



TAKING ON ORGANIZATIONAL ETHICS

Established ethics committees are known to be a focus for addressing ethical issues in healthcare institutions and organizations. It is natural, therefore, for management to turn to the ethics committee for assistance with organizational ethics. But, until now, most committees have focused almost exclusively on clinical ethics. Unfortunately, the skills they have developed and the credibility they have established in addressing clinical ethics do not necessarily carry over into organizational ethics.

Although organizational ethics is attracting increased attention in healthcare (partly because of the standards of the Joint Commission on Accreditation of Healthcare Organizations), no one has a very clear understanding of what organizational ethics is all about. As such understanding does evolve, some key decision makers may well determine that the established ethics committee is *not* the best mechanism in their institutions for addressing organizational ethics issues.

On the other hand, it seems likely that other ethics committees will be expected to take responsibility for organizational ethics. They need to prepare themselves to do this work well.

PREPARING FOR ORGANIZATIONAL ETHICS ISSUES

An ethics committee might begin its preparation by recalling how it got ready to handle issues in clinical ethics.

Self-Education For example, a committee may

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need to engage in a fairly extensive and intensive period of self-education regarding organizational ethics, just as it had to educate itself about medical ethics.

Other committees may find they can combine

Summary Healthcare ethics committees, which have focused almost entirely on clinical ethics, now need to prepare to deal with organizational ethics, a field that is attracting increasing attention.

As they did with clinical ethics, ethics committee members must educate themselves in the demands of the newer field. As before, they must respect the perspectives of the actual decision makers while maintaining an independent framework for analyzing the issues at stake. They must ensure that management is properly represented on the committee. If they need guidance from a professional ethicist, they should seek one with a strong background in business ethics and social justice.

Healthcare organizations are likely to need help with a wide range of ethical issues involving patient services (rationing of resources, for example), business and service plans (mergers and joint ventures, for example), business and professional integrity (conflicts of interest, for example), employee rights and responsibilities (downsizing, for example), and the organization's role in the community (advocacy and lobbying, for example). To be helpful to the organization, the ethics committee must be prepared to say when cost factors trump other considerations and when they do not.

An ethics committee will often be asked to give advice on specific occasions—a proposed new policy, for instance. The most important part of its response is its analysis of the issue. Finally, an ethics committee should view its organization as part of the larger social context.



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self-education with immediately accepting responsibility for a specific task (such as the review or development of a particular policy); that is, they combine the task with a considerable amount of "homework."

Whether done in the context of addressing real issues or before accepting that kind of responsibility, the committee's self-education is absolutely essential.

In dealing with clinical ethics, many committees have found that issue-based and case-based educational efforts are more effective than those involving study of ethical theory. Committees may therefore want to use a similar method in educating themselves in organizational ethics.

Of course, case and issue study in organizational ethics involves much more than a sharing of personal opinions, just as it does in the study of clinical ethics. It requires familiarity with the ethical concepts, with the generally accepted guidelines, and, at times, with the legal considerations relevant to the case or issue.

Respect and Critical Distance To be credible, those who advise others on practical ethical issues must maintain a delicate balance between two different virtues and skills. On one hand, they must respect the insights and perspectives of those who are on the front line and have to make the actual decisions. On the other hand, they must maintain their own clear framework for analyzing the issues at stake. In other words, the members of a credible and effective ethics committee need to learn from the doers, but without losing their critical distance.

The best ethics committees are able to do this in regard to clinical care: They recognize the experience and sensitivity of clinicians, but do not always agree with the clinicians' understanding of what is best in policy or practice. In a similar manner, ethics committees are likely to acquire credibility in organizational ethics by respectfully engaging in dialogue with managers and, at the same time, developing for themselves a clear rationale and framework for reflecting on the organizational ethical issues. They need to respect the perspectives of managers without automatically agreeing with what managers propose.

Committee Membership Clinical professionals are in the majority on most ethics committees. This was done by design when the committees were formed, and it made perfectly good sense when most of the committee's work was related to clinical ethics. If, however, these same committees are now expected to address issues in organizational ethics, they will need to review and revise their membership.

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The committee cannot attend to ethical issues adequately until it brings the right participants together. At the very minimum, the committee must make sure there is sufficient (and the right kind) of representation from management.

