AMERICAN COLLEGE OF HEALTHCARE EXECUTIVES
CODE OF ETHICS

As amended by the Board of Governors on March 16, 2007.

PREAMBLE

The purpose of the *Code of Ethics* of the American College of Healthcare Executives is to serve as a standard of conduct for affiliates. It contains standards of ethical behavior for healthcare executives in their professional relationships. These relationships include colleagues, patients or others served; members of the healthcare executive's organization and other organizations.

The *Code of Ethics* also incorporates standards of ethical behavior governing individual behavior, particularly when that conduct directly relates to the role and identity of the healthcare executive.

The fundamental objectives of the healthcare management profession are to maintain or enhance the overall quality of life, dignity, and well-being of every individual needing healthcare service and to create a more equitable, accessible, effective and efficient healthcare system.

Healthcare executives have an obligation to act in ways that will merit the trust, confidence and respect of healthcare professionals and the general public. Therefore, healthcare executives should lead lives that embody an exemplary system of values and ethics.

In fulfilling their commitments and obligations to patients or others served, healthcare executives function

C. Comply with all laws and regulations pertaining to healthcare management in the jurisdictions in which the healthcare executive is located or conducts professional activities;

D. Maintain competence and proficiency in healthcare management by implementing a personal program of assessment and continuing professional education;

E. Avoid the improper exploitation of professional relationships for personal gain;

[F.] [Dis]close financial and other conflicts of interest;

[G. Use this] Code to further the interests of the profession [and not for sel]fish reasons;

[H. Respect] confidences;

I. E[nhance the public image of the healthcare ma]n[agement profession with] positive public information p[rograms]

J. Refrain from [participating in any] activity that demeans the cred[ibility and dignity] of the healthcare management profes[sion].

II. THE HEALTHCARE EXECUTIVE'S RESPONSIBILITIES TO PATIENTS OR OTHERS SERVED

Examining the Code

ACHE's *Code of Ethics* Highlights Challenges Faced by Healthcare Leaders

By Deborah J. Bowen, FACHE, CAE, and Peter A. Weil, PhD, LFACHE

As a professional society, ACHE has historically placed its *Code of Ethics* in a prominent position. Today, ACHE's commitment is no less apparent. "Integrity: We advocate and emulate high ethical conduct in all we do" remains a core value, embedded in ACHE's 2011–2013 Strategic Plan. Furthermore, one of the main leadership initiatives in the plan is to "sustain the relevance of and adherence to the ACHE *Code of Ethics*."

To help us understand both the relevance of the *Code of Ethics* and the current ethical issues facing healthcare executives, ACHE's research arm conducts periodic surveys of affiliates. An initial survey was conducted in late 2002 and early 2003. The findings of that study were reported in an article by William A. Nelson, PhD, and Paula P. Schnurr, PhD, which appeared in the November/December 2003 issue of *Healthcare Executive*.

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In 2010, ACHE's Ethics Committee decided that a new survey was needed to ensure the code and ethics resources remain relevant and useful. To that end, in August 2010 a fax survey was sent to 1,599 affiliates and all 90 of ACHE's volunteer leaders (defined as Chairman Officers, members of the Board of Governors and Regents). After two survey administrations, we received 615 affiliate responses for a 39 percent response rate and 66 leader responses for a 73 percent response rate.

A nonresponse analysis showed that respondents were not significantly different from nonrespondents with regard to age, gender, position level and type of employing organization. However, the proportion of Fellows among respondents was greater than the proportion of Fellows among nonrespondents, a finding that is consistent with nearly all ACHE affiliate surveys.

Key Survey Findings

Referring to the Code

In 2010 43 percent of affiliates said they have referred to ACHE's *Code of Ethics* in the past five years. This finding significantly exceeds that obtained in 2003, when 36 percent of respondents said they had referred to the code during the previous five years (see charts below). More of today's

volunteer leaders—82 percent—referenced ACHE's code than in 2003 when 69 percent acknowledged referring to it.

