

Book review

Health networks: can they be the solution?

Thomas P. Weil,
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Health care networks are prevalent in the United States, and could offer a means to enhance access, social equity, quality, and reduce cost. But can they? This book explores the political and organisational underpinnings that affect the possibility for networks to resolve many of the issues facing American health care.

Health networks are defined as two or more hospitals (usually containing multiple horizontally and vertically services) that have strategically merged in a competitive environment for mutual survival. The specific details of the business arrangement were not considered to be as important, so were not further classified (i.e. integrated delivery system, multi-hospital system, alliances, etc.). Integrated care in this book relates to the structure of health care services from the national and organisational level. The processes within the networks to create continuity of care and collaboration, is not the focus.

American health care issues are discussed such as:

- the need for a comprehensive health plan for poor rural and inner city;
- the need for more research on optimal health services;
- the reality that physicians drive referral patterns; the underestimation of culture in the success of mergers;
- the need for public pressure to make mergers work.

The inherent value of the freedom of choice to select a health provider and health insurance drives policy decisions. The pluralistic health care system is a result of a lack of trust in one model of care, and is moving from a quasi-competitive to quasi-regulatory approach, that will need to be more responsive to consumers.

In ten chapters, the author covers the repackaging of health networks, enhancing growth, practical realities of mergers, vertical diversification, attracting physicians to under served communities, marketplace battles, competitive and regulatory approaches, leadership needs, networks as a solution, and a case study. Each chapter examines the literature and evidence

leading to the suggestion that health networks may contribute to resolution of some of the major issues with American health care, if appropriate organisational and political strategies align.

The book's strength is the practical application of the content. A dense description of the historical evolution of networks and the implications are coupled with suggestions, applicable to administrators or politicians. The tiered organisation of health care payments is included to describe the complexity of the reimbursement system. Leadership voids are discussed and attributes for success outlined for administrators. The importance of the process of consensus building and the ability to foster physician leadership is described as critical. The success of Canadian and German system is discussed in light of the barriers that would prohibit implementation in the United States. These include simplification of the prepayment system, centralised tertiary services, limited health spending increases, and established patent medicine review boards for pharmaceuticals.

The weakness of the book for the health care provider, was the paucity of content related to quality outcomes for mergers. The evaluation of health network leadership was described as usually expressed by financial outcomes, instead of quality outcomes. It was suggested that an outcome measure of mergers is improvement in health to area residents. Networks should build patient centred processes—and quality is an important priority, yet there is little pressure for comparative data from the public.

Overall, the dense political debate was supplemented by a good review for administrators in the intangibles for leaders (vision, community-oriented values, trust, participation, and integrity). Network leaders will also need the analytic ability to understand a problem, determine the resources (human and material) to create a solution, and ask the right questions to refine the best solution. The book's added value is in the frank reality that organisational decisions to merge are economic and not about quality. The success will come from health care systems that align the needs of patients, the best scientific evidence for care and resources, and partner clinicians, administrators, and policy makers in creating the structures and processes required to meet these needs.

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