Understanding Health Care Management: A Case Study Approach

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DEDICATION

Dedicated to Olivia, Tessa, William, and Elise
CONTENTS

About the Author  xi
About the Case Contributors  xiii
Preface  xv
Acknowledgments  xix

Chapter 1  Patients and Their Families  1
Case 1-1  The Unwanted Resident  7
Case 1-2  The Residents Speak Out  9
By Seth B. Goldsmith and Roberta Bergman
Case 1-3  Mother and Son Case  11
Case 1-4  Community General Hospital  13
Case 1-5  Elderly Drivers  14

Chapter 2  Corporate Governance  17
Case 2-1  Board Restructuring  22
Case 2-2  Gelt and Jeffe  23
Case 2-3  Organizational Tragedy  25
Case 2-4  Board Fees  27
Case 2-5  Firing the CEO  28
Case 2-6  Luke Mackenzie  32
Case 2-7  Cardiac Innovation  33
Case 2-8  Board Breakfasts  35
Case 2-9  The Bad Barber  37

Chapter 3  Human Resources Management  39
Case 3-1  Paid Time Off  40
Case 3-2  Cultural Competency  42
Case 3-3  General Nudnik  42
Case 3-4  Medical Group Locums  44
Case 3-5  Painful Hands  45
Case 3-6  Strategic Dismissal  46
Case 3-7  Firing at Sunrise Hill  51
Case 3-8  Barbara Jones, RN  55
Case 3-9  Hospital Housekeeping  56
Case 3-10 Death at Bondville  58
Case 3-11 Retaliatory Discharge  58
Case 3-12 Whistle-Blower  59
Case 3-13 Sexual Harassment  60
Case 3-14 A Management Development Dilemma  63
   By Alex Szafran
Case 3-15 Strike  66
Case 3-16 New NLRB Ruling  67
Case 3-17 Salary Advance  70
Case 3-18 The Prima Donna  72
   By James S. Davis, MD
Case 3-19 The Harassed MD  73

Chapter 4  Organizational Management  77
Case 4-1  Hospital-Acquired Infection  82
Case 4-2  The Pressure Ulcer  83
Case 4-3  FDA Warning  85
Case 4-4  Medication Error  86
Case 4-5  Egg Crate Mattress  86
Case 4-6  The Road to the Top  88
Case 4-7  The Shakedown  90
Case 4-8  The Porn Shop  92
Case 4-9  Trouble at Triangle  96
Case 4-10 The Successor  100
Case 4-11 The Grover  101
Case 4-12 The Cabinet Meeting  104
Case 4-13 Kosher for Passover  105
Case 4-14 Clowning Around  106
Case 4-15 Computer Use Policy  108
Case 4-16 Mistakes Not Corrected  109
   By Sheila H. Szafran
Case 4-17 Interrupted by Facebook  111
   By Ilya Shekhter and Jill Sanko
Case 4-18 The Distracted Nurse  112
   By Alex Szafran
Contents

Chapter 5  Managing Change  117
Case 5-1  Smoking  118
Case 5-2  Children Can’t Fly  118
Case 5-3  Drug Problems  119
Case 5-4  Concierge Medicine  120
Case 5-5  Group Practice Consultation  121
Case 5-6  The John Paul Jones Medical Center  122
Case 5-7  Organizational Angina  123
Case 5-8  The Merger  124
Case 5-9  Identity Fraud  126
Case 5-10  Citizens Hospital  127
Case 5-11  The Health Fair  128
Case 5-12  ER: What’s Next?  128
Case 5-13  The Consultation  130
Case 5-14  A Prescription for Change  131
Case 5-15  Off-Label Dilemma  132
Case 5-16  Kratzkup  133
Case 5-17  Caleb Roberts Medical Center  134
Case 5-18  Child Pornography  135
Case 5-19  MODHOME  137
Case 5-20  Lost Patient Data  138
Case 5-21  The Luxtown Medical Center  140