For those respondents who reported having referred to the code in the past five years, we asked how they had used it. The largest proportion, 47 percent, said they used the code to help them make decisions. About one-third said they used the code to prepare for the Board of Governors Examination in Healthcare Management, and as many said they used the code as a teaching resource. In addition, 19 percent stated they used the code to guide

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Percentage of Affiliates Who Did or Did Not Refer to ACHE's *Code of Ethics* in the Past Five Years

2010

Not Sure 6%
Yes 43%
No 51%

2003

Not Sure 3%
Yes 36%
No 61%
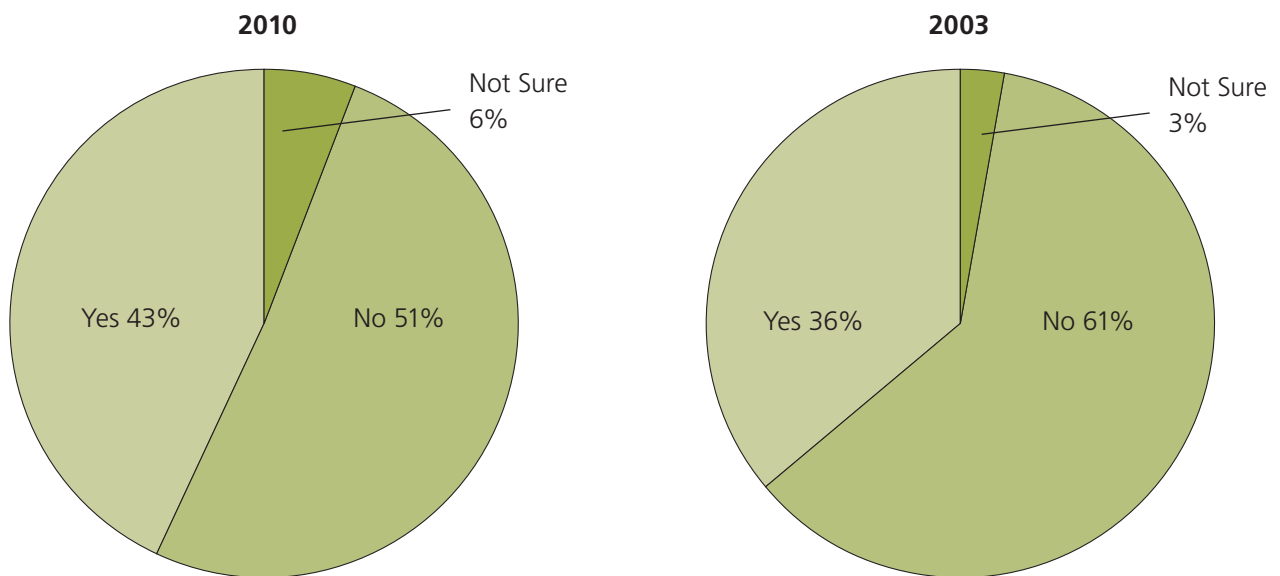
Frequency of Ethical Issues Encountered by Healthcare Executives

	Percentage encountering issue often
Implementing appropriate cost-containment initiatives	60
Allocating resources fairly	57
Preserving confidentiality of information	52
Providing care for under or uninsured patients including cost shifting	35
Ensuring that all staff recognize ethics as an organizational priority	34
Creating an environment where ethical issues are openly addressed without fear	33
Balancing organizational and community values including responsibility of your organization to the community	32
Ensuring that evidence-based clinical care is provided	30
Ensuring that the appropriate persons are involved in making clinical decisions	25
Addressing medical and management errors	25
Establishing clinical workloads that impact quality of care	24
Safeguarding against abusive and fraudulent practices	20
Preventing and resolving conflicts of interests	19
Ensuring clinicians use a shared decision-making process (e.g., patient or designate) as a basis for care	19
Using social networking tools such as Facebook or Twitter	13
Maintaining end-of-life decision-making clinical guidelines, including withholding/withdrawing life-sustaining treatment	10
Addressing issues of discrimination due to gender, race/ethnicity/nationality or sexual orientation	8
Dealing with staff coercion, harassment and/or abuse of power	8
Reporting or failing to report hospital staff or physician impairment	3

their staff, and 16 percent used it to create or review their own organization's ethics code.

Fewer than 10 percent of respondents said they used the code to counsel a colleague, defend an action they took or defend an action an associate took.

Frequency of Ethical Issues Encountered
Respondents were provided a list of 19 possible ethical issues they might encounter in their positions. They were then asked to classify how often they encountered each: never or rarely, sometimes or often

(see chart above). More than half of responding affiliates acknowledged they encountered these three issues often: (1) implementing appropriate cost containment initiatives, (2) allocating resources fairly and (3) preserving confidentiality of information.

