The Social Beauty of Children's Hospitals

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I have had the great privilege of spending a 50 year Pediatrics career working in Children's Hospitals---seven children's hospitals, in four countries, on three continents: IWK Hospital for Children (Halifax, Nova Scotia, Canada), Cincinnati Children's Hospital (Cincinnati, Ohio), Columbus Children's Hospital (Columbus, Ohio), Alberta Children's Hospital (Calgary, Alberta, Canada), Cleveland Clinic Children's Hospital (Cleveland, Ohio), Beijing Children's Hospital, and Saint Petersburg State Pediatric Medical University and Children's Hospital (St. Petersburg, Russia).

I mention this because it is the **Social Beauty**[1] that I have experienced in Children's Hospitals that gives me confidence that it is possible for increased Social Beauty to be created in the larger society and in the world as a whole. I believe the social philosophy, foundational principles,[2-5] spirit, leadership approach,[6-8] social behavior, and economic model of public Children's Hospitals[9] can serve as an instructive, inspirational, and practical social and economic model for society at large.[10] I believe it is possible to replace current **"Mean Arrangements of Man"**[11] (a phrase coined by Victor Hugo) with social arrangements that create greater Social Beauty.

The Children's Hospital social and economic model, which I prefer to call the Children's Hospital Public Economy Model (CHPEM),[9] is not just an idealistic pie-in-the-sky idea. It has already been developed, implemented, and successfully practiced by pediatricians for many decades, to the great benefit of society. It has already proven to be practical, affordable, and realistic. In fact, as I will explain in a moment, it is impractical and unrealistic to expect Children's Hospitals to optimally serve children if those hospitals embrace and practice a corporate social and economic model. I say that because my pediatrician colleagues and I have personally experienced how Social Beauty has been sacrificed and children have ceased to be optimally served, when altruistic Children's Hospitals have been transformed into corporate institutions, governed by corporate beliefs, directives, and behaviors. Our experience in Children's Hospitals has, by extension, strongly suggested that it is impractical and unrealistic to expect Humanity to be optimally served by a corporate social and economic model.[12]

It is, therefore, proposed for the reader's consideration that Humanity could create and enjoy much more Social Beauty if the world were to implement and emulate the social philosophy, social behaviors, and economic model of public Children's Hospitals.[10]

Children's Hospitals during two different eras---the Altruistic Era and the Corporate Era:

During the first 25 years of my pediatrics career, Children's Hospitals were bastions of altruism. During the last 25 years, or so, many children's hospitals have increasingly become bastions of

corporate activity. I have personally experienced both phenomena, including transitions from one to the other. In the process I have learned much about human nature,[3-5] leadership approaches,[6-8] economic models, moral incentive vs. monetary incentive,[13] corporate behavior, and what I came to value as "a most precious freedom"[14] (at least for me and for many pediatricians, pediatric nurses, and health care workers).

First, I will share what I noticed, felt, and learned during the 25-year "Altruistic Era" (or "Social Beauty Era.") Then I will share what I learned and felt during the "Corporate Era."

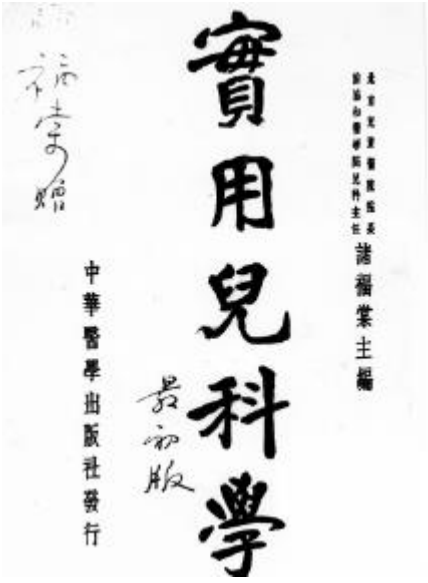
The Altruistic Era (Social Beauty Era):

