

## **Ethical dilemmas of a hospital manager in a corporate hospital in India**

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### **The Emergency<sup>1</sup>**

It was around 10 a.m. on Wednesday, 9 March 2020. Dr. Mohan Bagchi, Medical Director, ACM hospital, Kolkata called an emergency meeting consisting of the Head-Quality department, Medical Superintendent, Senior Consultant - General Medicine and Nursing Superintendent.

Dr. Mohan Bagchi, MBBS from Manipal Institute, India and Master of Hospital Administration (MHA) from ISB, Hyderabad, had been working actively in the healthcare management area. Subsequently, he started working in multispecialty hospitals as a medical administrator and gained considerable experience in health insurance, healthcare quality, Human Resource (HR) training, medical operations and administration. Dr. Bagchi always gave the highest priority to values such as honesty, transparency and empathy, which he imbibed from his family, education and social networks. He faced many challenges in day-to-day decision-making while working in hospitals and healthcare systems, as he did not want to compromise on his value system.

As everyone gathered in the meeting room, Dr. Bagchi provided a background to the meeting:

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<sup>1</sup> This case is prepared as basis for class discussion. It was based on true events; however, the characters and organizations have been given fictitious names.

**Dr. Bagchi:** Good morning, everyone. This is a confidential meeting about a sentinel event that happened last evening. Yesterday, late evening, I received a call from the Nurse in In-charge of Ward No. III when she was taking the handover after reporting for night duty.

*He checked to see if Dr. Khare, Senior Consultant - General Medicine would want to elaborate upon the issue. But Dr. Khare requested Dr. Bagchi to continue.*

**Dr. Bagchi:** Yesterday evening, Dr. Kumar, the on-duty doctor, administered a wrong dose of a high-risk drug with a wrong dilution around 4 pm to the patient admitted in Room no. 3012. The patient was expected to be discharged today, but by 6 p.m. yesterday, the patient suffered a Severe Adverse Event (SAE), which resulted in extended hospitalization. In fact a corrective surgery has to be planned urgently.

**Dr. Khare:** Dr. Bagchi, I understand that this is a serious case that happened inadvertently. However, this happened because Dr. Kumar is not from the Allopathy stream, and is possibly unaware of medicine dilution. Further, our hospital has a system of appointing Physician Assistants (PAs), who are non-allopathic doctors, as ward in-charge doctors, who administer the medical treatment as per the treatment planned by the senior qualified physician consultant. But Dr. Kumar skipped verifying that the medicine to be given had to be diluted before administration.

**Dr. Bagchi:** Yes, Dr. Khare, even if Dr. Kumar is a PA, it is the responsibility of the on-duty resident doctor to administer drugs only after discussion and confirmation from the senior qualified physician. Whether the medicine has to be dilute needs to be double-checked before medicine administration. Furthermore, this should be mentioned in the IPD treatment papers with all relevant details for the information of nurses and on-duty doctors. This can't be missed or left for the understanding of the on-duty people.

**Dr. Khare:** *(looking worried)* The patient's relative has been calling me all night to ask how the patient, who was stable and about to be discharged, became so critical.

**Dr. Bagchi:** Yes, this is a grave matter. As this involves the hospital owners and management, as a part of vicarious responsibility, the cost of corrective surgery will be borne by the hospital. Further, an investigation committee is being set up to investigate the matter and submit the report

with recommendations in seven working days to avoid any such future instances. The core investigation Committee consists of the Medical Superintendent (M.S.), Nursing Superintendent (N.S.), Consultant-General Medicine, the Quality Assurance (QA) committee and any other members found suitable by the core committee.

### ***Background to Indian Healthcare***

The Indian healthcare system is a unique mix of healthcare organizations and providers with varied ownerships like public hospitals, private/corporate, trust-owned/Non-Government Organization run hospitals, central government-owned (Railways, Employee State Insurance, defense sector), and so on. Despite the diversified existence of a large number of healthcare providers, less than 2% of GDP is spent on health in India. That there is a huge patient load in India due to the shortage of healthcare workers (HCWs) is a well-known fact. In India, a government doctor attends to 10 times more patients than the World Health Organization (WHO) recommendation and there is a need for 45% additional nurses. As per the Economic Survey of India 2019-20, the doctor-population ratio in India is 1:1456 against the WHO recommendation of 1:1000 and there is a serious shortage of nurses and paramedical staff.

Concentrated mostly in urban areas, the private and corporate hospitals provide services to around 60% urban population. Private hospitals are mostly unregulated in terms of facility planning, quality of care standards, pricing of services, and lack accountability due to non-existent and non-uniform policies and laws. Corporate hospitals are more technologically advanced, offer tertiary level services, are more competitive in terms of remuneration, hire skilled manpower, and may involve investment from large business houses or even FDI (Foreign Direct Investment).

