

OPINION

Medical staffs need autonomy

A California case seeks to protect hospital staff independence.

Editorial. Sept. 15, 2003.

The recent refusal of a California court to dismiss a lawsuit against a hospital by its medical staff is a significant win for the doctors who are plaintiffs in the lawsuit. It also will come in handy for hospital staffs that find themselves facing similar future battles - a near-certainty given the health care system's economic realities.

Medical staff members at Community Memorial Hospital in Ventura, Calif., sued the hospital alleging that it was putting financial gain above the interests of patients and trying to destroy the legally recognized role of the medical staff in protecting the hospital's patients.

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The hospital moved to dismiss, citing a 2002 New Hampshire Supreme Court ruling in *Windt v. Exeter Hospital* holding that hospital medical staffs are subordinate administrative units legally incapable of suing the hospital or

its trustees.

The Superior Court of California, County of Ventura, refused to apply the New Hampshire ruling to the case, deciding instead that the Community Hospital medical staff had legal standing to sue as an unincorporated association under California law. Their ruling guarantees that courts who intervene in these disputes will have at least dueling opinions to consider as they draft their own.

One of the key issues in *Medical Staff of Community Memorial Hospital v. Community Memorial Hospital* was the hospital's refusal to seat the physician-elected medical staff president because he had a financial interest -- albeit less than 2% -- in a competing entity. The hospital said it did not seat him because hospital board members have the right to protect hospital financial information from competitors.

As more and more physicians seek to balance their income with sources other than government and health plan reimbursement, these economic disputes are likely to become more common. There is a reasonable and common way of dealing with such situations. When confidential discussions turn to areas in which a conflict exists, ask whoever has a conflict to leave the room.

In contrast, stripping a medical staff of its autonomy over such a nonissue is clearly unwise and potentially dangerous. That autonomy is the linchpin for the role the medical staff plays in assuring that patients receive the best care possible when they are admitted to a hospital.

The California Medical Assn. and the American Medical Association boldly underscored that point in a friend-of-the court brief filed on behalf of the medical staff. "This case alleges a series of unprecedented actions by the hospital board of trustees which entirely subvert the legally mandated role of the hospital medical staff," the two

associations wrote in their brief. "These actions ... cannot be reconciled with the medical staff's legal responsibility to be self-governing with respect to the professional work performed in the hospital, included but not limited to its obligation to set standards of patient care, establish and enforce standards for medical staff membership, and protect patients' interests in obtaining quality care through continuous review and evaluations of the medical care rendered in the hospital."

The AMA became involved in the case at the behest of its House of Delegates, which recognized how high the stakes were when it met in June. The house also asked the AMA-State Medical Society's Litigation Center to consider providing assistance in other appropriate cases dealing with the protection of medical staff self-governance. It also directed the AMA commissioners to the Joint Commission on the Accreditation of Health Care Organizations to bring these concerns to the attention of that body as well.

This multipronged approach befits both the urgency and seriousness of the threat to medical staff independence, which carries with it the clear potential to undermine quality of care. That simply cannot be allowed to happen.

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