Health Care Corruption: The Doctors’ Dilemma

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US Health Care Is in Trouble

• Health care costs are rising:
  – total expenditures exceeding 15% GDP
• Health care quality is stagnant
  – Institute of Medicine’s *Crossing the Quality Chasm*:
    “quality problems are everywhere, affecting many patients.”
• Access to health care is decreasing
  – numbers of uninsured increasing
  – Medicare fee cuts leading to physicians dropping Medicare
• There are new calls for health care reform
US Health Care Is in Trouble

• Sounds familiar?
• Supposed “Aura of inevitability” about health care reform in 80’s and 90’s
• Reasons for reform then were:
  – higher cost
  – stagnant quality
  – worse access
• But now
  – Health care professionals are also increasingly unhappy
  – Increased sense we are not getting our money’s worth
A Qualitative Study of Physicians’ Concerns about Health Care

• Asked physicians open-ended questions about their concerns about what is going wrong with health care
• Compiled and described their major themes in “A Cautionary Tale: The Dysfunction of American Health Care”
• Examples sought in health care literature and media
  – Tips from physicians, crude search attempts and ongoing monitoring of media
  – Little yield from medical and health care literature
• Little systematic research yet reported

Central Concern and Main Hypotheses

• Physicians felt that their core values are externally threatened

• They cited numerous local examples of concentration and abuse of power
  – Health care is increasingly dominated by large organizations whose goals may not be aligned with physicians’ professional values
  – Such organizations may be led by the ill-informed, the unethical, or even the criminal
Missing the Forest for the Trees

- Most physicians could cite local examples of abuse of power
- Most thought their examples were unique, and that they were particularly unfortunate to work in proximity to it
- Most had not heard of examples from outside their region
- Most did not recognize concentration and abuse of power as a systemic problem
The Allegheny Health Education and Research Foundation (AHERF) Case

- From Allegheny General Hospital in Pittsburgh (1968) to largest health care system in Pennsylvania (1997)
- CEO was Sherif Abdelhak, called a “visionary,” “genius,” gave John D. Cooper Lecture at AAMC (1996), published in *Academic Medicine*
- By 1995, Abdelhak earned $1.2 M, 3 times the median for a health system CEO
- In 1997, although Abdelhak was still publicly announcing expansion plans, system was losing $1 M / day
- In 1998, Abdelhak fired, AHERF declared Chapter 11 bankruptcy, $1.2 billion in debt, second largest bankruptcy in US at that time
- Allegheny University of Health Sciences downsized, multiple hospitals closed, multiple lay-offs, multiple lawsuits filed
- After plea bargain, Abdelhak sentenced to 11-23 months for raiding restricted hospital endowments

Abdelhak SS. Acad Med 1996; 71: 329
The Allegheny Health Education and Research Foundation (AHERF) Case: Local Responses

• Outrage by ex-AHERF Doctors:
  – “colossal disaster that could have been avoided”
  – “obscene,” “an atrocity,” “repugnant”
  – Abdelhak was “an evil person” who “never took responsibility for bringing the system down”
The Allegheny Health Education and Research Foundation (AHERF) Case: National Responses

- Tepid responses of national organizations:
  - CEO of American Association of Medical Colleges: “unprecedented for a medical school to be caught up in this type of bankruptcy”
  - Liaison Committee for Medical Education: would help place students if AUHS bankrupt
  - Joint Commission on Accreditation of Healthcare Organizations: Hahnemann Hospital “not cited for any deficiencies”
  - Physicians’ organizations, like AMA, ACP, AAFP, etc - ?
  - Academic boards, like ACGME, ABIM, federal agencies, etc - ?
- One article in Health Affairs, covered only through mid-1999, but not outcome of most legal proceedings [1]
- Nothing in any large-circulation journal (including news sections)
- Nothing in *Academic Medicine* since Abdelhak’s paper
  - which has never been cited

Bad Governance: A Catalog of Scandals

• Old
  – Hermann Hospital’s managers convicted of theft
  – Seven convicted for embezzling >$20 M from Cooper Hospital/UMC
  – AMA endorsed Sunbeam, AMA endorsed alteplase for cash

• New
  – NIH leaders got six-figure consulting fees from pharma
  – Hospital CEOs fired for ethical lapses: Fletcher Allen (convicted of conspiracy), Bellevue, Jacobi, Staten Island University (EVP), Roger Williams (convicted of conspiracy and mail fraud) UC- Irvine, Caritas Christi
  – UMDNJ President, board members, other leaders resign, now operating under deferred prosecution agreement
  – Etc, etc, etc

