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The Ethics Dispatch

“The object of philosophy is the logical clarification of thoughts. Philosophy is not a theory but an activity.”

- Ludwig Wittgenstein

Hot Topic

Disrupting Healthcare: Bioethical Implications of the Mark Cuban Cost Plus Drug Company

The emergence of the Mark Cuban Cost Plus Drug Company (MCCPDC) represents a noteworthy attempt to reform the U.S. healthcare system by enhancing the affordability and transparency of prescription medications. Founded in January 2022, MCCPDC connects consumers directly with drug manufacturers, aiming to disrupt traditional pricing models dominated by pharmacy benefit managers (PBMs).

According to an article on [fiercehealthcare.com](https://www.fiercehealthcare.com), Cuban stated, “Prior to us, there was no transparency whatsoever and so nobody knew what the price of any medication was... These pharmacy benefit managers are dictating prices left and right. They’re basically stealing money from employers and employees. So, we walked in there and said, ‘What’s the one missing piece?’ [It’s] transparency.” (Lander, Aug. 15, 2024).

Sounds great, right? Well, not so fast, dear Reader. When viewed through the lens of bioethics, MCCPDC’s approach raises critical questions regarding justice, autonomy, beneficence, and transparency.

Justice: Equitable Access to Medications

The principle of justice in bioethics emphasizes fairness and equity in the distribution of healthcare resources. The study utilizing data from the 2019 Medical Expenditure Panel Survey reveals that while MCCPDC offers potential savings for some patients—particularly the uninsured—those on Medicaid experience no savings at all. This disparity highlights an ethical concern: Does the transparency and affordability promised by MCCPDC truly benefit all segments of the population equally?

In addressing systemic healthcare inequities, it is essential that initiatives like MCCPDC do not merely shift costs or benefits among different patient groups. The ethical imperative of justice demands that reforms actively work to reduce disparities and provide meaningful access to medications for historically marginalized populations. Future investigations should focus on how MCCPDC can ensure that its model promotes equity across various demographics, particularly for low-income individuals and communities of color.

Autonomy: Empowering Patient Choices

The principle of autonomy underscores the importance of informed consent and the ability of patients to make choices regarding their healthcare. Cuban's assertion that the lack of transparency in drug pricing has hindered patient empowerment resonates with this ethical tenet. By providing clear pricing information, MCCPDC allows patients to make more informed decisions about their medications, thereby fostering greater autonomy.

However, autonomy also requires that patients fully understand the implications of their choices. While MCCPDC's transparent pricing is a step forward, there must be comprehensive educational initiatives to ensure that consumers grasp the complexities of drug pricing, including how insurance factors into their choices. According to the [JAMA Network](#), "savings varied substantially by health insurance type" (Ludmir, June 14, 2024). Without adequate understanding, patients may be unable to make truly informed decisions, potentially undermining the very autonomy that transparency aims to enhance.

Beneficence: Prioritizing Patient Welfare

The principle of beneficence mandates that healthcare providers act in the best interests of patients. MCCPDC's model, which includes a 15% markup on medications, raises ethical questions about the balance between financial sustainability and the obligation to prioritize patient welfare. While the goal of reducing medication costs is commendable, the profit-driven nature of the company could lead to potential conflicts of interest.

Cuban's emphasis on making life-saving medications more affordable, such as offering a chemotherapy drug for under \$30 instead of the conventional \$2,000, aligns with the principle of beneficence. However, as the company grows, it must remain vigilant to ensure that its pricing strategies do not compromise the quality of care or access to essential medications. Ethical oversight is crucial to maintain a commitment to beneficence as the company navigates the complexities of a profit-driven model.

Transparency: A New Ethical Standard

Transparency is a cornerstone of ethical healthcare practice, fostering trust between patients and providers. Cuban's initiative to publish customer contracts online is a groundbreaking step toward greater accountability in the pharmaceutical industry. This move could set a new ethical standard, challenging other companies to adopt similar practices.

However, the ethical implications of transparency extend beyond mere disclosure. There is a need to consider how information is presented and whether it is accessible and understandable to all patients. Ethical transparency should not only involve making data available but also ensuring that patients can comprehend and act upon that information effectively.

A Bioethical Framework for Healthcare Reform

The Mark Cuban Cost Plus Drug Company presents a unique case for exploring the ethical implications of healthcare reform through the lens of bioethics. While the company's commitment to transparency and affordability holds promise for enhancing access to medications, it must navigate complex ethical challenges associated with justice, autonomy, beneficence, and transparency.

As the healthcare landscape continues to evolve, it is essential that initiatives like MCCPDC prioritize ethical considerations in their operations. By actively addressing inequities, empowering patient autonomy, prioritizing patient welfare, and setting new standards for transparency, MCCPDC has the potential to significantly contribute to a more equitable and ethical healthcare system. However, without prioritizing ethical considerations, it is all too possible

for MCCPDC's lofty initiatives to devolve into a profit-driven endeavor for Cuban. Future research should continue to examine these bioethical dimensions, ensuring that the aspirations of transparency and affordability translate into meaningful improvements in patient care and health outcomes, while not getting lost in the endless quest for profit.

