
Interview: Dr. Linda Peeno, MD

Medicine is being perverted by a corporatist utilitarian ethic

Dr. Peeno is a physician with training in internal medicine and infectious diseases. She gave up her job as a medical reviewer for the for-profit hospital chain Humana, in order to expose the practices of managed care, and is currently a clinical instructor of medicine and chair of the hospital ethics committee at the University of Louisville, Kentucky. She spoke to Marianna Wertz by phone on Dec. 5, 1997.

EIR: What you said in Boston and what you've done in exposing the practices of managed care are very important. What was your experience with managed care?

Peeno: I started out with a moonlighting job at Humana, whose corporate headquarters are here [in Louisville], doing medical reviews. What it did was give me a sense of what was happening behind the scenes and how much the whole idea of saving money was driving the processes and policies and procedures. That came home very clearly when I was told that I had to keep a certain denial rate; and I was reprimanded when I approved things and rewarded when I denied expensive things. So I finally ended up leaving Humana.

I was part of a five-member team of physicians who were put together to do all of the reviews for all of their hospital patients across the nation. They had centralized this process for all their markets. So any time anybody went into a Humana hospital, they had to call and go through this central process for authorization. Also, we did reviews on people once they were admitted, so we would issue lengths of stay, which, of course, would be very, very low; and, then, would require the hospitals to have to call for continued authorization, so we could continually monitor the patients and move them out as quickly as possible.

I ended up leaving there after about eight months, because I had started out thinking that medical background was what was important, only to find out that that actually was a hindrance! So I finally quit and really attributed, at that point, what I had witnessed, as unique to Humana.

One of the nurses that I had worked with at Humana had gone to an HMO that was organized by non-profit hospitals to be a competitive product with Humana, and they needed a medical director, so she called me and said here's a really good chance for you to put into place the policies and procedures that you would like and do things differently.

So I went there, thinking that that's exactly what I would be able to do. To make a long story short, after a couple of years, I realized that the processes and procedures that I had witnessed and participated in at Humana were sort of generic across-the-board. It became clear that there was this systemic nature to what we were calling managed care, whose essence really depended upon limitation and denial, to make budgets, to offset losses, to make money, to enhance shareholders' returns. It was increasingly removed from what it was holding out to the public as real clinical care for the patients.

EIR: You testified before Congress on this.

Peeno: Yes, I did, twice before the Commerce Committee and a couple of other places, and several state legislatures.

EIR: Were you satisfied with the response?

Peeno: No. I think there are times when I wish I hadn't done it. Particularly when I went a year and a half ago. I'd thought, a week or so before I went, about what could I say that would really make a difference. I talked to somebody on the committee, and he said everybody's going to come and they're going to have the predictable script. The American Association for Health Plans is going to say what we know they're going to say, and AMA [American Medical Association] is going to say what they're going to say. He said, somehow we can't really get to the core of what's happening, so maybe you could help us understand that.

That's when I thought: I don't know how to do it, other than graphically, to help them understand not only what I did, but the weight that I feel, having participated in that. So I used the example of the heart transplant patient [who died for lack of treatment], that I was involved in, when I was a reviewer at Humana, and how that haunted me. For me, it represented a whole shift of using physicians and using medical rationale to underpin economic goals.

There was a part of me that thought, if somebody came to a Congressional committee and said what I just said, there should have been some sort of concern about that. I guess, I was just surprised that there wasn't.

EIR: Dr. Bernard Lown, at the Boston rally—and Mr. LaRouche, the founder of *EIR*, has done this as well—charged

that what's going on in this country with managed care is the same kind of transformation that happened in Germany before the war, and for much the same motive, to save money, the end-product of which is losing lives. Have you looked at it that way?