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While these issues were encountered most often, they presented only a moderate challenge, showing a mean of approximately 2.5 on a five-point scale.

Degree of Challenge Presented by Ethical Issues Encountered

Of the 19 potential ethical issues examined, respondents stated the greatest ethical challenges they faced were: (1) addressing medical and management errors, (2) creating an environment where ethical issues are openly addressed without fear, (3) ensuring that all staff members recognize ethics as an organizational priority, (4) preventing and resolving conflicts of interest, and (5) dealing with staff coercion, harassment and/or abuse of power. The first two challenges cited each registered means of 2.8 on a five-point scale. The latter three registered means of 2.6.

Because the questions posed in 2003 were somewhat different than the questions asked in 2010, exact comparisons are not possible. Nevertheless, it is useful to note that addressing medical and management errors and creating an environment where ethical issues are addressed without fear were among the top challenges facing healthcare executives at that time as well.

Association of Frequency and Position Level

The frequency that various ethical issues are encountered varies to some extent by position level. For example, the second most frequently encountered issue was allocating resources fairly. While 67 percent of senior executives said they often faced challenges with allocating resources fairly, only 51 percent of department heads and managers said this was true for them. And, while 45 percent of CEOs stated they often confront the issue of providing care for under or uninsured patients, including cost shifting, only 31 percent of department heads and managers cited this as a frequent problem.

Top Five Ethical Issues by Affiliates' Position Level (Ranked by Degree of Challenge)

Issue	CEO	Senior Executives and VPs	Dept. Heads/ Managers	All
Addressing medical and management errors	1	1	3	1
Creating an environment in which ethical issues are openly addressed without fear	3	2	1	2
Ensuring all staff members recognize ethics as an organizational priority		3	2	3
Preventing and resolving conflicts of interest		4		4
Dealing with staff coercion, harassment and/or abuse of power			4	5
Maintaining clinical guidelines for end-of-life decision making, including withholding/withdrawing life-sustaining treatment	2	5		
Establishing clinical workloads that impact quality of care	4			
Ensuring evidence-based clinical care is provided	5			
Allocating resources fairly			5	

Note: 1 = highest degree of challenge

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imagination at work

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On the other hand, mid-level executives encounter certain ethical issues more often than CEOs and other senior executives do. For example, 56 percent of department heads and managers said they often encounter the issue of preserving confidentiality of information. But only 46 percent of CEOs and 52 percent of other senior executives reported having encountered this issue often.

Association of Degree of Challenge and Position Level

As shown in the chart on page 42, the degree of challenge posed by ethical issues also varies by position level. Addressing medical and management errors was cited by CEOs and senior executives as their most challenging ethical issue. The most challenging issue department heads and managers face, however, is creating an environment where ethical issues are openly addressed without fear—an issue ranked second most challenging by senior executives and third most challenging by CEOs.

The second most challenging ethical issue cited by CEOs concerned end-of-life decisions, a problem ranked in fifth place by senior managers and ranked even lower by mid-level managers. In addition, more senior executives frequently encounter the issue of appropriate implementation of cost-containment initiatives than mid-level managers do. But more mid-level managers than CEOs reported that

they often confront the issue of preserving confidentiality of information.

Overall, it can be concluded that the degree of challenge posed by various ethical issues closely corresponds to the role requirements of executives at various levels in the organization.

Summary and Recommendations

Comparing the 2010 findings with those obtained in 2003 revealed two key outcomes. First, more affiliates and leaders of ACHE are referring to the *Code of Ethics* today than they did seven years ago. And second, addressing medical and management errors and creating an environment in which ethical issues are addressed without fear continue to be cited by healthcare executives as top challenges. Also, for the first time in a survey on this topic, we ascertained that position level impacts both the frequency and the degree of challenge posed by different ethical issues.

In view of these findings, we suggest that practitioners share their experiences and lessons learned in addressing medical and management errors and creating an environment where ethical issues are openly considered.

