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

Poses RM. Eur J Int Med 2003; 14: 123.

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
- First article that mentioned Abdelhak’s conviction: Poses in Euro J Int Med in 2003[2]

1. Burns LR. Health Affairs 2000; 19: 7. 2. Poses RM. Eur J Int Med 2003; 14: 123

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

Steinman MA et al. Ann Intern Med 2006; 145: 284

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