

Oration from 1986

Oration Title:

Open for Business

Orator:

N. Lynn Eckhert, M.D.

Abstract of Oration:

Dr. Eckhert addresses how "business and medicine are intertwined" and become more so each year. National statistics illustrate the massive federal spending on healthcare. However, she points out that doctors do not know as much about business as they should know in such a business-oriented field.

She chooses the Fortune 500 company Norton as a microcosm for the current state of business. To place this example in the context of business and medicine, Dr. Eckhert describes the business and medical happenings of periods in Norton's history, beginning in 1858. When appropriate, she draws connections between medical practice of over a century ago, and today's medicine. She chronicles famous medical advances such as the development of the theory of genetics and the proliferation of penicillin use. She also describes public sentiment toward medicine in these different eras, often reflecting general societal concerns. In the late 20th century, medicine rapidly took on business aspects and appeared very much like a business and less like the noble profession it is. This shift was marked by the advent of HMOs and incorporation of doctors into multispecialty groups catering to patients' entire healthcare needs. As she says, "both [business and medicine] went public not so much because they wished to but because it was essential."

Eckhert draws connections between the growth and development of American business and medicine, pointing out that both began as "cottage industries" which "moved through first vertical, then horizontal integration, and then were diversified. Now we are headed toward conglomerates." The government has involved itself with Norton and, even more so, healthcare. With Medicare and Medicaid, the government has a standing contract with the nation's doctors that fixes fees for services and binds all doctors to it. The introduction of business into medicine has diminished the quality of medicine to some degree. "Good doc's are now being defined by the plan administrator as those who see the most patients and consume the least resources." This concept is not congruent with the previously held ideal of a good physician as compassionate, available to his patients, and putting their well-being above his own. But medicine cannot take the same actions as businesses which are purely profit-driven, and restructure themselves to meet the demands of their clientele, and thereby increase

profits. Medicine, however, cannot discard unprofitable patients or practices because of its duty to serve society however it can.