Chapter 6  Planning  143
Case 6-1  Tsunami  146
Case 6-2  Hospital Disaster Plan  147
Case 6-3  Certificate of Need  148
Case 6-4  Greenbridge Medical Complex  162
Case 6-5  Koffee Klub  164
Case 6-6  Electronic Medical Record  165
Case 6-7  House Calls  167
Case 6-8  Clanghorn’s Future  168
Case 6-9  The Playground  169
Case 6-10  Rural Telemedicine Grant  169
Case 6-11  Graham-Kracker Hospital  170
Case 6-12  Florida Center for Geriatric Assessment  171
Case 6-13  Webster Home for the Aged  175
Case 6-14  Planning a Child-Care Center  180
Case 6-15  Outpatient Imaging: The Perfect Storm  183
  By Alex Szafran
Case 6-16  The Tower  187
Case 6-17 Tyler Memorial Hospital  188
Case 6-18 Lunch at Applebee’s  190
Case 6-19 Obituary  192

Chapter 7  Marketing  195
Case 7-1 Sleep Apnea  196
Case 7-2 Credential Dilemma  197
Case 7-3 Chutzpah  198
Case 7-4 Celebrity  199
Case 7-5 Marketing Admissions  200
Case 7-6 Chamber of Commerce Presentation  201
Case 7-7 Patient Satisfaction at Pineview  202
Case 7-8 International Marketing Case  203
Case 7-9 Kayland Community Hospital  204
Case 7-10 Amenities  205
Case 7-11 Not #1  206
Case 7-12 Top Perfomer?  207
Case 7-13 The Complaint Department  211
Case 7-14 Back Problems  213
Case 7-15 The Colonoscopy Center  214

Chapter 8  Financial Issues  215
Case 8-1 Credit Crunch  220
Case 8-2 Financial Clouds Over Texas  220
Case 8-3 The Holy Moly Nursing Center  222
Case 8-4 Homeless in Metroland  223
Case 8-5 Asset Shifting at Lenoxville  225
Case 8-6 Headliner  226
Case 8-7 Vscan Purchase  227
Case 8-8 Auto Fringe Benefit  228
Case 8-9 Stranded in Florida  230
  By James S. Davis, MD
Case 8-10 Twin Mountains Showdown  231
Case 8-11 Health and Fitness Tax Conflict  233
Case 8-12 Embezzlement and the FBI  234
Case 8-13 Houdini and Blackstone  237
Case 8-14 For Sale: Imaging Center  238
  By Andrew R. Cagnetta Jr.
Case 8-15 Western Valley Drug Testing Company  239
  By Andrew R. Cagnetta Jr.

Chapter 9  Legal Issues  241
Case 9-1 Birthday Party  246
Case 9-2 Food for Thought  248
Contents

Case 9-3 The Donation Letters 249
Case 9-4 The Ambassadors 250
Case 9-5 The Gunshot Wound 251
  By Jonathan Bloomberg, MD
Case 9-6 Fall From Grace 252
Case 9-7 Peter’s Peers 254
Case 9-8 EMTALA 257
Case 9-9 Private Duty and Public Issues 258
Case 9-10 Mother-in-Law Dearest 259
Case 9-11 Private Matters 261
Case 9-12 The Orange Jumpsuit 262
Case 9-13 Consent 264
Case 9-14 Jehovah’s Witness 265
Case 9-15 Passing Hep C 266
Case 9-16 Henry County Whistle-Blower 269
Case 9-17 Watson Medical Equipment 270
Case 9-18 Home From Prison 271

Chapter 10 Planning Through the OIG Advisory Opinion Process 273
Case 10-1 Enhanced Practice Referral Arrangements 290
Case 10-2 The RFP 297
Case 10-3 Transport 299
Case 10-4 The Eye of the Beholder 301
Case 10-5 Hospital Discharge System 305
Case 10-6 Exclusive Laboratory Contract 306
Case 10-7 The Gavin Institute 308

Index 313
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Learning via the case method is an established tradition in education. When Steve Jobs, the distinguished cofounder of Apple, passed away in 2011, a number of stories appeared in the press about “Apple University.” The idea behind Apple University was to train the next generation of Apple leaders on the Jobs style and substance of management. This training was to be done via case studies of the critical decisions made in the company.

This book presents the opportunity for learners, whether they are experienced practitioners or novice students, to examine issues within the context of real organizations (almost all of which I have attempted to fictionalize). These cases are presented in a variety of settings including hospitals, nursing homes, medical centers, group practices, and public health agencies.

