Dr. A is a general practitioner in a small city. He was recently offered the opportunity to invest in a free standing radiology center which will provide X-rays and diagnostic imaging for all of Dr. A's patients. Dr. A is asked to put u p $10,000 per share. He is told that he will earn 25% or more annually on his investment. He is also told that the rest of the doctors in town are investing. Dr. A's return will be calculated based on his investment. However, the profitability of the center will depend on the total number of patients that are referred. This is made clear to Dr. A.

Should Dr. A invest in the center?

ANSWER: Dr. A should not invest in the center. The basic criticism with arrangements of this kind relate to their effect on Dr. A's professionalism and on the difficulty Dr. A may experience trying to dissociate his patient's medical needs from his own economic interest. Suppose, for example, that Dr. A is following a patient with yearly CT scans. Might he begin to conclude that the patient requires biannual or quarterly scans? Suppose the only available appointment at the center is at 2:00 a.m. three weeks from today and another facility is vacant . Will Dr. A conclude that he has more confidence in the skill of the Center? It is a serious mistake to allow these kinds of conflicts of interest and expect either the cost of health care to remain stable or the public to hold in high regard physicians with obviously conflicting interests.

Intercollegiate Ethics Bowl Case, 1994.