Peeno: It's interesting because, at the end of the written testimony that I submitted a year and a half ago, when I talked about the death of this heart transplant patient, there's a whole list of things that I think are characteristic of where we are now. In the next paragraph, I say, this list is not unique. This is the list that was compiled by another writer in another period in history. It just happened to come from a book written about Nazi medicine in the '30s, prior to the Final Solution: the whole transformation of medicine under this socio-economic, political ideology that was driving what was happening. I listed all the parallels. I was so glad that Dr. Lown said it, because he has a kind of authority that somebody wouldn't think that this was strange.

EIR: What is your position now?

Peeno: I do adjunctive work at the University of Louisville. I'm a clinical instructor in medicine and I teach ethics. I chair the hospital ethics committee, which is a very active consulting service. We actually go to the bedside, and we're on call 24 hours a day, and calls default to me, so that keeps me very busy. I also teach and lecture. Most of my local work is focussed on issues that have to do with general medical ethics.

EIR: In the medical ethics field today, in this country, which is witnessing this kind of transformation, do you think what you're saying is widely believed, if not said?

Peeno: You mean, in terms of the ethical issues?

EIR: Yes.

Peeno: That's an interesting question. First of all, I don't think we are thinking seriously and objectively and analytically enough about what I call the large systems ethics questions. I know there are some very renowned ethicists, like Pellegrino, who have written and touched on managed-care ethics issues, but they are very focussed on such issues as gag clauses interfering with doctor-patient relationships and how financial incentives can encourage physicians to make unethical decisions. They're sort of sitting on the fence, too, because no one has come down and said there is something inherently unethical about the systemic essence of managed care.

If you start deconstructing, what is this? What comprises the essence of this system? Then you can start seeing some of these basic elements for what they are: This sense that we can commodify everything, a very dangerous *utilitarian* kind of ethic, which I think does have direct parallels to Germany in the '30s, where the life of the *Volk* is more important than the life of the individual and we can sacrifice

individuals for this "greater good," or "greater group."

So, when I do lectures now, I've been working off that kind of analysis and trying to help people understand. Then I take it even one step further and, in one of the medical lectures that I do, I talk about how, what we're not acknowledging, is that this is a vast medical experiment that is unprecedented in history, that is occurring with none of the corrections or oversights that we have put in place for all of the other medical research. Take for example the 24-hour [maternity] stays. Since the Nuremberg Code, we have all kinds of detailed processes to make sure that everything done clinically on somebody goes through this kind of scrutiny. Yet, here we have a situation in which no significant study was done to determine the best way to treat post-maternity care for the baby and the mother. It just happened. It just kept racheting down and racheting down, with no clinical underpinnings whatsoever.

You can just take this across the board. We'll do this in health care, we'll do this with the care of children, mental health, the list will go on and on and on, until we've rolled everything over into this kind of model. What a way to slowly eliminate all of the expensive, susceptible members of society. It just slowly gets impossible for them to get the care.

EIR: You raised the question of utilitarianism. It's an underlying British philosophy, which predates the Nazis and against which this country was founded. This is the key fight: between the utilitarian concept, located in the thoughts of men like John Locke and Jeremy Bentham, as against the ideas of Leibniz, Ben Franklin, and Plato, which are the republican tradition of this country. That's the fundamental divide.

Peeno: I think you're exactly right. We don't really question that. Even in medical ethics classes. Utilitarianism is so seductively attractive, particularly to corporatism, a strange permutation of capitalism, where the benefit of the persons who can afford to pay are greater than those who can't. It's very attractive.

One of the members of the [House Commerce] committee, after I testified a year and a half ago, said he wasn't moved by any of the patients' stories that had occurred that day, because the sacrifice of these lives just might be necessary in order for us to rein in costs, and we're just going to have to live with that.

I don't think the public knows that people have made that decision, that there are going to be some people who are going to be sacrificed for the benefit of the economic profitability of companies or the ability for employers to cut the costs of premiums.

EIR: Mr. LaRouche has been called every name in the book, because he takes the kind of stand that you took.

Peeno: That's probably the highest compliment.