Ethics Resource Person Many committees have found that access to a professional ethicist has been important in the committee's development. An ethicist may help the committee educate its members; he or she may help the committee plan, develop, and participate in educational programs for staff. In some cases, an ethicist may serve as a continuing member of the committee. Ethicists can be valuable resources, perhaps especially when the committee is developing its competence regarding new areas and issues.

However, just as with committees, not every ethicist competent to deal with clinical ethics is equally competent to deal with organizational ethics. As will probably become clear in the discussion of issues below, the ethics resource person for organizational ethics should have a strong background in business ethics and in social justice. Some clinical ethicists have this background; others do not. Like the good clinical ethicist, the good organizational ethicist should be able to relate—in a practical manner—general ethical principles, guidelines, and concepts to specific issues.

ISSUES IN ORGANIZATIONAL ETHICS

In a general sense, being committed to "organizational ethics" simply means bringing focused ethical attention to the management of the healthcare organization. "Business ethics," "management ethics," and "corporate ethics" are all terms that have been used to describe the topics here discussed as issues in organizational ethics.

Healthcare organizations are likely to need assistance with a wide range of these issues.

Patient Services Issues of this type are related to admitting, admitting to special units, rationing of resources within the institution, billing, maintaining confidentiality of records, and other services and activities.

Business and Service Plans These issues would include managed care plans, plans for mergers and joint ventures, marketing and advertising strategies, plans for dealing with uncompensated care, and plans concerning the location of facilities.

Business and Professional Integrity Issues in this category include resolving actual and potential conflicts of interest, employing financial incentives, setting criteria for performance review, and managing bottom-line pressures, among others.



Employee Rights and Responsibilities Issues here include salary/wage scales, promotion opportunity and criteria, collective bargaining, harassment, workforce diversity, privacy, and downsizing.

The Organization's Role in the Community These issues typically flow from, for instance, the organization's advocacy and lobbying activities, its investment practices, its disposal of medical waste, and its participation in community projects.

An ethics committee that has been working primarily on clinical issues may be well prepared to address some of these issues, too. For example, committee members are likely to have an informed understanding of confidentiality, at least as it applies to medical records. They may also be prepared to provide assistance in thinking through criteria for admission to speciality units in the institution, or in helping to manage some conflict-of-interest situations. Nevertheless, many ethics committees are at present ill prepared to address some of the issues listed.

Many committees are reluctant to deal with the economic side of ethical issues. Most managers, on the other hand, recognize that cost considerations always need to be taken into account—that it is indeed ethically irresponsible not to. Managers also know that the financial soundness of the organization is not the only ethical value involved in most decisions. It is not always easy, however, for organizational leaders to know exactly when noneconomic values should override responsibilities related to cost.

If an ethics committee is to be truly helpful to the organization, it must be prepared to offer guidance on the question of when cost factors trump other considerations and when they do not.

SOME CASES IN ORGANIZATIONAL ETHICS

One way to identify types of organizational ethics issues is to make a list like the one above. Another way is to cite specific issues that have been brought to the "ethics people" in various health-care organizations. The following are examples of the latter.

Case One The radiology department has been asked to change its policy regarding the use of high-osmolality contrast media (HOCM) and low-osmolality contrast media (LOCM). HOCM causes more adverse reactions, but it is much less expensive than LOCM.

It has been proposed that the department use LOCM only in cases entailing particular risks (such as a history of adverse reactions to contrast media, a history of asthma or allergy, known car-

diac dysfunction, and severe debilitation). Otherwise, HOCM will be used.

The proposed new policy is brought for review to the ethics committee, where three particular questions are raised:

- Are we justified in using a more risky procedure in order to save money or resources?
- If we adopt the new policy, should we inform patients of it?
- If we adopt this policy, must it be applied to everyone, or can we leave room for physician discretion?

Case Two A case manager for home care requests assistance from the ethics committee. She has just had a conversation with a patient for whom she is arranging home care. The patient, an elderly European American, said he does not feel comfortable around black people and especially dislikes the idea of having a black person in his house. "I'm a strong believer in staying with your own kind," said the patient. "Besides, I have a right to decide who comes into the privacy of my own home."

The case manager needs to decide whether, on one hand, to send the patient only white caregivers, or, on the other, to tell the patient that the home care providers will not comply with his request. She asks the ethics committee for help with her decision. She would like advice not only on this case, but also on others like it. With the committee's guidance, she intends to establish and publicize a clear policy.