Bioethics in the News



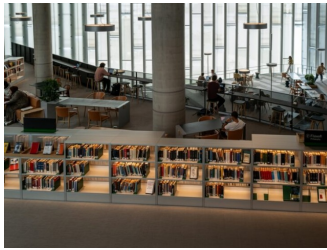
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Case Study: Patient/Physician Relationship

Without the Large Profit Margin, Katy Could Easily Afford Her Medication

Katy is a 54-year-old female suffering from multiple sclerosis. Her symptoms are very well-managed when she takes her medication daily, but failing to do so has extremely negative health effects. In the past, her prescriptions were covered by her husband's health insurance, with her only having a manageable co-pay. But recently, her husband was laid off for the season, with him expected to be reemployed in the spring of next year. In the meantime, the cost for her medications is no longer affordable.

Her primary physician, Dr. Imma, knows that Katy's budget is tight, and she is barely able to afford her medications normally, even with her insurance. Dr. Imma also knows that the cost of the medication is not reflective of the cost to manufacture it, with the pharmaceutical company making a large profit from the

medication. Dr. Imma is wondering what can be done and whether she should tell Katy about the profits from the medication. Without the large profit margin, Katy would be able to easily afford her medication. Should Dr. Imma inform Katy about this, or should she keep the information to herself?

Ethical Musings

Are Financial Benefits and Ethical Care Mutually Exclusive?

In part due to the prioritization of capitalistic principles, healthcare in the United States is intimately interlocked with finances. Healthcare organizations such as hospitals, hospice organizations, primary care clinics, etc. have an obligation to maximize the ethical principles of patient care while balancing them with the need to be financially responsible and successful. Medical providers have an obligation to ensure that the rights, values, and dignity of patients are upheld while also acting in a way that will keep them financially viable.

These two concepts are not mutually exclusive or even in conflict with each other, but they do have different prioritizations and obligations. A hospital can provide great care with a high level of access to all members of the population, while keeping costs as low as possible and while also fairly compensating the healthcare workers that deliver the care. It is not a zero-sum game, where to be economically successful the hospital has to provide a lower quality value of care. Both can be maximized and successfully upheld. But it takes a recognition that the hospital has separate obligations, that - when done well together - can benefit all parties.

Doing the Right Thing

Simply stated, the healthcare organization has an ethical responsibility to uphold the ethical principles of autonomy, beneficence, nonmaleficence, and justice for each and every one of its patients. In an ideal, utopian state, this would look very different than the way healthcare is now. Every patient would have a single nurse, physician, and team dedicated to their direct care, while also providing this at zero-to-low cost to the patient. This would be the healthcare team and hospital acting purely altruistically, meaning every action is done with the direct and sole intention of benefiting the patient.

Unfortunately, this is not realistic. Any healthcare organization that offers the highest possible level of care without any cost to the patient would not stay solvent for long. Therefore, it is important for healthcare organizations to act as good stewards of resources. This entails delivering high levels of care at low costs to patients while also making enough to stay in business. Again, these are not mutually exclusive of each other, but they do come from different intentions, and under a virtue ethics approach, intention is a fundamental aspect of ethical actions. A virtuous person does the right thing but also for the right reason. One of the biggest difficulties with virtue ethics is deciphering the intention of the actor.

Deciphering Intention

Imagine a scenario where a patient is seemingly healthy and ready to discharge back home but the physician suspects the team has missed something. The physician has a gut feeling that something is off and thus schedules the patient for an additional scan and tests. If the intention of the action was that the patient has good health insurance that will pay highly for those tests and scan, and the hospital and physician will make a lot of money off ordering them, that would be ethically problematic. Every health intervention

comes with some risk and harm, and thus the physician would be exposing the patient to risks and costs for the benefit of themselves.

But if the physician truly believes that the patient would benefit from the tests and scans, it would not be as ethically challenging. The intention is to ensure that the medical team knows everything they can about the patient so that the patient is as healthy as possible. The intention is valuable to the patient. If the test comes back and shows that the patient is positive for something the team missed, the additional tests seem completely justified. Even if the test comes back negative, if the intention is to benefit the patient, it is still ethically supported.

Prioritize Patients

It is important to keep intention on the prioritization of patients, not only on the financial benefits of medicine. But as stated earlier, both can be upheld. The tests and scans could be ordered with the intention of only benefiting the patient, but in a system created in a way that prioritizes the patient, the healthcare organization can fairly financially benefit.

Money in medicine has a negative face, but only when it is the sole intention. Individuals and organizations can financially prosper while also providing excellent and fair healthcare to patients. It is important for hospital administrators, new business owners and policy makers to make sure the system is created in a way that sees financial benefits from the delivery of ethical care. It is unlikely that care and money can have the same intention, but if it is financially beneficial to provide ethical care, then a system can thrive and benefit all involved.

Ethics Committee Consortium Resources

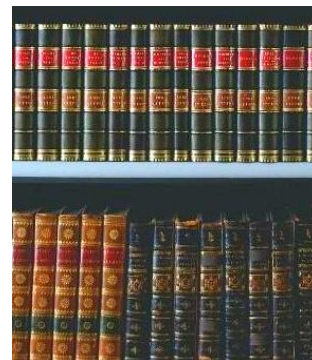
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