I call it an honor and privilege to work in children's hospitals because, during the Social Beauty Era, the social philosophy of children's hospitals (in all of the countries in which I have worked) was foundationally based on a positive understanding of Human Nature that honored and gave practice to the best of our human behavioral capacities.[2-5] The motivating force in children's hospitals was a moral incentive to meet the health needs of children in an exemplary fashion.[13] Physicians, nurses, technicians, administrators, clerical personnel, janitorial staff all worked and contributed out of a willing sense of social duty, a desire to be part of a deeply meaningful social effort. They did not need or want monetary incentive. They simply expected an appropriate salary. Great creativity and innovation naturally occurred out of a commitment to increasingly serve children better.[15] Altruism was the naturally assumed behavioral practice—so natural, so assumed, and so beautifully practiced that the word "altruism" did not need to be uttered or written—it just naturally flowed through the hospital, inspiring best behaviors and lifting spirits of everyone, including, most importantly, the children and their parents. We were able to enjoy what for me is the most precious freedom---the freedom to enjoy widespread upregulation of the expression of our altruistic human behavioral capacities---upregulation within oneself and within society as a whole.[14] During the Altruistic Era, our work was an intellectual and social pleasure.

While **Beijing Children's Hospital (BCH)** was under the leadership of Dr. Zhu Fu Tang, it exemplified the Social Beauty Era and the exemplary practice of the Children's Hospital Public Economy Model (CHPEM). One of the greatest experiences I have had as a pediatrician were the 2 months I worked at BCH in 1981. Dr. Zhu Fu Tang had invited me to help BCH and other children's hospitals in China develop the subspecialty of pediatric rheumatology. I have never met more knowledgeable, more altruistic, more dedicated, or kinder pediatricians than those I met in 1981. I have never worked in a more admirable hospital than the BCH of 1981. (I can say the same about the Children's Hospital at Saint Petersburg State Pediatric Medical University.)

Dr. Zhu Fu Tang (1899-1994) founded BCH in 1955. He was the first Chairman of Pediatrics at BCH and is the most highly respected and revered pediatrician in China's history. In 1943 he had published China's most important Textbook on Practical Pediatrics.

Dr. Zhu Fu Tang, Founder of Beijing Children's Hospital



Dr. Zhu Fu Tang's Textbook of Practical Pediatrics

Dr. Zhu exemplified a pediatrician who was not only a brilliant clinician, teacher, and researcher, but also demonstrated extraordinary character, social insight, wisdom, and leadership ability. He was a "altruistic natural leader," meaning that he had an innate and practiced ability to kindly, compassionately, fairly, effectively, humbly, competently, and inspiringly lead others, and was incorruptible.[6, 16] Among Dr. Zhu Fu Tang's many gifts was his ability to accurately recognize

which pediatricians at BCH had an abundance of empathy, were particularly kind and altruistic, and were natural leaders---in addition to being excellent clinicians. He possessed the wisdom to do his best to ensure that positions of leadership (at BCH and at other children's hospitals in China) were populated by excellent clinicians who were altruistic natural leaders and demonstrated exemplary humility, unselfishness, honesty, and incorruptibility. He was very careful to not put physicians in positions of leadership or power if they tended to be opportunistic, arrogant, egotistical, short on empathy, dishonest, unprincipled, or corruptible, even if they were otherwise very intelligent and academically accomplished.

Dr. Zhu Fu Tang fully appreciated the importance of altruism. He purposefully created a culture that fostered unselfishness and transformed behavior in the direction of altruism. He fully appreciated how a culture of opportunism, one that emphasized monetary incentives and revenue generation, could transform physicians to become less empathetic, less altruistic, and less effective.[17] At the same time, however, he strongly and wisely warned against the overzealous and intolerant insistence on altruism that occurred later, elsewhere, often abusively, during the Cultural Revolution (1966-76).

During the Social Beauty Era, **IWK Children's hospital, Cincinnati Children's Hospital, Columbus Children's hospital,** and **Alberta Children's Hospital** also exemplified the Children's Hospital Public Economy Model (CHPEM). During the Social Beauty Era Cincinnati Children's Hospital was one of the most highly respected children's hospitals in the world and proved that great innovation and creativity could occur under the CHPEM. For example, it was at Cincinnati Children's Hospital that Albert Sabin, a salaried academic physician, developed the oral polio vaccine.

To this day, pediatricians at the **Children's Hospital at Saint Petersburg State Pediatric Medical University** still exemplify the spirit and behaviors of the Children's Hospital Public Economy Model (CHPEM).

