

Advocate Health - Midwest

SHARE @ Advocate Health - Midwest

Historical Documents - Combined

Advocate Health - Midwest History

e-Ethics, 2000 February

Advocate Aurora Health

Follow this and additional works at: <https://institutionalrepository.aah.org/alldocuments>

e-Ethics

Use of Placebos in Clinical Care

Inpatient Patrick Payne has a broken hip and a medical history of fibromyalgia. Different methods of pain relief have been tried, none with much success. He only seeks help when the pain is “really bad,” and often abandons follow-up care until the next episode.

Mr. Payne requests pain medication earlier each day. His nurse, Fran Firth, asks the resident about an increased dosage. “Let’s try something else first,” he replies, and orders a saline injection when Mr. Payne again requests early meds. When Fran enters the room with the saline he asks, “Is that my pain medicine?” What should Fran do?

A placebo is a treatment without specific effect or an inert agent. Placebos are commonly used in research to compare outcomes between subjects receiving a specific therapy against those receiving placebos. Subjects are informed they will receive one or the other, though they do not know which until the study ends.

Clinical use of placebos is generally considered wrong because patients are lead to believe they have received effective treatment. The harm caused by this deception outweighs positive aspects of placebo use (Mr. Payne feeling cared for the way he wants, or experiencing the placebo effect—pain reduction after the saline injection).

This newsletter is available on the cc:Mail system as a bulletin board called e-ethics. Watch for monthly postings.

Deception should not compromise the collaborative relationship between a patient and the medical team. If Mr. Payne discovers he received saline, he has good reason to wonder whether other betrayals have occurred. This could compromise his trust, not only in Fran, but in all health care professionals.

Placebos are most likely used with difficult patients, or when therapies prove ineffective—giving placebos may mask the team’s underlying frustration or resentment toward a patient. Once placebos are initiated, creative problem solving may wane, and different pain management approaches may go untried. If Mr. Payne becomes known as a malingerer or potential addict, future complaints may be taken less seriously and important problems could go undiagnosed.

Most concerns about placebo use focus on negative results for patients, but deceiving patients also harms clinicians. In this case, the resident’s order put Fran in the

uncomfortable position of either telling the truth or following orders. This compromises Fran’s ability to give Mr. Payne the best care she can, either because she is embarrassed about lying, or because she does not take him seriously. Over time, she may find other reasons to ignore patient concerns. The incident may also cause resentment toward the doctor, impairing their working relationship.

Some hospitals specifically forbid clinical use of placebos. Fran should ask about this, and should also speak to her supervisor about how to handle similar incidents in the future. An in-service on this issue may be warranted to insure uniform practice.

FThree years ago, when Redinque Memorial Hospital found itself in financial trouble, it hired Allan Hale as a senior administrator for his experience in revitalizing a large non-health care corporation. In reviewing hospital billing practices, Hale immediately noticed that the coding of a given medical condition significantly affected reimbursement. He instituted new policy such that, whenever there was an ambiguity in a patient's diagnosis, clerks would enter the most remunerative code possible.

Hale also found the billing department too cautious in its reimbursement claims for expenses such as interest charges for the facilities under Medicaid and Medicare programs. He directed that whenever there was any doubt, staff should claim the maximum amount. As a realist, however, he instructed accounting personnel to develop two financial plans: one to incorporate the reimbursements claimed under the aggressive approach; the second to assume that many of those claims would be disallowed.

This case raises questions of law and corporate compliance ("Business Conduct," in Advocate terms). Perhaps Mr. Hale thinks, "This is how the health care reimbursement game is played," but his approach is likely to result in numerous violations of federal law. Routine "upcoding," or

seeking the most remunerative way to code a procedure, is an easily detectable practice often targeted by government investigators. Since distinctions between codes are based on the severity of a medical problem, coding a condition under a more severe heading constitutes fraud.

Further, federal health care laws uphold a strict standard of honesty in making claims. If a claimant seriously doubts the legitimacy of a claim, it should not be submitted. Moreover, while making best- and worst-case financial plans can have some legitimacy, the existence of two plans and two sets of supporting records has been used by prosecutors as evidence of bad faith. If Redinque's records betray doubts about reimbursables, regulators might infer that senior management knew certain claims were inaccurate. If government investigators discover billing irregularities, Redinque could face substantial fines *and* possible exclusion from all federal health care programs.

