**Week 4 Application 6205**

**Application: Organizational Responsibilities and a Troubled Physician**   
  
The obligations between health care providers and the organizations for whom they work run in both directions and these obligations are both legal and ethical. In the Application Assignment, you will consider a scenario involving a troubled physician and discuss organizational liability issues arising from this individual's behavior. You will also propose ethically appropriate measures an organization can and should take on this physician's behalf.

To prepare for the Application:

Read the following scenario, imagining that you are an entry-level administrator at this hospital who is being asked to give advice to the CEO about this case. **Consider the rights and duties that are entailed by this kind of contract. Consider, too, not only the legal liabilities and obligations of the organization in this scenario, but also assess what you think are the organization's ethical duties to this physician.**

Dr. Smith is an experienced, talented, and high-admitting cardiac surgeon. Currently, he is a community-based physician with privileges at the hospital. The hospital board would like to ask Dr. Smith to become a partner in their venture of creating a cardiovascular institute. The board sees this as an important step in expanding the hospital’s market share and revenues.

Dr. Smith is in the midst of a bad divorce and has been seen on several occasions by hospital employees in a state of inebriation in restaurants around town. On one occasion, he was reported by a nurse to be inebriated the night before he was scheduled to perform surgery at 7 a.m. The nurse who saw him reported this to her supervisor. In this particular instance, Dr. Smith did not perform the surgery, calling in sick instead.

Based on these reports, however, hospital administrators and staff members are concerned that he might perform surgery at a later date in an impaired state. In addition, Dr. Smith made technical errors during a couple of recent surgeries, although there is no evidence that the mistakes resulted from the after-effects of drinking.

**The Application Assignment:**

Describe the advice you would give to the CEO by addressing the following questions in a 3- to 4-page paper with references:

***Legal Aspects***

* What are the main liability issues in this situation?
  + Under what circumstances might the hospital itself face liability?
* What is the hospital’s authority in this situation, and to whom do they have responsibilities?
  + What difference, if any, would it make if the physician were an employee instead of a contractor? How would matters change if the physician became a partner in the cardiovascular institute?
* As the administrator giving advice to the CEO, what further information would you need to know to proceed in this situation?
* Is the medical staff process relevant to dealing with this situation, and if so, how would it be included?
  + Who would be involved in that process? What would the possible outcomes be?

***Ethical Aspects***

* Discuss the ethical issues that arise from this situation, focusing in particular on the providers involved (e.g., Dr. Smith and the other health care staff).
* What do you think is the organization’s ethical responsibility in this situation? Explain your reasoning.
* What resources could you, as an administrator, draw on to help you assess the ethics of this situation and determine the most appropriate steps to take?

***Synthesis***

* In light of your analysis of the legal and ethical issues involved in this case, what advice would you give the CEO?
* How would you as an administrator prepare for and prevent this kind of problem?