Government sector hospitals receive government funding and cater to the rural and socio-economic disadvantaged groups (SDGs) predominantly. There is a huge divide between the public and private healthcare providers which is widening further. Private and particularly corporate hospitals are cost-intensive and hence work primarily with a return on investment (RoI) objective and adopt stringent cost-cutting measures. Corporate health services mean

expensive services, individualization of care, and profit-oriented management with less or no intervention from the government. This is diametrically opposed to the public health systems which are subsidized due to government funding and hence need not be profit-oriented. This transition from a socialistic and equity-intended public health system to a more capitalistic profit-driven and revenue-generating health system with a pressure of enhancing profitability has led to tremendous pressure on healthcare managers.

### ***The follow-up meeting***

As decided, after 7 working days, the follow-up meeting of the Core investigation Committee was scheduled with Dr. Bagchi. The committee presented the following key points:

- The committee members had reviewed all the medication protocols, conducted the interviews with all concerned people and the knowledge and awareness levels of protocols were examined through one-to-one interactions with the on-duty doctors and nurses.
- Six-monthly training and three-monthly refresher programs for PAs and nursing staff to be conducted. The areas of training will be identified by the MS, NS, and Quality team.
- There will be an amendment in the medication protocol in that the PA, while administering medicine, must do so under the supervision of a senior qualified physician consultant. PAs would not allowed be to work unsupervised particularly in medication management work without the supervision of a senior qualified doctor, especially for high-risk medication.
- This approval from the qualified physician must be in writing on the treatment papers. Further, for high-risk medication, all pertinent details (dose, dilution, route, frequency, necessary precautions, and so on) must be in writing on the treatment papers of the patient.
- Finally, the recommendation was to fire the PA who committed this medication error as he should have double-checked before medication administration. Or else at least some financial penalty should be levied.

**Dr. Bagchi:** The points brought into the meeting are relevant but this needs a discussion. Though the Indian health system has awakened to the incident reporting system, we need to do so with great speed. Unlike other sectors like Aviation where a single plane crash leads to an extensive and thorough investigation, any delay in healthcare can affect the lives of others.

**Dr. Khare:** Yes, Dr. Bagchi you are right. On the same lines, we recommend creating an online incident reporting form. We have conducted a thorough root cause analysis to avoid this kind of event from happening again. However, some action must be taken against Dr. Kumar to set an example for others. (*Others present in the meeting also showed agreement to this point*).

**Dr. Bagchi:** This kind of opinion needs to be revisited. Ultimately, we are all employees, and firing another employee without offering a second chance or without giving an ‘opportunity to be heard’ is not ethically correct in my opinion. We may give a written warning to him and review and improve the protocols and processes to avoid anything like this getting repeated in the future. He has been a good employee and somewhere there was an error in the protocols due to which this blunder happened.

N.S. and M.S. along with the quality team debated with Dr. Bagchi that ‘setting an example is the need of the hour. Dr. Bagchi reemphasized that he is a strong believer in Deming’s principle which states that only 6% time the error is due to people, whereas 94% time the error lies in the process loopholes. He said we must switch from “who made a mistake” (blaming the person) to “why the mistake occurred” (identifying the faulty process).

Dr. Bagchi instructed the team to ensure good medical jurisprudence and provide a ‘chance of hearing’ to the concerned on-duty doctor and issue a warning letter. Further, the entire cost for the extended treatment due to the medication error will be borne by our hospital. Further, the recommended changes in treatment protocols are to be implemented and re-circulated by the Head-QA team, at the earliest, after approval by N.S. and M.S.

After the meeting ended, Dr. Bagchi continued the discussion with Dr. Khare about the various ethically difficult decision-making situations that he comes across very often, which lead to ethical dilemmas for hospital managers who are working in a similar situation like him.

**Dr. Bagchi:** Employee separation is one such issue. I feel that as we are employees ourselves, it is not morally correct to let go of the people at a single instance - unless it is a deliberate gross act of misconduct or criminal activity.

**Dr. Khare:** Yes, and usually documented evidence of repeated poor performance or misbehavior, despite several warnings, builds a case for firing an employee. Some hospitals have a good jurisprudence mechanism to give a few chances to employees before terminating them.

**Dr. Bagchi:** True, recovery of dues from patients is one such issue as some may be genuinely underprivileged while some may not be so. Another issue I find ethically challenging is the *Brain Stem Dead Declaration*.

After the meeting, Dr. Bagchi discussed three ethical dilemmas of his career with Dr. Khare and asked his opinion on how they should be solved.

### **Dilemma 1**

Dr. Mohan Bagchi mentioned that sometimes working as a medical head, you have to take tough decisions such as asking someone to leave his or her job due to non-performance. That too when in most Indian corporate hospitals performance standards are not clearly stated.

He highlighted that incident in one of the famous ABC hospitals of Chennai where he was working as medical director, he had to ask one operation theatre staff to leave the job because the staff could not supply the medicine for the operation on time and the operation got postponed. In this case, the treating doctor forced Dr. Mohan Bagchi to terminate O.T staff immediately without investigating the entire matter. In his interview, Dr. Mohan Bagchi highlighted that he was unable to decide what he should do in this situation. Dr. Mohan Bagchi believed that asking anyone to leave his or her job without warning and discussing matters with employees is not right. In addition, he also believes that in hospitals employees are not expected to make any mistakes because employees' mistakes may be responsible for patient death.

