

Ethical concerns



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Management This paper is written to present relevant contemporary issues in business ethics with actual experience and application in a health organization.

Introduction

The study of ethics has intrigued the faculties of scholars since early philosophers and ethicists during the times of Plato, Socrates, and Aristotle, to name a few. Johnson (1965) defined ethics as “ the systematic inquiry into man’s moral behavior with the purpose of discovering the rules that ought to govern human action and the goods that are worth seeking in human life”.

These ethical standards governing the existence of human life also encompass the realm of business entities, especially on reportorial requirements utilizing generally accepted principles of accounting, auditing and finance.

It is in this regard that this paper is written to present relevant contemporary issues in business ethics with actual experience and application in a health organization.

Scenario

A patient had been confined in a private room in this health institution for almost one month due to chronic illness with diverse complications. Due to her long stay and numerous laboratory, diagnostic and therapeutic examinations, her statement of account reached a staggering amount which could not be immediately covered by the funds of the patient and her family. She had been accompanied by her daughter who helps by providing physical, emotional and financial support. However, due to the critical condition that her mother experiences, their account was classified as “ red

tag”.

Patients with red tags are immediately referred to the Customer Relations Department who monitors their status and closely coordinates with the Accounting and Cashier Department for settlement and collection purposes. Once a patient has been classified as “ red tag”, any procedure (therapeutic, diagnostic, laboratory, etc.) need to be immediately settled prior to the administration of the procedure, regardless of the necessity and the kind of the procedure to be undertaken. The rationale for this is to prevent further increases in the amount due to the hospital which might not be collected nor paid.

The patient regularly needs any of the abovementioned procedures to monitor her health progress and to identify and assess whether present medications need to be adjusted (increase or decrease in dosage and frequency of administration). However, since this patient was already classified as “ red tag”, and since the daughter still needs to look for alternative sources of funds to settle the staggering amount, the required regular procedures could not be undertaken. In this regard, being a hospital with medical and ethical responsibilities to their patients, does their red tag policy contradict conformity to ethical standards?

Analysis

Based on the underlying definition of ethics, one should examine the rules that govern human action and the goods one is seeking in life. The hospital has the obligation to render appropriate medical service to ensure that their patients receive the necessary treatment to improve their health conditions. However, it is also the responsibility of the patients and their families to pay for all the medical services to ensure that the hospital would sustain their

resources for the efficient delivery of health care in the present and in the future. If the hospital would consistently allow patients to accumulate amounts payable for services that were already rendered, eventually, the resources of the hospital would not be enough to sustain the delivery of future health care of other patients. The recording of financial obligations of patients is responsibilities of the accounting, cashier and customer relations department to prevent further damage and avoid legal cases if medical problems occur.

Given the scenario, the alternative courses of action are available for both the hospital and the patient:

1. Immediately transfer the patient to a room with the least cost (a ward or semi-private room) without compromising health benefits. By transferring the patient to a room with lower cost, all other hospital costs associated with the room transfer would be decreased.
2. Seek the necessary financial assistance from health insurance (Medicaid, Medicare) as appropriate in her case.
3. Arrange an amicable agreement with the senior management of the hospital in terms of forging payment schemes which are amenable to both parties.

Conclusion

Health care organizations have a great responsibility to ensure that patients receive the best possible treatment within their respective budgets or finances. Problems occur when one party fails to deliver what is expected by the other. Apart from financial problems brought about by hospital bills, patients and their families are faced with the burden of finding out possible outcomes from the delivery of health care. Another relevant ethical concerns

faced by health organizations are medical errors. This is broad topic with legal implications. According to O'Rourke, " errors can be prevented by designing systems that make it hard for people to do the wrong thing and easy for people to do the right thing." However, despite clearly stated policies and rules that ensure that management does the right things in compliance to ethical standards, inevitable events still occur which seem to contradict business ethics. In the end, by establishing a harmonious relationship and by ensuring that the health care organization has complied to the high standards of safety and efficient delivery of patient care, no ethical problem could remain unresolved.

References

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