The Corporate Era:

Unfortunately, over the past 25 years, the Social Beauty model (the CHPEM) has increasingly been sabotaged and replaced by a corporate model (sometimes gradually and insidiously, sometimes abruptly, sometimes partially, sometimes wholly) in many Children's Hospitals, particularly in the USA. The characteristics of the corporate model, and the transition towards that model, is exemplified by what transpired at Columbus Children's Hospital (since renamed Nationwide Children's Hospital), where I worked from 1986-2008:

This transition started in the late 1990s. The hospital's Board of Directors (which consisted predominantly of current or former corporate leaders, wealthy entrepreneurs, and wealthy philanthropists) unilaterally and undemocratically decided that the hospital could become better, wealthier, more efficient, and more prestigious if it adopted a corporate philosophy and corporate behaviors and business practices. The idea was to run the hospital like financially

successful corporations have been run. Advice was sought from a powerful international corporate consulting firm. We, the academic pediatrics staff, were not consulted; we had no democratic input, and the objections and suggestions offered by some of us were ignored, or worse.

A first step was to institute strict fee-for-service billing practices. During the Altruistic Era, all of the academic pediatricians at the Children's Hospital were on salary, and those salaries were provided by funds appropriated each year by the state legislature of Ohio, which provided funding for all faculty of the Ohio State University School of Medicine, a public institution. Since the academic pediatricians were already receiving a salary from the state government, they did not personally bill patients for the services they provided. Most of us appreciated this arrangement, because it allowed us to focus entirely on helping patients.

However, during the Corporate Era, it was decided to primarily fund medical school physician salaries, not by funds from the state legislature, but by having each physician personally bill for each patient service they provided (fee-for-service billing). The concept was that fee-for-service billing by physicians could generate total annual fee-for-service revenues that exceeded (or would at least equal) the annual funding of physician salaries that was being appropriated by the state legislature. This change enabled the state legislature to reduce its funding of the medical school, but required all medical school physicians to personally bill a fee for services rendered. Each physician was expected to generate total annual fee-for-service revenues that at least equaled the salary they were receiving. Many of us objected to this "monetization"/"commodification" of our services. We much preferred a more altruistic practice of medicine.

During the Corporate Era, another emphasized policy was to invest most heavily in subspecialty programs that had the greatest potential for increasing revenues (i.e., procedure-oriented programs whose procedures were generously reimbursed by insurance companies) and to invest less in subspeciality programs whose activities were not so generously reimbursed by insurance companies. This policy failed to honor the principle that all ill children need optimal help regardless of how much revenue their care might generate.

Monetary incentives were greatly emphasized. Physicians were expected to increase their generation of revenues---by seeing more patients, maximizing fee-for-service billing, and reducing activities for which they could not bill. Educational sessions were devoted to learning how to "maximize billing opportunities."

Notably, a new policy was developed regarding the scheduling of outpatient visits. This scheduling policy was based on the fact that payment (by health insurance companies) for a 60 minute evaluation of a "new patient" was greater than the combined payments for three 20 minute "follow-up" visits. This meant that a physician could generate more revenue for the hospital by loading his/her daily clinic schedule with many "new patient" visits, rather than many "follow-up" visits. Physicians were encouraged to schedule as many new patients as possible and reduce follow-up appointments, so that their daily clinic schedules could become

increasingly populated by new patient evaluations. This policy does not honor the great need for and importance of follow-up visits. The Chief of one of our pediatric subspecialty divisions was highly praised as an institutional "hero" for optimally implementing this scheduling policy in his division. All other subspecialty divisions were strongly encouraged to emulate the "hero's" subspecialty division.

Another measure to increase revenue generation was to discourage physicians from spending time doing research, if that research was not funded by a grant. Unfunded research could be done, but only on a physician's own free time, not on "company time." This policy failed to honor the principle that research is an essential part of academic pediatrics, whether it is funded or not. Furthermore, there is no funding available for many worthy research projects. This policy resulted in a significant reduction in unfunded research activity.

Columbus Children's Hospital is the teaching hospital associated with the Department of Pediatrics at Ohio State University School of Medicine. The physicians employed by the Department of Pediatrics and the Children's Hospital are academic pediatricians. One of their responsibilities is to teach pediatric medicine to medical students and residents. Although there was no specific policy to reduce the amount of time physicians spent teaching medical students and residents, the academic pediatricians quickly realized that it was very difficult to meet onerous revenue generation expectations if they spent a generous amount of time teaching. (Teaching is a "non-billable" activity.) As a result, teaching suffered. Teaching the next generation of physicians is an extremely important responsibility of a medical school and department of pediatrics.