Every one of these cases is based on an actual situation that has required managerial decision making! It is my hope that the readers, in studying these cases, will, regardless of the problems presented and the organizational setting of the case, become more effective and efficient decision makers with a greater understanding of the implications of the decisions they are making.
Finally, allow me to note that despite the organization of the book around nine different themes, the fact is that there is an enormous overlap among these cases. Many of them could easily be placed in several categories, and it is well within the province of the reader or instructor to shift these cases for their own purposes.

**Organization of the Book**

This book has been structured around nine themes that I believe are at the heart of effective healthcare management.

The first theme, found in Chapter One, is patients and their families. The cases in this section should serve to orient the reader to the reason we are in the healthcare business—that is, to serve the sick and needy. As a graduate student doing my administrative residency at Brookdale Medical Center in Brooklyn, New York, I was fortunate to have as one of my mentors a gentleman named Sydney Peimer who was an operating room nurse before he moved into hospital administration. On the first day of my residency, just as I was getting comfortably ensconced in the administrative offices, Peimer came in, told me to pack up, and sent me to nursing for an intensive course on being a nurse’s aide. And so began a month of shift work on the patient floors. After that, I was transferred to a week in the operating room. Five weeks after first walking through the front door of Brookdale, I was finally back in the Executive Suite but with a new and profound appreciation for what patients and staff go through each day in receiving and delivering care. These cases are an introduction to the perspective of patients and their families.

The next group of cases, Chapter Two, focuses on corporate governance. Generally, we think of boards as governing the not-for-profit entities in the healthcare system, but clearly investor-owned facilities are also greatly influenced by their boards. The nine cases in this chapter will provide useful insights into boards and the board–management relationship.

Chapter Three focuses its numerous cases on human resource management. Years ago, the great management guru Peter Drucker noted in his book *Management* that the essential function of management was staffing. Indeed, the best and worst decisions managers typically make are related to HR issues. These cases address the myriad HR issues that managers deal with on both a day-to-day and a strategic basis.
In Chapter Four the cases examine a host of organizational issues that are oftentimes presented to managers. These cases offer the opportunity to consider real problems and how they might be effectively handled.

The theme of Chapter Five is managing change. Each of the cases in this section is about doing something different, new, or innovative. Change, as these cases illustrate, is difficult and demands considerable managerial expertise.

Chapter Six presents cases that revolve around the theme of planning—including one case about personal planning. A key aspect of effective management is planning for the future. These cases present an opportunity to consider management’s role in the planning function.

Marketing is the focus of Chapter Seven. There was a time in the not-so-distant past when healthcare providers simply did not market themselves. Pick up any newspaper or magazine or examine any media source such as radio, TV, or the Internet, and it is absolutely clear that marketing in health care is a significant component of management.

No book on healthcare management would be complete without the themes of the final three chapters: financial and legal issues and planning for corporate compliance. Chapter Eight, “Financial Issues,” presents cases on various aspects of financial management that challenge healthcare executives. The next chapter offers cases on various aspects of law and dabbles in corporate compliance. The last chapter focuses on avoiding problems through the mechanism of the Office of Inspector General’s Advisory Process. The student will here be faced with figuring out the situation before it becomes a serious problem.

**Conclusion**

In a federal legal case in which an issue might be a person’s character, the Federal Rules of Evidence (Rule 405) allow for methods of proving character. The first method is reputational or opinion, and this happens when a lawyer wants to get in evidence a person’s general character. For example, “In my opinion Jim Jones is a good guy.” The standard of proof is essentially quite minimal because the judge or jury is just listening to one opinion. However, when an element of a person’s character or a character trait such as honesty is an essential aspect of a charge or perhaps a defense, then the Federal Rules of Evidence allow
the admission of “specific instances of conduct.” The admission of specific instances of conduct are held to a higher standard than general opinion. Why?

In my judgment it is because the authors of the Federal Rules understood human nature and psychology. If a witness says to the jury, “Jim Jones is a good guy,” that isn’t as memorable or powerful as, “I saw Jim Jones race over to a burning car and pull an unconscious driver out of the car and give the driver CPR and save his life. Boy that Jim Jones is a good guy.” So it is with case studies! I hope that as you read and work through these cases they prove to be useful as well as memorable.
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