



## Health care chief wrestles with industry

Can't return to 'good old days'

By Tom Henderson  
staff writer

Despite the perception that there is a health-care crisis in this country, Edward Connors, new chairman of the American Hospital Association and president of Mercy Health Services in Farmington Hills, isn't caught up in doom and gloom.

"I reject the notion (of health administration) used to be fun and now it's a series of headaches," said Connors from his offices on 12 Mile. "Yes, it's tough, but the possibilities for leadership are enormous. I don't subscribe to the theory of returning to the good old days."

That's not to say he doesn't realize there are serious problems (see related story) like rapidly rising costs, cutbacks in Medicaid and Medicare, failing hospitals, skyrocketing malpractice insurance, low levels of consumer confidence, a dangerous shortage of nurses.

"It is sobering that nowhere in this nation, not in this association and not among any legitimate stakeholders in health, does there exist a clear, unambiguous vision of what health care in the United States could and should be in the future," said Connors at his investiture in Washington, D.C., in January as AHA chairman. The 6,000 member institutions of the AHA comprise 92 percent of the hospitals nationwide.

Deciding, as a nation, what kind of health care we want and then making the tough decisions on how to pay for it won't come easy. As AHA chairman, he will testify in Washington, speak to groups around the country, give advice to member institutions and hope that in his one year as head of the trade association, he can help get health care back on track.

Connors will be honored Tuesday by the Southeast Michigan Hospital Council at a dinner at the Hotel St. Regis in downtown Detroit.



JIM JAGDFELD/staff photographer

Edward Connors, new chairman of the American Hospital Association and president of Mercy Health Services in Farmington Hills, believes the nation must adopt a vision of what its health care should and could be.

CONNORS, WHO grew up in a small, farming community in South Dakota, was the starting quarterback on the University of South Dakota football team and still holds the school record for pass-completion percentage — he graduated in 1951 and back then, his team still ran the old single wing, where passing by the

quarterback was nearly nonexistent. In desperation one game, he threw the only pass of his career and to his surprise, it was caught. His leadership skills were more sharply honed in infantry combat in Korea, which he entered as a second lieutenant and left as a first lieutenant and company commander.

Hills, believes the nation must adopt a vision of what its health care should and could be.

"I learned about leadership of people at stressful times, though I wasn't conscious of it at the time. People look to you for leadership, and you have to provide it whether you're ready for it or not."

Coincidentally, it was during combat that Connors received notification that he had been accepted to

graduate school at the University of Minnesota, a career move that was linked to his football days. A tight end on his team who was a year ahead of him had touted the field of health administration.

Connors, a math major as an undergraduate, had planned on a career in education. On the basis of his

friend's urging, and despite no background in the field, he applied to Minnesota's School of Public Health and resumed his schooling after getting out of the Army in 1953.

Connors earned his master's degree in health administration in 1955, completed an administrative residency at Rhode Island, then joined the staff at the University of Michigan, where he attained the position of assistant professor. In 1959, he was named superintendent of the University of Wisconsin hospitals. In 1969, he returned to U-M as director of University Hospital, a post he left in 1974 for the Sisters of Mercy.

In 1976, he was named president of Mercy Health Corp. and in 1984, president of its parent corporation, Mercy Health Services (see related story on Mercy and its subsidiaries). In January, he assumed the chairmanship of the AHA, a trade association that represents the health-care industry in the formulation of public policy and which helps the industry develop education and management programs.

IT'S BEEN A BUSY couple of months for Connors. As AHA chair, he has been to Washington (twice), Idaho, Phoenix, Traverse City, Iowa and New Jersey.

The work for the AHA takes up "35-40 percent of a seven-day week," said Connors, an Ann Arbor resident and avid U-M fan, who managed to get tickets to the Final Four in Seattle. "Since there's no pay, it takes a very supportive organization back home, an understanding board and staff."

Despite the seven-day week, Connors, 60, finds time to support his hobbies of reading (mysteries, politics, history and the New York Sunday Times), the theater and ballet.

His artistic bent was passed on to his two daughters, Colleen Connors Long, a novelist and aspiring screenplay writer living in California, and Bridget, a singer, dancer and actress who graduated from the U-M Music School. His sons, Timothy and Patrick, are attorneys.

## Human, financial resources stand as difficult questions

By Tom Henderson  
staff writer

Just because Edward Connors is an optimist doesn't make him a Pollyanna. Though he heads the American Hospital Association, he is candid in his criticisms of the health-care industry and the problems facing it.

He said, for example, that too much money is spent at too many teaching institutions and that the industry must restrain itself in the use of expensive technology.

These are the key issues facing health-care administrators, Connors said:

- Finding an adequate and stable source of financing.

Because of cuts in government reimbursement for Medicare and Medicaid patients, hospitals in Michigan now get back only approximately 80 cents of each dollar in care they provide. A survey by the accounting firm of Coopers and Lybrand estimates that next year, state hospitals will lose an average of \$792 for each Medicaid inpatient, or \$113 a day.

