

## Making ethics the business of healthcare



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Every two years, the International Finance Corporation (IFC) organises a conference that brings together 500 health industry executives from around the globe for networking and enriching discussions. For the 8th IFC Global Private Healthcare Conference, held in Miami on March 27–28, we also unveiled a bold new initiative that aims to prod the industry into enshrining ethics in their business in a more systematic way. Conceived and compiled in collaboration with the World Bank, we presented for discussion a set of [10 Ethical Principles](#) in Health Care (EPIHC) that cover the issues healthcare organisations need to address.

But why is IFC involved in this issue at all, you may ask, given that our core mission is to provide finance—both loans and equity—to foster private sector growth in emerging markets? What is the connection between ethics on the one hand, and promoting sustainable business models on the other? After many years of leading healthcare investments at IFC, I have come to the firm conclusion that it is in the long-term *business* interests of healthcare enterprises to adhere to ethical principles. Why? Because the more ethically responsible you act, the more patients you attract, the higher quality staff you retain, and consequently the better you perform as a business.

To cite a couple of examples of this idea in action, one key principle underscores the value of promoting high-quality standards of care. As I discussed in my previous [blog](#) for *HealthManagement.org*, there is evidence that poor quality healthcare kills more people each year than lack of access to care. Virtually all governments have arrived at a point where they understand that they need the private sector's help to attain Universal Health Coverage (UHC). Therefore, if you are a business operating in this space, ensuring high-quality care is an essential ingredient to transforming UHC from an aspirational goal to a clinical reality.

Another ethical principle encourages providers to uphold patients' rights. When someone comes to a provider for care, they are often in a vulnerable state and incapable of making the kind of considered analysis and comparison that a consumer can make, say if they are booking a plane ticket or buying a smartphone. That is why it is so important that care providers ensure their patients understand the proposed course of treatment, are informed of the alternatives, and are made aware of the right to refuse or discontinue a treatment at any time.

IFC has a portfolio of more than \$2 billion in healthcare investments dispersed across dozens of clients in emerging markets and extending to all subsectors: services, insurance, medical equipment, and life sciences.

Fortunately, many of IFC's clients already have their own codes of conduct or equivalent internal ethical frameworks, but even for those the public adoption of the EPIHC is relevant and can send a strong signal to the market. Some leading organisations have endorsed the EPIHC initiative as early adopters of the principles, including Centene in the United States, global medical devices giant Medtronic, Apollo Hospitals in India, Medicina Clinic in Russia, Quadria Capital (an Asia-based fund), Saudi-German Hospitals Group, amongst other industry leaders. However, other healthcare providers—especially ones in the least developed markets—may not yet have thought through the issues that the principles raise. We hope the EPIHC will serve as useful guide as they seek to scale up and professionalise.

While embedding ethics in healthcare may seem like a no-brainer, in fact it has been a while since we have seen a concerted push in this direction. You need to go back to 1999 when a group of individuals came together under the auspices of the British Medical Association (BMA) and published the Tavistock principles, named after BMA's headquarters in Tavistock Square, London. Two decades later, we felt that an update and a revived push was timely. As we take the initiative forward, we will be watching which businesses make the most concerted effort to implement them—and how that effort impacts their growth and profitability. The bottom line, I believe, is that conducting healthcare business in an ethical manner is good for patients, good for business, good for staff, and, ultimately, the right thing to do.