Case Three A task force has been appointed by the hospital CEO to make recommendations regarding a reduction in the workforce. The task force is asked to make recommendations about, first, the criteria to be used in deciding which employees should be laid off and, second, the process to be used in implementing those decisions. One task force member is a senior-level manager who sees the whole question of downsizing as filled with ethical dilemmas. He persuades the other members to ask the ethics committee for assistance in thinking through one particular issue the task force is considering: whether employees who have been selected for layoff should be (a) asked to depart immediately after they are informed of the decision, or (b) given a week or two.

The task force member believes the organization should make this decision quickly and confidentially. He asks the chairperson of the ethics committee to schedule a meeting immediately to address this question.

Case Four An employee in health information management (HIM) asks the ethics committee to address the following issue at its next meeting.

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To obtain maximum reimbursement, the hospital has hired a consulting firm to provide a DRG education and optimization program. The firm is very aggressive in coding tactics. Indeed, some of its "upcoding" recommendations would seem questionable to HIM professionals. What should the HIM staff do about these recommendations? And what, if anything, should they say about them to hospital management?

RESPONDING TO REQUESTS FOR ASSISTANCE

As the examples above illustrate, it is often a specific occasion (a proposed new policy, for instance) that causes someone to ask the ethics committee for help in deciding what to do in a particular situation. To be useful, the committee should, first of all, help clarify the matters at stake. In many cases, the committee should go further, giving its reasons for recommending one course of action rather than another. The committee should explain its thinking, because only then can those who sought its advice make an informed decision to accept or reject the recommendation.

The most important part of an ethics committee's response to a request for help with an issue is its *analysis* of the issue. If ethics committees are going to respond effectively to requests like those above, they must first identify an appropriate framework (or frameworks) for thinking ethically about the issue. Perhaps I can show what I mean by adding a brief comment on each of the cases cited above.

Case One The ethics of rationing provides a useful framework for analysis here. The proposed new policy would ration an expensive medical resource (LOCM) precisely because of its cost. If there were no significant cost differential between the two contrast media, few radiology departments would hesitate to use LOCM routinely. The question thus becomes one of just and fair rationing.

There has been significant discussion about medical rationing over the years, some of which may be familiar to ethics committee members. On the basis of this familiarity, a good ethics committee should be able to clarify the concerns that need to be involved in any decision to withhold, for cost reasons, a medical procedure that is better than a less expensive one. This clarification could be very helpful to those who have to make the actual decision.

Case Two This case requires a somewhat different framework of analysis. The issue here is whether, or when, the institution should allow patient preferences to determine work assignments. Should supervisors consider employee character-

istics unrelated to performance—race, for example—in assigning employees to jobs? It would probably prove helpful for the ethics committee to suggest ways the issue has been addressed in business ethics. It is not enough for members of ethics committees to be sensitive and open. They need to have an informed understanding of the issue under consideration.

Case Three Once healthcare organizations begin to routinely seek ethics guidance on management decisions, they will surely raise a number of employee-related issues. This is to be expected because employee-related issues often have to do with questions of fairness.

The specific issue raised here—whether employees who have been laid off should immediately be sent away from the workplace—is likely to bring management different advice from different sources. If an ethics committee is asked to provide assistance in such a case, it should base its analysis on an informed understanding of the nature and extent of an employer's ethical responsibilities to employees.

Case Four When is a billing code misleading and when is it not? Is there ever justification for sending a misleading bill? If asked for advice, the ethics committee might focus on the standards to be used in determining appropriate coding tactics. The committee might need to clarify what is at stake in using aggressive coding tactics: Who might benefit from them? Who might be harmed? In this scenario, the committee may also need to offer some practical advice to staff who appear to be caught between professional standards, on one hand, and management expectations, on the other.

In each of these cases, an ethics committee should take what might be called a "social responsibility" approach to the issues involved. It should, that is, view the organization as part of the larger social context. The committee should avoid acting as though only the organization's internal functioning were at stake.

At the heart of this social responsibility approach is the belief that the ultimate responsibility of the healthcare organization is to serve the community. The organization's commitment to the community good should take priority over even its own need to function smoothly. This approach is distinctive of not-for-profit organizational ethics. As ethics committees prepare themselves to address issues in organizational ethics, they may need to make a special effort to grasp the importance of this focus on the good of the community.