- Too much competition. Hospitals must collaborate rather than compete, Connors said. Competition was encouraged under the Reagan administration, but "it pitted

ed one hospital against another. But who wants to compete for the poor or the uninsured?" As a result, the burden of caring for the poor has fallen on a small pool of hospitals and doctors.

- The availability of human resources, primarily a shortage of nurses.

"We're on the edge of a crisis and it's likely to get a lot worse."

- Making sure that the care given is really needed and is indicated by national industry standards.

Connors said standards work well with drugs — what to give to whom and in what dosage — but there are no standards for many other treatments and tests.

Connors said there are too many tests, both by doctors who profit by them or doctors who don't. "It's the way they're trained," he said. They are taught to do all they can, though in the long run, because of cost-effectiveness, too much health care can lead to poorer, not better, service, given a finite amount of money available.

CONNORS ISN'T afraid to discuss the issues bluntly with his peers. At his investiture in Washington, D.C., in January as chairman of the American Hospital Association, he said, in part:

"It is sobering that nowhere in this nation . . . does there exist a clear, unambiguous vision of what health care in the United States could and should be in the future. (Such) lack of consensus . . . leads inevitably to short-term fragmented public policy decisions, political manipulation, divisiveness among providers, underfunding and discontent with the status quo."

And, "all persons have a basic right to needed health services and that this right flows not from policy judgment by society but rather from the dignity and worth of each human being."

And that industry must place "as much emphasis on compassion as on technical and scientific competence (and) must strive to deliver uniformly the same high standard of care to all, regardless of economic classification, payment sources or patient characteristics."

"Our mission calls for us now to give our time, energy and resources to shaping a better tomorrow — a tomorrow characterized by a new vision, a clear goal, a set of values and principles that distinguishes this field from commercial, commodity-oriented businesses, and a tomorrow that will be better for those whom we serve."

## Outlining Mercy Health Services

**Outlining Mercy Health Services**

At the Southeast Michigan Hospital Council dinner, Edward Connors outlined the vision and goals for Mercy Health Services. He emphasized the importance of providing high-quality care while managing costs effectively. Connors also discussed the challenges facing the healthcare industry and the need for collaboration among hospitals and healthcare providers.

Key points from his speech include:

- Commitment to patient care and safety.
- Focus on cost containment and efficiency.
- Investment in medical technology and staff training.
- Collaboration with other healthcare organizations.
- Transparency in financial reporting.

## MICHIGAN ONE-YEAR CD SPECIAL

**10.00%** annual percentage yield\*

**9.54%** annual percentage rate

### Limited Time Offer

Act now for an incredible rate on a deposit as low as \$500.

We're offering this special one-year Certificate of Deposit rate only in Michigan — and only for a limited time.

Your deposit is FSLIC-insured up to \$100,000 per account relationship for total security.

To take advantage of this special offer, visit your nearest Empire of America office or call **SMARTLINE®** at 1-800-843-2443 from 9 a.m. to 9 p.m., seven days a week.

\*Interest and principal must remain on deposit a full year at the stated rate to earn the annual yield shown. Interest is compounded daily. Substantial interest penalty for early withdrawal.

### EARN 1/4% EXTRA INTEREST

Open a 54% N.O.W. Checking Account for \$1,000 or more when you open your CD and earn an extra 1/4% on your CD rate! Plus receive your first order of personalized checks free. Present this coupon when you open your account.

Offer expires 4/15/89. This offer is not available for Certificates of Deposit of \$100,000 or more.

**Empire of America**

Federal Savings Bank Member FSLIC

### GREAT FOR IRAS, TOO

Nineteen offices throughout the metropolitan Detroit area.

**DETROIT:** 20000 Van Dyke, 893-7180 / 19830 West 7 Mile, 537-3400.

**EAST DETROIT:** 19800 East 10 Mile, 771-8840.

**SOUTHFIELD:** 24700 Northwestern Highway, 827-6593 / 29400 West 12 Mile, 358-2017 / 25177 Greenfield, 557-7840.

**BIRMINGHAM:** 4140 West Maple, 665-5465 / 52800 Southfield, 644-0440.

**OAK PARK:** 13700 West 9 Mile, 547-7530 / 25515 Coolidge, 547-6400.

**CLAWSON:** 1305 West 14 Mile, 435-4430.

**FARMINGTON HILLS:** 31300 Orchard Lake, 851-7222.

**WARREN:** 13710 East 14 Mile, 284-8350.

**STEELE:** HECHT'S, 3747 East 15 Mile, 977-0957.

**UTICA:** 45676 Van Dyke, 731-4500.

**DEARBORN:** 13007 West Warren, 584-7666.

**ROCHESTER HILLS:** Great Oaks Mall, 1266 Wilton Boulevard, 656-1040.

**CROSSE:** POINTE WOODS, 20065 Mack Avenue, 884-0161.

**LIVONIA:** 33507 Five Mile Road, 425-8833.