• Have American physicians (or health care researchers, or health policy makers) ever heard of them?
The Anechoic Effect

• The “recent unpleasantness” - most cases have only been discussed locally, and only in news media
• Academia and medical/ health care/ health policy literature, medical organizations mostly silent
• Until recently, doctors sometimes complained individually, but no organized action
• Therefore, no recognition of more wide-spread and systemic problems
• Those who are ignorant of history are bound to repeat it
Why the Anechoic Effect? - Hypotheses

- Outdated reverence
- L’hospital c’est moi
- Pervasive “conflicts of interest”
- Political correctness and the like
Outdated Reverence

• Health care institutions revered since days when they were small, relatively thread-bare, mission oriented
L’Hospital C’est Moi

• The cult of the “imperial CEO” leads to beliefs that
  – The leaders have magical powers
  – The institution and the leaders are one
“Conflicts of Interest”

- In academic medicine, the dogma is that “conflicts of interest” are inevitable, and should be “disclosed” and “managed,” but not eliminated.
- Many such “conflicts of interest” fit Transparency International’s definition of corruption:
  - Abuse of entrusted power for private gain
Conflict of Interest as Abuses of Entrusted Power for Private Gain

• Medical academics are entrusted to seek and disseminate knowledge

• For a medical academic to help promote a commercial product or service in his or her guise as an academic can be abuse of entrusted power

• For an academic to do so while personally being paid or otherwise rewarded by the commercial provider of the product or service can be
  – Abuse of entrusted power for private gain
Conflicts as Abuse of Entrusted Power

• Academics who are paid by companies
  – Often speak or write under academic auspices in ways that promote the companies’ products
  – May fail to disclose the nature, size, and intensity of their relationships to the companies, and only in fine print

• Companies consciously develop such physicians as “key opinion leaders” to market product
Academia is Permeated with “Conflicts of Interest”

• Low level, most common – small gifts, meals, trips to students, house-staff, faculty from industry
• Mid level, common – speaking fees, consulting fees, etc to faculty “thought-leaders”
• High level, less common – service on for-profit health care corporations’ boards of directors (plus fees and stock options) for senior faculty, medical school and university leaders
Prevalence of Medium-Level Conflicts: the Stanford Case

• Almost half of faculty reported conflicts
• More than one-third of academic leaders reported conflicts
• 7/10 members of conflicts of interest committee reported conflicts
The Stanford Case: Example of the Chair of Psychiatry

• Gave talks, wrote articles, and lead government research grant on mifespristone as treatment of depression
• Simultaneously sat on board of directors and scientific advisory board of, and held 3 million shares of company that sought to get approval to market mifepristone as treatment of depression
• Failed to reveal the nature and intensity of his financial relationships with the company in published articles that were positive about the drug
  – Article only said study was “supported by a grant” from the company, and that the chair of psychiatry had “a financial interest in” it.
Conflicts as Abuse of Entrusted Power – the Neurontin Case

• Parke-Davis’ strategy for marketing gabapentin (Neurontin)
  – Recruited physicians who could influence colleagues for “peer-to-peer” marketing
  – Recruited “thought leaders,” “key influencers,” and “movers and shakers” (department chairs, vice-chairs, directors of academic programs or divisions)
  – Speakers bureaus were meant to “identify and train strong Neurontin advocates”
  – Recruited academics as authors of articles to be prepared by medical education companies

Conflicts of Interest

• Such conflicts may also afflict
  – Staff and leaders of health care or medical not-for-profit organizations and non-governmental organizations (NGOs)
  – Staff and leaders of health care or medical government agencies

• People with conflicts of interest “often find giving clear advice (or opinions) particularly difficult.”
  – Joe Collier, “The Price of Independence”
Political Correctness, et al

- Many in academics, not-for-profits/ NGOs, government have “conflicts of interest”
- Many more work with or for someone with “conflicts of interest”
- In this context, conflict aversion, political correctness, and fear of retaliation may produce silence
Summary

• Unethical behavior, corruption, criminality may be common in health care in developed countries.
• The issue is largely unstudied; but many practitioners are aware of local cases.
• The issue may remain hidden, without echoes, “anechoic” because of:
  – Outdated reverence
  – L’hospital c’est moi
  – Pervasive “conflicts of interest”
  – Political correctness and the like
• Until the issue is widely discussed, we are unlikely to conceive of and implement solutions.