### **Dilemma 2**

Further, he also mentioned that sometimes while working in a corporate hospital, he has to compromise the quality of medical equipment in order to reduce the cost of patient treatment for

two reasons. First, Indian healthcare consumers are price sensitive. If the patient perceives that they are being charged more as compared to other hospitals, then they are likely to switch the hospital. Second, when a hospital receives poor patients the hospital management has a preconceived notion that poor patients will create problems after treatment. Therefore, in both situations, I am in an ethical dilemma: what should I do? Whether I should think about the patient or hospital revenue?

### **Dilemma 3**

When I was working as medical director at one of the known hospitals, one foreign and one Indian patient was waiting for a lung transplant. The hospital had a tie-up with the ministry of Bahrain for lung transplants. The Ministry was putting pressure on the medical director to arrange for the transplant of the foreign patient first by fabricating a story that the Indian patient's blood group was not matching with the donor and that his high blood pressure was high on the day of surgery. If I do not listen to him then the Ministry threatened to break ties with the hospital, which would mean we would not receive any patients from Bahrain. I wondered what I should do in this case.

### **Discussion questions**

1. What should Dr. Bagchi do in all these three situations?
2. Would you have handled the situation differently? If yes, what would you have done in the given situation? Enlist your key recommendations for decision-making in these situations.

### **Broader questions**

1. How much do the personal values of a manager impact their decision-making in the case of such dilemmas?
2. What are the root causes behind occurrences of such ethically challenging situations (e.g pressure of cost-cutting measures, lack of regulations, low doctor-patient ratio)?
3. Discuss these situations and work out how different decisions of hospital managers could lead to different consequences.

## **Teaching notes**

Dr. Mohan Bagchi is a medical director in a reputed multi-specialty hospital in India. This case is about various tough situations in which he has to take a decision every day in the hospital. He discusses three ethical dilemmas with his colleague Dr. Khare.

## **Teaching Objectives**

This case study and the characters in the case bring up the various ethical dilemmas that hospital managers face in Indian hospitals. These can be related to patient care, ethical issues, safety, human resource (HR) issues, and many others issues. The case is based on true stories and experiences and aims to accomplish the following teaching objectives:

1. To identify and analyze the different ethical dilemmas faced by hospital managers in Indian hospitals.
2. To critically analyze challenging ethical dilemmas which lead to choices that can lead to right vs right, right vs wrong, wrong vs wrong decisions.
3. To apply relevant theories and models related to analyzing and identifying the appropriate strategies for decision-making in situations that involve ethical dilemmas.

## **Teaching Plan (60 minutes)**

- First 15 minutes can be used to discuss the steps of individual ethical decision making (1. Awareness, 2. Judgement 3. Motivation 4. Action). In addition, the instructor can also discuss the important ethical perspectives such as utilitarianism, deontology, and virtue ethics in order to increase awareness. This knowledge about various ethical perspectives will help students to analyze the situation from multiple perspectives.
- Next 15 minutes, an instructor can use trigger questions to initiate the class discussion.



- Finally, remaining 30 minutes instructor can spend on discussing the various steps of moral reasoning and objectivity analysis for solving the three ethical dilemmas of case.
- Moral reasoning steps
  1. Moral Inquiry
    - A. Situation – Describe the situation, including the relevant fact, context, and the role of major players
    - B. Others – Identify the people, groups or organization that are involved or could be impacted by this situation.
    - C. Self – Identify your initial take or considered judgement of the situation.
  2. Option development and analysis
    - A. Identify as many morally acceptable options to resolve this situation as possible
    - B. Analyze the options and determine which option has the best moral justification for action.
    - C. Analyze leading candidate(s) for action against other important criteria such as financial requirements, consequences, legal implications, strategic results, feasibility and other criteria deemed useful.
- Objectivity analyse steps
  - A. Visibility: Would I be comfortable if this action was described on the front page of a respected newspaper?
  - B. Generality: Would I be comfortable if everyone in a similar situation followed this decision?
  - C. Legacy: Is this how I would like my leadership to remembered?

### **Discussion points related to the case**

Q1. What should Dr. Bagchi do in all these three situations?

In order to understand the types of ethical dilemmas, instructor and class students can have discussion on types of ethical dilemmas (right vs right, right vs wrong, wrong vs wrong) and identify the correct motivation and action in various dilemmas of Dr. Bagchi.

Q2. Would you have handled the situation differently? If yes, what would you have done in the given situation? Enlist your key recommendations for decision-making in these situations.

Personal values play very vital role in making ethical decision in any situation. Thus, students can have discussion on various individual values and can understand the decision-making process better.

### **Recommended Readings**

Ford, R. C., & Richardson, W. D. (1994). Ethical decision making: A review of the empirical literature. *Journal of business ethics*, 13(3), 205-221.

Loe, T. W., Ferrell, L., & Mansfield, P. (2000). A review of empirical studies assessing ethical decision making in business. *Journal of business ethics*, 25(3), 185-204.