In addition, healthcare management educators need to develop ethics case studies and other teaching tools for
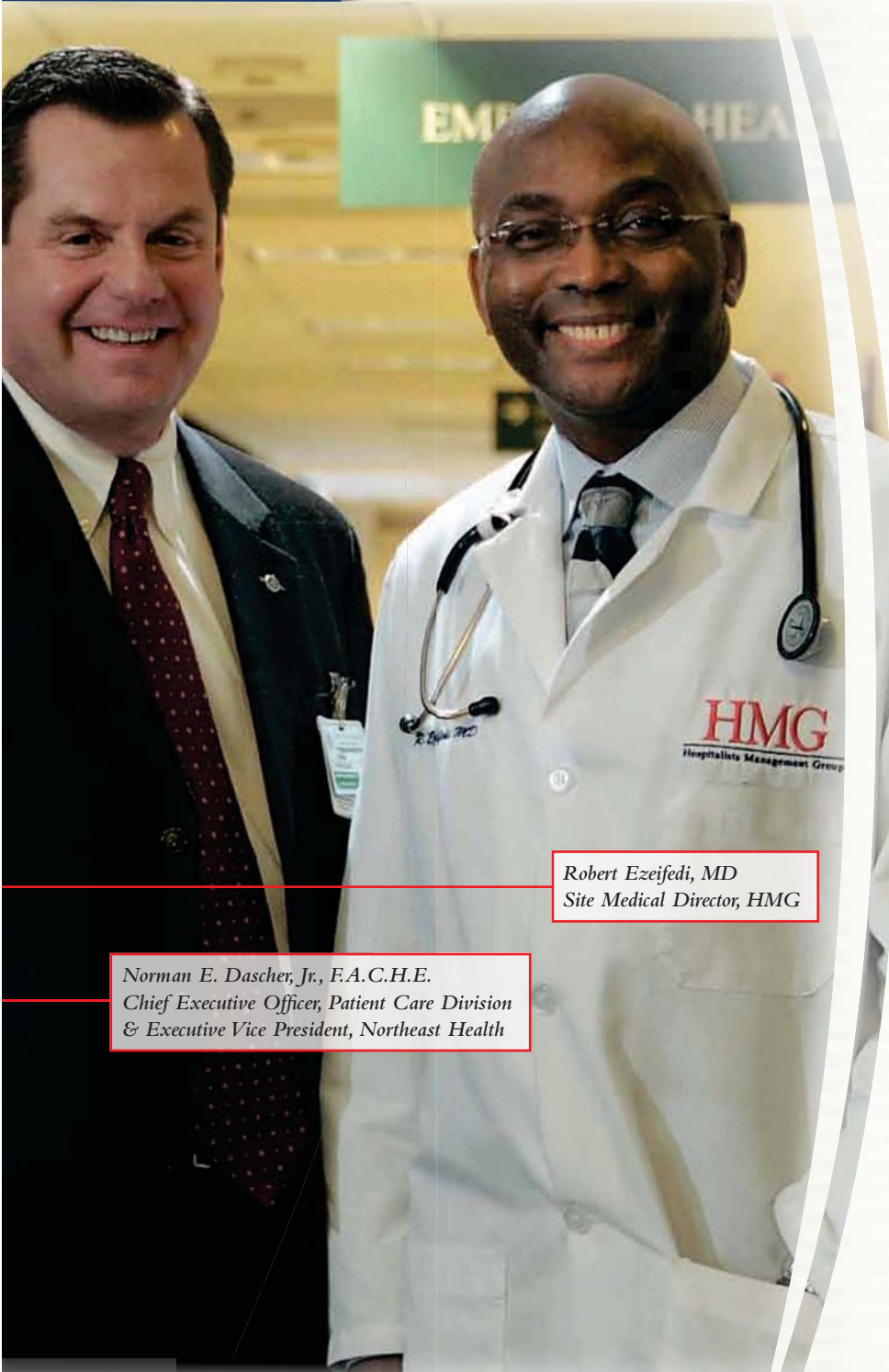
individuals at various position levels, as a one-size-fits-all approach will not likely address the needs of everyone. For example, text books for students and early careerists could focus on issues such as staff coercion, harassment and abuse of power, and the fair allocation of resources while seminars attended by CEOs and other senior leaders could address end-of-life decision making, establishing clinical workloads or implementing evidence-based medicine.

Finally, as part of its ongoing commitment to this area, ACHE, along with the Ethics Committee, will consider the array of topics addressed in the current *Code of Ethics* and in ACHE Ethical Policy Statements to determine if additional resources can be developed by ACHE to aid practitioners in confronting the challenges posed by their jobs.

Deborah J. Bowen, FACHE, CAE, is executive vice president/COO of ACHE. Peter A. Weil, PhD, LFACHE, is the former vice president of ACHE's Division of Research.

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