The legal and financial jeopardy created by this conduct might have been avoided by attention to ethical as well as legal dimensions. Ethically, the essential duplicity of the aggressive approach should have been an immediate sign of trouble. Practices that require a pattern of duplicity to succeed are always questionable and should be avoided.

Calendar of Events February – May

all events take place at the
Park Ridge Center except where noted

Ethics for Lunch

February 1

Lutheran General Hospital
Physician Responsibility to the
Dying Patient

February 9

Good Shepherd Hospital
Withholding/Withdrawing Life
Sustaining Treatment

February 15

Lutheran General Hospital
System Wide Policies

February 25

South Suburban Hospital

Health Care and Ethics Breakfast Series

Time: 8-9 A.M., Cost: \$25

February 15

Catholicism and Health Care Ethics
Myles Sheehan, SJ, MD

March 16

Jehovah's Witness and Health Care
Ethics

April 18

Islam and Health Care Ethics

May 9

Judaism and Health Care Ethics

e-Ethics provides discussion of important ethical issues in clinical care and organizational life. In specific cases, fuller ethical analysis may be required, in addition to consideration of hospital policy and legal standards.

To register or obtain more information about Park Ridge Center events, call Bernice Chantos at (312) 266-2222 ext. 255, fax (312) 266-6086, or e-mail bmc@prchfe.org

To list an event in this calendar, contact Mary Ann Clemens at (312) 266-2222 ext. 240 or mac@prchfe.org

Three years ago, when Redinque Memorial Hospital found itself in financial trouble, it hired Allan Hale as a senior administrator for his experience in revitalizing a large non-health care corporation. In reviewing hospital billing practices, Hale immediately noticed that the coding of a given medical condition significantly affected reimbursement. He instituted new policy such that, whenever there was an ambiguity in a patient's diagnosis, clerks would enter the most remunerative code possible.

Hale also found the billing department too cautious in its reimbursement claims for expenses such as interest charges for the facilities under Medicaid and Medicare programs. He directed that whenever there was any doubt, staff should claim the maximum amount. As a realist, however, he instructed accounting personnel to develop two financial plans: one to incorporate the reimbursements claimed under the aggressive approach; the second to assume that many of those claims would be disallowed.

This case raises questions of law and corporate compliance ("Business Conduct," in Advocate terms). Perhaps Mr. Hale thinks, "This is how the health care reimbursement game is played," but his approach is likely to result in numerous violations of federal law. Routine "upcoding," or

seeking the most remunerative way to code a procedure, is an easily detectable practice often targeted by government investigators. Since distinctions between codes are based on the severity of a medical problem, coding a condition under a more severe heading constitutes fraud.

Further, federal health care laws uphold a strict standard of honesty in making claims. If a claimant seriously doubts the legitimacy of a claim, it should not be submitted. Moreover, while making best- and worst-case financial plans can have some legitimacy, the existence of two plans and two sets of supporting records has been used by prosecutors as evidence of bad faith. If Redinque's records betray doubts about reimbursables, regulators might infer that senior management knew certain claims were inaccurate. If government investigators discover billing irregularities, Redinque could face substantial fines *and* possible exclusion from all federal health care programs.

The legal and financial jeopardy created by this conduct might have been avoided by attention to ethical as well as legal dimensions. Ethically, the essential duplicity of the aggressive approach should have been an immediate sign of trouble. Practices that require a pattern of duplicity to succeed are always questionable and should be avoided.

Calendar of Events February - May

all events take place at the
Park Ridge Center except where noted

Ethics for Lunch

February 1

Lutheran General Hospital
Physician Responsibility to the
Dying Patient

February 9

Good Shepherd Hospital
Withholding/Withdrawing Life
Sustaining Treatment

February 15

Lutheran General Hospital
System Wide Policies

February 25

South Suburban Hospital

Health Care and Ethics Breakfast Series

Time: 8-9 A.M., Cost: \$25

February 15

Catholicism and Health Care Ethics
Myles Sheehan, SJ, MD

March 16

Jehovah's Witness and Health Care
Ethics

April 18

Islam and Health Care Ethics

May 15

Judaism and Health Care Ethics

e-Ethics provides discussion of important ethical issues in clinical care and organizational life. In specific cases, fuller ethical analysis may be required, in addition to consideration of hospital policy and legal standards.

To register or obtain more information about Park Ridge Center events, call Bernice Chantos at (312) 266-2222 ext. 255, fax (312) 266-6086, or e-mail bmc@prchfe.org

To list an event in this calendar, contact Mary Ann Clemens at (312) 266-2222 ext. 240 or mac@prchfe.org