- There are currently few formal regulations that require health plans that refuse to provide family planning services to disclose this clearly on marketing and enrollment materials. Laws similar to a new California measure that requires plans to clearly state what services they do not provide would be helpful to consumers trying to make informed choices about their health care services.
- A recent survey of 1,000 American women conducted for CFFC by Belden, Russonello and Stewart found that if their managed care plan declined to pay for certain services, 46% of respondents would be stuck with their current plan. The denial of basic health care services for women raises important questions about how well Catholic plans are meeting the core mission of managed care plans to improve the continuity of care for enrollees.
- The Belden, Russonello and Stewart poll also found that 83% of women believe that insurance plans that cover prescription drugs should be required to cover birth control. In addition, more than four in five (84%) women said they would disapprove if a Catholic institution purchased their health plan and discontinued reproductive health coverage.
- Abortion services are largely unavailable through Catholic managed care plans, with the exception of some Medicaid plans that make third-party arrangements to provide abortions under extremely limited circumstances as mandated by state law.
- The study found that the rate of reproductive health care provided by Catholic managed care plans falls substantially below the rate of provision by other health plans. Nationally, 93% of HMOs provide coverage for contraception, as do 51% of PPOs.

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