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Organizational Ethics in Health Care: Principles, Cases, and Practical Solutions, Philip J. Boyle, Edwin R. DuBose, Stephen J. Ellingson, David E. Guinn, and David B. McCurdy. San Francisco: Jossey-Bass; 2001. 448 pp. \$68.00.

Those of us trained in clinical ethics often find that we lack sufficient background in organizational and business ethics to help our healthcare administrators solve broad institutional issues. *Organizational Ethics in Health Care: Principles, Cases, and Practical Solutions*, written by five individuals from the Park Ridge Center for the Study of Health, Faith, and Ethics, is a valuable resource for ethics professionals who want to broaden their organizational ethics competency and enhance their service to the institution. The book combines theoretical ethical analysis with case studies and practical advice. The authors argue that “an organization is a moral being with moral responsibilities that must be met in carrying out its mission” (p. 250). The focus and goal of organizational ethics is “the study of personal and organizational moral norms and choices as they contribute to the activities and goals of an organization and to the integral human fulfillment of persons and communities” (p. 15). Throughout the book the authors use a virtue ethics approach. They offer plausible examples of how institutions can embody

virtues such as honesty, integrity, and commitment to justice. Meanwhile they refrain from oversimplifying the process or denying the arduous and often thankless task of implementing an organizational ethics program.

Through a detailed case, readers are introduced to Partnership Health Care (PHC), an integrated delivery system including hospitals and affiliated institutions (both secular and religious) that have recently merged. The scenario outlines three familiar ethical issues—retention of disgruntled physicians, potential problems in coding and billing, and the threat of a nursing strike. Throughout the book, the authors integrate theoretical analysis with detailed PHC case studies. By far the most valuable aspect of the book is the practical and skilled use of cases to flesh out the organizational ethics concepts the authors succinctly describe.

Chapter 1 outlines the moral ecology of healthcare organizations, lists common problems faced by healthcare organizations, and introduces a method for organizational ethics analysis. The steps parallel familiar clinical ethics models such as The Hastings

Center Method but include explicit attention to “integrity-preserving compromise,” which seeks to find a way to protect the values important to diverse stakeholders.

Chapter 2 discusses organizational theory, culture, and psychology. The authors take the psychology of decisionmaking seriously. For example, they include an exhibit entitled “strategies executives use to simplify the decision-making process” with observations that ring true such as “denying uncertainty.” Because the culture of an institution can be more influential than the formal policies and procedures, the authors offer three different ways to study organizations. The *rational systems approach* focuses on “how the formal structure of the organization facilitates or hinders realization of goals” (p. 31). With regard to PHC’s billing problems, this approach would prompt ethics officers to ask whether problems arise due to the formal coding and billing structure itself or from violations of sound policies. The *natural systems approach* examines the informal structures, politics, and culture that influence conduct. Proponents of this approach would ask, for example, if some clinical departments are overworked and understaffed, prompting them to cut corners in coding and billing to save time. Finally, an *open systems approach* focuses on the institution’s relationships with external entities such as suppliers and regulatory bodies. Such an approach might ask how billing irregularities affect accreditation or relationships with other healthcare institutions.

Chapter 3 is especially valuable for ethics officers or committee chairs. The authors describe methods and tools for assessing the ethical culture and needs of an institution. They also offer ideas for educating officers and employees. For example, the authors recommend administrative case rounds where “senior leaders discuss situa-

tions and experiences in which policy alternatives and the need to make decisions have raised significant issues, including managerial or leadership issues and ethical concerns” (p. 71). This strategy is similar to ethicists attending interdisciplinary rounds to address clinical ethical issues. In both cases, the ethicist learns, assesses, and educates. Further, because the issues are identified by senior leaders, they are more likely to be receptive to follow-up educational initiatives, particularly if the ethicist invites collaborative teaching. Boyle et al. also suggest ways to recognize the good work already occurring in the institution, through awards and by tying compensation to upholding the values of the institution. To this end, the chapter includes a sample checklist for assessing whether employee behavior promotes institutional values (pp. 90–91).