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ENSURING ACCOUNTABILITY

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and board have used the process frequently. In some cases, for example in 1996 when the system was considering acquiring another hospital, the process has confirmed the decision; in other cases the process has shown that the system was heading in a direction it did not want to go.


"Major decisions are so often driven by the financial numbers or relational issues," observed Bruce F. Buchanan, president and chief executive officer of Mercy Health System Oklahoma. "This approach puts the situation in the context of our mission and how decisions will affect the broader purpose of our organization."

Shortly after St. Anthony's Medical Center in St. Louis joined SMHS in 1995, its leaders used the decision-making process in connection with plans to renovate its emergency department. "The process led us to take a brand new look at the project, and ultimately to abandon everything that had been decided," said David Seifert, St. Anthony's president. "We are now rethinking our entire strategy." Seifert noted that doctors, nurses, and other people who work in the emergency department—not administrators—used the process and concluded "we were planning something suited for the past, not the future."

PART OF WHO WE ARE

SMHS leaders hope that, as use of the corporate decision-making process permeates all system levels, it will become an integrated, instinctive way of approaching decision making.

The corporate decision-making process is already part of the culture at Mercy Health System Oklahoma, says Buchanan. "Over time, we are intuitively incorporating components of the process into decision-making at all levels," he said. "And each time we use it, the educational process continues. We learn more about effective decision-making and we learn more about ourselves." □

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QUESTION OF VALUE

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issues, business issues, institutional issues, and societal issues as well as medical issues. Every aspect of the institution's life is of ethical concern.

- Someone must be responsible for the endeavor. This could be a trained ethicist or someone who has other responsibilities but who also possesses a knowledge of ethics. But the responsibility for ethics should not be relegated solely to this individual. Ultimately it is the responsibility of everyone within the institution.

- Attention to ethics must be consistently visible. Mechanisms for addressing ethical issues include an ethics newsletter; periodic case conferences in which clinical, business, and organizational cases are considered; a "journal club" that meets to discuss articles in ethics journals; a noon-time lecture series that focuses on ethical topics; and a day or half-day dedicated to ethical topics.

THE BOTTOM LINE

Ethics is essential to realizing the mission, values, and philosophy of organizations that claim to be grounded in a faith tradition and a faith stance. Ethics goes a long way in helping such organizations realize their distinctiveness in every dimension of organizational life. It can make a profound difference in shaping the identity and the behavior of the organization and its members.

Is explicit and sustained attention to ethics of any value? It is difficult to imagine a time when it would be of more value. So much of what faith-based healthcare stands for is being challenged by what is going on in healthcare itself and in society. Faith-based healthcare has an opportunity to offer a different perspective and a different way of doing things. □

ORGANIZATIONAL ETHICS

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GETTING STARTED

The cases above involve real issues that have been raised in actual health-care settings. They are presented here to give readers a sense of the variety of such issues, not to suggest that an ethics committee needs to be well versed in them all at the start. No committee is likely to be asked for help with such a wide range of issues—or not immediately, at least. As they did in their work in clinical ethics, committees dealing with organizational ethics can take some time to develop and evolve.

Although the cases cited here have been raised *precisely as ethical issues*, they have not been brought to ethics committees. It is an open question whether an ethics committee is the most appropriate mechanism for addressing such issues. It is certainly important that these issues be addressed carefully as ethical issues. And if the ethics committee is to assist in the ethical analysis, it needs to be prepared to do the job well. If, on the other hand, some other committee or person is given the responsibility, that committee or person also needs a thorough preparation. In either case, organizational issues should receive the same careful ethical attention that many healthcare organizations now routinely give to issues in clinical practice.

One service an ethics committee can perform immediately is sponsoring educational sessions on organizational ethics for its members and others in the organization. This is an important service that can be performed without delay.

Some institutional ethics committees are no doubt capable of "doing" organizational ethics well. But a committee that has devoted its attention almost exclusively to clinical ethics will acquire such competence only by devoting considerable time and energy educating itself in this somewhat different area of ethical analysis. □

 For more information about the case studies cited in this article, log on to CHAOnline, at <http://www.chausa.org>.