Bioethics and Economic Justice

Use of Scarce Resources: Macroallocation and Microallocation
- Macroallocation: how should the nation’s (world’s?) resources be allocated? How much for health care? What level of care guaranteed to people (if any)?
- Microallocation: how should resources be distributed in a particular health care setting; e.g., who should get the scarce dialysis machine or ICU spot?
Not a sharp division; many questions overlap

Bioethical Issue Intertwined
Most Issues We’ve Discussed Also Raise Ethical Issues about Just Use of Resources
- Requiring drug tests for pregnant women might reduce long-term care costs of child
- Treating defective newborns is expensive
- Respecting autonomy (interpreted as “whatever patient wishes”) might require expensive treatment with little benefit
- Some claim euthanasia would be chosen mainly by the poor who can’t get good hospice care
**Larger Issues of Justice**

- Does everyone have a moral right to health care? (If so, someone has a moral obligation to provide it)
  - Equally good health care?
  - If so, at what level?
  - If not equal, what minimal level should be guaranteed?
  - If so, who has the responsibility to provide it?
  - What should be role of federal government?

- What proportion of American resources should go to health care? (vs. defense, education, etc.)
  - Of the amount going to health care, what distribution among therapy, research, education/prevention

**Larger Issues of Justice**

- What goods in society should be part of free enterprise system (capitalism) and which not?
  - What should we be able to buy with more money?
    - fancy stereo, sports car?
    - more votes, better defense lawyer, better police/fire protection?

**American Health Care Crisis**

- Cost of health care greater % of GDP than education and defense together
- As % of GDP, more than tripled since 1960; now about 13.3%.
- Higher % goes to health care in US, but health care arguably not as good as some other countries
Ethics of Managed Care

American Health Care Crisis: Why It’s Getting Worse

- Aging population
- Advances in medical technology:
  Stages of medicine: primitive, “Golden Age,” and now.
- Faith and reliance on technology
- View of death as something to conquer
- Patient autonomy/demands?
- Managed care has not solved the problem of raising costs

Managed Care

How BAD Can It Get?
How GOOD Can It Be?

Benefit Patient or Respect Autonomy?

- You judge a course of treatment is BEST for your patient
- Patient refuses or requests a different treatment
**A Third Factor**

- You judge a course of treatment is BEST for your patient
- Patient agrees

but

- Is this use of limited resources fair to *other patients* in the group?

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**Bone Marrow Transplant?**

- Cynthia Lakatos, age 62
- Breast cancer recurs after 5+ years
- Bone marrow transplant offers 25% chance of success
- Patient assertive and definitely willing to undergo burdens of treatment
- Lifenet (MCO) does not generally cover this treatment

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**“Doctor, I want a…”**

- MRI for migraine headaches
- PSA to screen for cancer
- Antibiotic Rx for what seems like ordinary cold
- Dermatology referral for a mole
- Prozac to enhance productivity
- Outside orthopedist “because he's the best”
The Central Conflict

Patient-centered medicine
Population-centered medicine

Conflicting Obligations

Use medical knowledge to offer best possible medical care
Conserve resources for patients in general

The Promise of Managed Care

- Allocating scarce resources wisely is an ethical imperative
- MC avoids incentives of fee-for-service medicine for excessive treatment
- MC encourages use of evidence-based medicine that challenges “sacred cows”
- MC is subject to much greater scrutiny
Ethics of Managed Care

What the BAD ones do

- Allow coverage to be denied by bureaucrats untrained in medicine
- Impose “gag rules” on physicians
- Force ethical physician to “game the system” with conscience-driven deception
- Market themselves as if they provide unlimited choices, unlimited care

When Ethics = Self-Interest

- Don’t be penny-wise and pound-foolish
- Deny requested care that is futile
- Respect patient privacy as a means to preserve trust
- Do the things that will otherwise be required by government regulation

Some good ideas and their drawbacks...
**Ethics of Managed Care**

**Physician-Owned MCO**

**Benefits**
- Avoids practicing medicine without a license
- Decisions made by people with commitment to medical profession

**Drawbacks**
- Patients lose their advocates: physicians are the organization that denies coverage
- Doesn’t change context of survival and competition in the marketplace

**Evidence-based Medicine**

**Benefits**
- May attract and keep better physicians
- Minimizes waste of resources
- Corrects for hidebound, ineffective medical practices

**Drawbacks**
- Quantifying “good” outcomes may oversimplify
- May stifle the brilliantly “intuitive” physician
- Does not address tradeoffs among patients

**Patient vs. Population**

Treatment A=average 5 HYs (years of healthy life)
Treatment B=average 10 HYs
A costs $1500 or $300 per HY
B costs $7000 or $700 per HY

Fixed budget of $70,000:
*Therapy A produces 130 more HYs than therapy B*
Ethics of Managed Care

Qualities of Ethically Good MCO

- Tie financial incentives for physicians and executives to medical outcomes and patient satisfaction
- Keep modest the financial incentives that are tied to cost reduction
- Create a “culture of ethical practice” through organized ethics programs

More Good Qualities

- Increase trust by making policies and decisions open to outside, independent review
- Make patients partners in the just distribution of resources
  - Involve patients in establishing guidelines
  - Plan town meetings with patients
  - Educate patients in advance directives, preventive measures, and limits of medicine

Challenges on the Horizon

- Effective and expensive genetic therapies
- Intense marketing of new, costly drugs
- Demographic changes: more baby boomers will reach age with greater medical needs
- More patients interested in non-Western and alternative medicines
Ethics of Managed Care

**What Is At Stake**

- Goals of medicine
- Values of the medical profession
- Nature of the doctor-patient relationship
- Attitudes toward aging and death