

Law and business ethics and social responsibility

Business



Ethics and Social Responsibility Ethics and Social Responsibility

KOWALEWSKI s in his article d “ Less Than \$26 Billion? Dont Bother” that US has spend over \$26 billion per year as healthcare cost. While such a heavy amount is spend on healthcare, the insurance companies are earning high profits at the expense of their clients. These insurance companies are charging high premium prices from those who are already experiencing diseases and their managers and executive are walking around with heavy profits in their pockets. Another issue is that the drug producing companies have increased their drug prices. Prices of life saving drugs have been increased, for example drugs used to treat cancer costs at over \$100k for a full treatment session.

The actions of insurance companies and drug producers are clearly unethical and they are even being socially irresponsible. This is because they are operating against distributive justice system. According to distributive justice system, the awards and the costs should be distributed in a fair manner. This means that those who care bare the higher cost should bare it and those who are in need of rewards should be rewarded. The insurance companies should share the cost of medical treatment with customers by decreasing their profit margins and premiums in order to share the margins. The way the drug companies and insurance companies are operating is unethical because these companies are operating against the utilitarian approach of ethics. This approach asserts that decisions that provide the highest number of awards and lowest quantity of cost to the society should be given precedence over those decisions that provide lower amount of benefits and higher amount of costs. Due to the malpractice of insurance and drug companies, the society is experiencing higher cost.

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References

KOWALEWSKI, A. J. (2011, November 3). Less Than \$26 Billion? Dont Bother. - NYTimes. com. Opinion - Opinionator - NYTimes. com. Retrieved March 9, 2013, from <http://opinionator. blogs. nytimes. com/2011/11/03/less-than-26-billion-dont-bother/>