Another policy change was that altruistic natural leaders, who were not inclined to emphasize monetary incentive and revenue generation, were replaced by leaders who were very enthusiastic about implementing corporate practices and policies. **Altruistic leaders were "not a good fit" for the new corporatized institution.** Leaders with business savvy who were particularly excited about revenue generation were desired, and they elevated like-minded individuals to positions of leadership and power. Soon, the majority of leadership positions throughout the institution were populated by those who were most committed to revenue generation and a corporate culture. Those who were most altruistic were increasingly marginalized, even punished.

One particularly altruistic pediatrician was sent to a clinic in Kansas that specializes in evaluation of impaired physicians. That pediatrician's "impairment" was "difficulty adjusting to change" and "resistance to change"---the change being the transition from an altruistic institution to a corporate institution. After an intensive week-long evaluation, the Kansas clinic's final diagnosis for this pediatrician was "pathological altruism."

Because of policies like those explained above, there was a change in how physicians were viewed and evaluated. Prior to the late 1990s (i.e., during the Altruistic Era) academic pediatricians were **physicians who served patients.** We then became "**medical providers" who**

served "clients." Then, even worse, we became "**revenue generators" who served the corporation** (during the Corporate Era)**.**

Incidentally, another corporate decision was a clever change in the name of the hospital. Since the Nationwide Insurance Company, which is a highly profitable private company based in Columbus, was providing a large amount of funds for the corporate transformation of the hospital, it was decided to change the name to Nationwide Children's Hospital.

To be fair, it is true that during the corporate era, the new Nationwide Children's Hospital grew tremendously, regarding the size of faculty, size of physical plant, quantity and breadth of clinical services, amount of funded research activity, and national and international prestige. This was due to the enormous infusion of money from corporate entities and philanthropists. **However, it is important to realize that equal or better improvements could have been accomplished, without sacrificing fundamentally important principles, if the same amount of money (from the state government, e.g.) had been made available to improve and expand the original, non-corporatized Columbus Children's Hospital under the leadership of altruistic pediatricians**. It was not the corporatization of the hospital that improved its size, scope, and prestige---it was the enormous infusion of money that made that possible.

Conclusion:

Altruistic pediatricians, pediatric nurses, and children's hospital workers know how well the Children's Hospital Public Economy Model (CHPEM) worked during the Social Beauty Era. We have thoroughly experienced it; we have lived it; we have learned from it; we have practiced it, with great success, internationally, at an affordable price for society. We have great confidence in it.

We also know what happens when the Social Beauty Era CHPEM is replaced by a Corporate Era Model. We have experienced that transition. We can predict with confidence and accuracy what happens during and after such a transformation.

We have also become aware of the core (mis)understandings upon which the corporate capitalist model is based, namely:

- its negative, incomplete, and inaccurate understanding of Human Nature.[3-5]
- its failure to acknowledge that a society's chosen economic model can either upregulate the expression of our altruistic behavioral capacities and downregulate the expression of our non-altruistic capacities; or do the opposite, upregulate expression of our non-altruistic capacities and downregulate expression of our altruistic capacities.
- its harmful leadership approach, which populates positions of power with individuals who are particularly inclined to express the non-altruistic aspects of our Human Nature.[7]
- Its insistence that "monetary incentive" is an essential component of any economic model.

- its perverted understanding of competition.[18]
- its incorrect insistence that "monetary incentive" and capitalism's version of competition are necessary for success and innovation.

The above misunderstandings represent the foundational pillars (and the Achilles' heel) of the corporate capitalist model. It is these core misunderstandings that explain the adverse effects of the corporate capitalist model and the model's hold on power. It is these core misunderstandings that have led to the "Mean Arrangements of Man."[11]

In contrast, the CHPEM is based on a much different, more accurate, and far healthier set of foundational pillars (core social understandings), namely:[2]

