

Ethical Leadership: The Challenge for Healthcare

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“Health Services Organizations are social enterprises with an economic dimension rather than economic enterprises with a social dimension”

Kurt J. Darr, JD,
ScD

“[Health Services] managers are moral agents of the organization, ethically accountable for the effects of nonfeasance, misfeasance and malfeasance on patients, staff and organizations.”

A Quick Review of Ethics

Ethics – The Big Picture

What is Ethics?

- Ethics is about standards of behavior that tell us how human beings ought to act in many different situations.
- Ethics is about moral principles that govern a person's or group's behavior.
- Ethics is the branch of philosophy that involve systematizing, defending and recommending concepts of right and wrong conduct.

Principle Based Ethics



Autonomy

Beneficence

Non-Maleficence

Justice

Truth-Telling

Virtue-Based Ethics

Fidelity

Compassion

Prudence

Justice

Integrity

Self-Effacement

Principles

Autonomy

Beneficence

Non-maleficence

Justice

Truth-Telling

Virtues*

Fidelity to Trust

Compassion

Prudence

Justice

Integrity

Self-Effacement

* The Virtues in Medical Practice, Pellegrino and Thomasma



I wish it was easy...

THE NATURE OF ETHICAL DILEMMAS



In the news...

INSURANCE COMPANIES AND
THE USE OF AI IN CLAIMS
MANAGEMENT

The Role of Insurance

- ▶ To ensure beneficiaries are getting the right care at the right time at the right cost.
- ▶ Maximize beneficiary wellness through appropriate utilization of their vested premiums.
- ▶ To manage shared risks of a beneficiary pool so that resources are available for prevention and well-care, acute care and chronic care.
- ▶ To reduce the overall cost of care by ensuring waste and unnecessary care is not rewarded

But they have other interests...

- ▶ To maximize profitability and remain financially solvent
- ▶ To attract investors
- ▶ To maximize shareholder investment earnings
- ▶ To become more efficient in processing claims to reduce their own costs while attempting to reduce the costs of healthcare

Conflicts of Interests

- ▶ Efficiency and AI
- ▶ Incentivized Targets and Quotas
- ▶ Motivated Blindness
- ▶ Moral Injury

Let's bring the conversation back
to our house

For example:

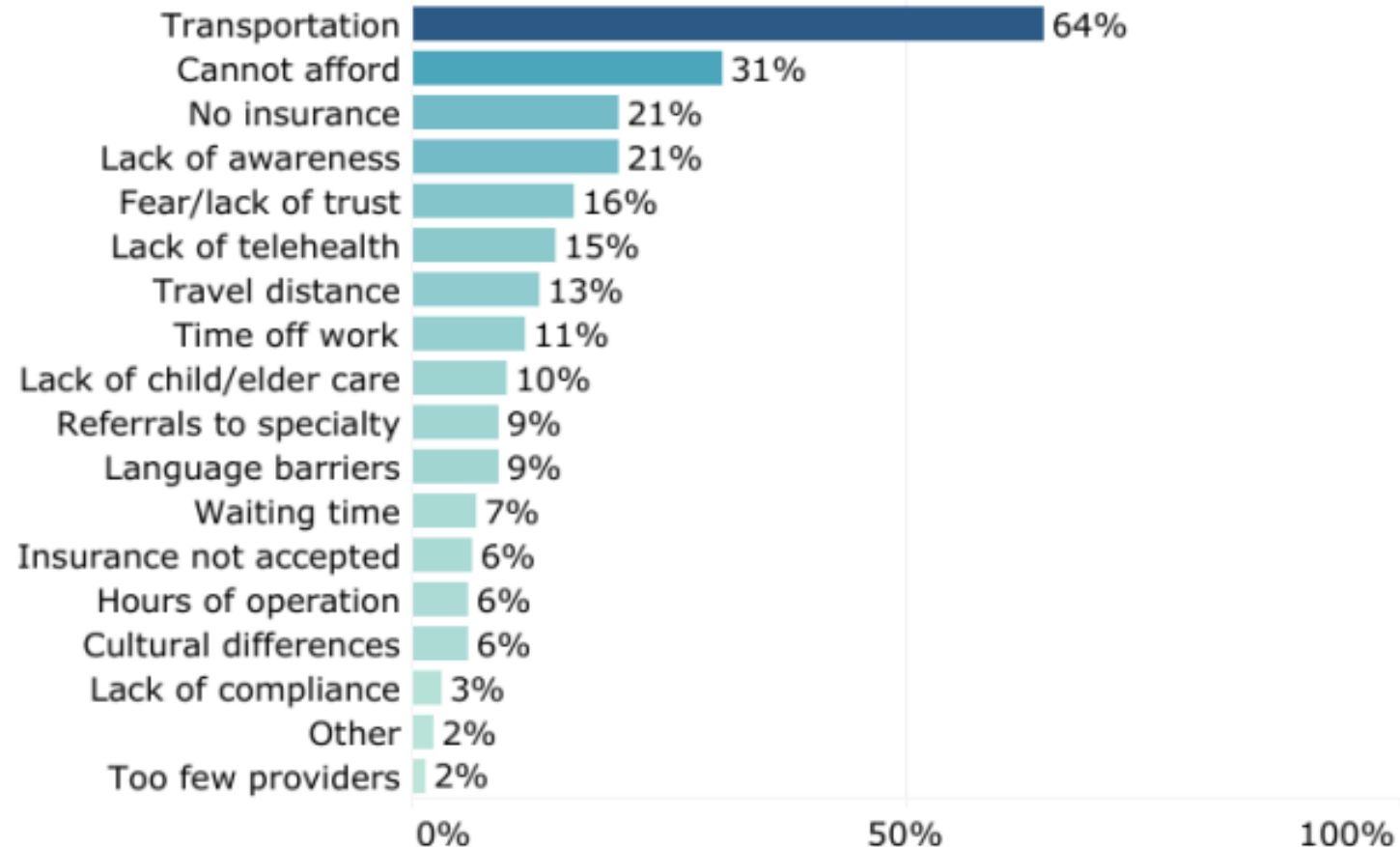
14

Margin and Mission

Ethical Dilemma: Competing Interests and Demands on Resources

- ▶ The Common Good? : Mission Effectiveness and Community Benefit
- ▶ Healthcare's role in social change:
 - ▶ Healthcare disparities (with Social Determinants of Health)
 - ▶ Access to care

Figure 14: Greatest barriers for patients accessing care in Kentucky*



Note: 'Other' includes provider bias, housing issues, and COVID19 fears. Percentages do not add to 100 because multiple answers could have been selected.

How do we navigate the real conflicting interests of

- ▶ Community
- ▶ Board members
- ▶ Fiscal accountability
- ▶ Patients
- ▶ Colleagues and their families
- ▶ Payers
- ▶ etc

In our place of work, how good are we at identifying and mitigating conflicts of interest?

Manager benefits by overlooking unethical behavior.

Manager rewarded for achieving ill-conceived goals.

Senior management rewarded for overall organizational performance without adequate attention to consequences at other levels.

How Organizations May Demonstrate Ethics?

- ▶ Pay attention to your organization's culture
- ▶ Create ways to elevate the voice of employees and for acting on issues and concerns
- ▶ Pay attention to how the power dynamics of your organization impact culture and engagement

How Organizations May Demonstrate Ethics?

- ▶ Address conflicts of interests
- ▶ Demonstrate low tolerance for inappropriate behavior at every level of the organization
- ▶ Connect the dots between the organization's values and ethical principles in articulating decisions and projects.
- ▶ Be an ethical leader: You are the key

Remember, for Organizational Culture and Relationships of Care, Virtue-Based Ethics are Foundational to your Leadership

Fidelity
Compassion
Prudence
Justice
Integrity
Self-Effacement



Questions?