The analysis of conflicts of interest in Chapter 6 broadens the scope of the familiar microanalysis of conflict of interest. Once again, a case is presented in which several PHC board members have conflicts of interests with regard to a plan to convert a wing of one hospital to a specialized plastic surgery center. The authors discuss the options of disclosure, recusal, or exclusion from the board. Further, they point to PHC’s incentive to refer patients to its own facilities. In the interests of transparency and honesty, the authors propose that the institution disclose to patients the incentives used to attract obstetricians to work at an underserved hospital. As usual, the authors encourage the institution to move beyond mere compliance to strive for virtuous institutional conduct.

In Chapter 7, the authors analyze an issue I had not considered—the institution’s obligation to allow management and employees *discretion* in decisionmaking, funds allocation, and use of institutional resources while

maintaining institutional oversight and control. Once again case studies illustrate key points and the authors conclude that when a conflict between discretion and control arises, the institution should strive for integrity-preserving compromise, thereby fostering employee trust. They offer several ethically defensible solutions to the case by balancing respect for persons, honesty, and fairness.

Three chapters are devoted to justice—the most important and challenging organizational ethics issue. First, the authors consider resource-allocation policies. They present a case in which a healthy 78-year-old comes to the emergency room because a turkey bone is lodged in his throat. While the bone is being removed, the patient's esophagus ruptures, leading to sepsis and acute liver, kidney, and respiratory failure. Despite the literature reflecting a 100% mortality rate, the patient had an extended stay in the ICU because of the insistence of the attending physician (whom administration did not want to offend because he brings a lot of business to the hospital). Complicity with the attending physician's position violated the hospital's policy. This case demonstrates the intersection of clinical and organizational ethics. The authors take us through the organizational ethics method outlined in chapter 1 with special attention to how the policy helps or hinders decisionmaking and argue that cost should be a consideration in just allocation of ICU beds.

Next the authors tackle how "allocating resources within an organization can shape the moral culture of an institution, and how the moral culture and political environment can affect decisions about allocation" (p. 221). Once again, they integrate rational, natural, and open systems approaches in their ethical analysis. PHC is losing money because of a 25% decrease in

Medicaid reimbursements. This change impacts one hospital more than others, but the board decides that the affected hospital must still maintain its profitability, thereby unfairly penalizing that hospital. The authors discuss how decisionmaking might include all stakeholders. To ensure that decisions are well coordinated and patients are well served, they recommend systemic services review, education, policy reform, and engagement with the informal culture to support institutional goals and values.

Chapter 10 explicitly focuses on the relationship between mission (especially fair allocation of resources) and the fiscal bottom line. Rather than acting as though finances are not important, the authors suggest shifting ethical analysis to determining what *level* of profit is appropriate and how such a decision impacts mission and institutional values, allowing the mission to direct decisions. The authors suggest alternatives to the board's decision to disproportionately penalize one hospital for the 25% decrease in Medicaid reimbursements. Options include changing the patient mix, reducing waste, reducing or eliminating nonessential functions, reducing capital expenditures, reducing or restructuring staff, or reducing salaries. Once again, the authors identify practical options with supporting ethical arguments.

Besides providing superb analyses, the book is user friendly, providing an index as well as thorough references. Whenever the story of PHC is told, the font changes so readers can easily peruse the book to find the story they are looking for. In addition to the PHC stories in the body of the text, there are 22 case studies with brief analyses that comprise 68 pages of the book. The case studies cover a range of topics from marketing practices and investment policies, to whether an employee health benefit plan should

be offered that would likely exclude lower income employees because of high deductibles, to whether partners of gay and lesbian employees should receive health benefits at a Catholic hospital. The appendixes include the 1999 standards of the Joint Commission on Accreditation of Healthcare Organizations (which have since been updated), sample ethics statements, the code of ethics for the American College of Healthcare Executives, and a sample conflict of interest policy.

For those of us trying to implement organizational ethics educational programs or revise mission statements and institutional policies, the book is a price-

less educational resource. The cases can be used as is or infused with real-life hospital dilemmas. The analyses are both comprehensive and innovative. Finally, the authors' nuanced and thorough consideration of justice is extremely valuable. Some readers might be disappointed with the heavy emphasis on virtue ethics; however, I think the orientation affords a richer discussion than, say, a utilitarian analysis. I recommend this book without reservation. It is the most valuable book I have found to help me implement an institutional ethics program in our hospital.

—Denise M. Dudzinski