- A positive, more comprehensive and nuanced understanding of Human Nature[3-5]---an understanding that emphasizes the spectrum of human behavioral capacities that we all have, and emphasizes that the social and economic milieu can either upregulate the expression of our selfish capacities and down-regulate expression of our capacities for altruistic behaviors (as is the case with corporate capitalism) or do the opposite, up-regulate expression of our altruistic capacities and down-regulate expression of our capacities for selfish behaviors (as is the case with the CHPEM).
- A realization that it is extremely important to fill positions of leadership with "altruistic natural leaders" who have demonstrated exemplary capacity for and expression of altruism, honesty, kindness, and incorruptibility---as opposed to filling positions of leadership with those who will make corporate entities most profitable.[6-8]
- An understanding that "moral incentive" is a sufficient motivating factor and that "monetary incentive" is neither essential nor desirable.[13]
- A positive, accurate understanding of the true nature and role of "competition," particularly the understanding that the word "competition" comes from the Latin "com petere," which means "to seek (new heights) together.[18]
- A realization that "monetary incentive" and capitalism's version of competition are not necessary for innovation and creativity.[15]
- A realization that private free enterprise and free market activity are not essential for a successful social and economic model. Instead, a different kind of freedom might be the most precious of all---the freedom to enjoy widespread upregulation of the expression of altruistic human behavioral capacities---upregulation within oneself and within society as a whole.[14] This "precious freedom" is provided by a CHPEM-inspired public economy, but not by a capitalist economy.

It is the above foundational understandings that have led to the Social Beauty of Children's Hospitals.

For the above reasons, we academic pediatricians should feel confident in proposing that the Social Beauty Era Children's Hospital Public Economy Model (the CHPEM) is not only an excellent model for hospitals, but is also applicable to the general economy and is a practical

and realistic model for creation of greater Social Beauty in society as a whole;[9-10]while the corporate capitalist social and economic model is inappropriate for hospitals and for society as a whole. Indeed, the corporate model has failed in health care, is increasingly failing to create widespread Social Beauty in the world as a whole, and, instead, has led to Mean Arrangements of Man[11] that are currently greatly threatening Humanity (the current horrible wars representing just one example).

In subsequent articles, the Children's Hospital Public Economy Model (CHPEM) will be further explained,[9] and the option of applying the CHPEM to the general economy will be discussed.[10]

NOTE: This article represents a slightly revised version of a previously posted article that had the same title, *The Social Beauty of Children's Hospitals*

FOOTNOTES FOR FURTHER READING:

The footnotes refer to related "companion" essays that further explain the concepts and terms used in the current essay. These related essays are posted (or will soon be posted) on the **Notes From the Social Clinic** website: www.notesfromthesocialclinic.org They are listed, by title, in the Table of Contents (TOC) of the website.

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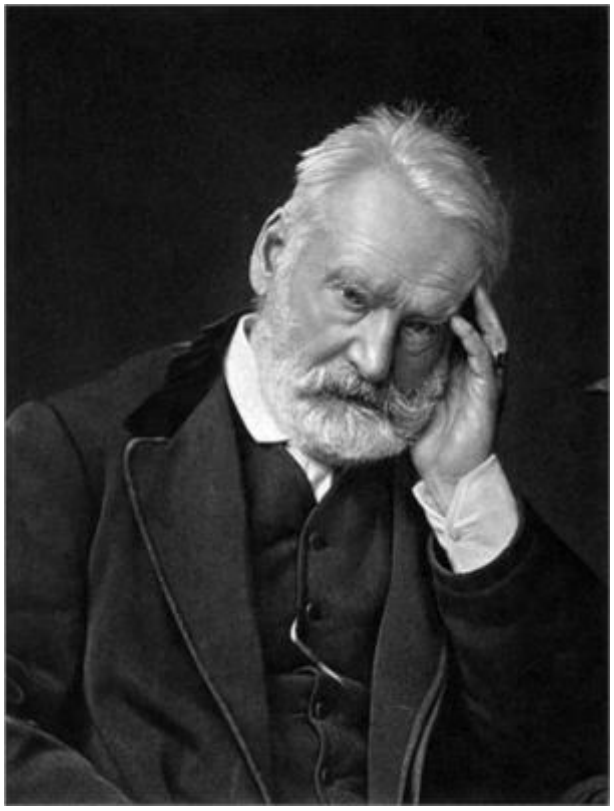
Also, for more articles on Social Beauty and social philosophy, please see the following website: www.notesfromthesocialclinic.org



Victor Hugo (1802-1885)
Author of ***Les Misérables***