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HEALTHCARE ADMINISTRATION REIMAGINED: EDUCATING MORAL LEADERS IN A PROFIT-DRIVEN SYSTEM

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Abstract: *In this paper, I delve into the moral challenges facing the American healthcare system, recently highlighted by the tragic murder of UnitedHealthcare CEO Brian Thompson. Through the lens of moral economy, I discuss how the profit-driven nature of healthcare organizations often overshadows the fundamental purpose of patient care, sparking public outrage and demands for change. Recognizing the need for a shift, this paper emphasizes how healthcare management education (healthcare administration education, interchangeably) can play a pivotal role in shaping future leaders. By integrating moral economy principles into curricula, we can better prepare students to navigate the complex healthcare landscape with integrity and compassion. I propose several approachable teaching strategies, such as using real-world case studies to illustrate ethical dilemmas, fostering empathy through community partnerships, and encouraging open discussions about corporate responsibilities in healthcare. By adopting these practices, educators can inspire students to advocate for a healthcare system that prioritizes compassion, fairness, and accountability. Ultimately, this paper calls for a renewed commitment within healthcare management education to uphold the moral obligations intrinsic to the profession. By doing so, we can reinforce the commitment to healing and service that lies at the heart of the commonwealth, empowering the next generation of healthcare leaders to effect meaningful change.*

Keywords: *Moral economy, healthcare ethics, healthcare administration education.*

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INTRODUCTION - MY STUDENT'S STORY

In my undergraduate course last fall (Fall 2024), one student, whom I will refer to as Justice to protect his anonymity, stood out remarkably. Justice was not only a brilliant student but also a dedicated individual balancing full-time work while pursuing his bachelor's degree, eagerly awaiting acceptance into a radiology program. Despite the challenges of a long commute through LA traffic after a full day of work, Justice consistently arrived on time for class, fully engaged in our discussions. His academic performance was nothing short of impressive, receiving straight A's across all course requirements.

During the last class, Justice and his group delivered a presentation on two critical topics: persistent problems within the U.S. healthcare system and how various health systems worldwide address similar issues. Justice initiated the presentation by expressing gratitude to his group members for joining him in exploring a topic he passionately advocated for—frequent delays caused by insurance plan claim denials or errors. He eloquently conveyed the importance of this subject for both his group and the entire class.

Not long before, Justice had endured a traumatic personal loss. Justice's loving and hard-working mother, a first-generation immigrant, had passed away due to cancer. Justice and his family were still grieving the loss. When Justice and the family found out about the cancer, it had been quite advanced, and immediate treatment was crucial. Despite the news, the family was hopeful, knowing that the timely treatment could prevent the disease from progressing further. However, it was not long until Justice realized that the hope was short-lived. As a primary caretaker, Justice hit a big learning curve, having to navigate a maze of claims, referral processes, and mostly denials. His mother's insurance plan, almost by default, denied referral requests for specialty treatments. Justice was on the phone, spending hours trying to navigate his mother's insurance coverage to find out why his mother's referral requests had been denied repeatedly, while each referral denial resulted in weeks and months of delay in her care. In the meantime, Justice and his family had to watch her health deteriorate. Justice said that, to this date, he grappled with the painful question: Would his mother still be alive if not for the series of denials and delays in her care?

Justice stopped speaking for a brief moment. He was visibly emotive sharing his deeply personal story with the rest of the class. Despite his strength, it was clear that the loss weighed heavily on him. The atmosphere in the classroom grew heavy with emotion. Everyone, including myself, was in utter silence. No words are enough to console the heart of someone who lost a loved one. As he spoke, many of us—including myself—could relate to his pain. After he shared his story, other students began recounting similar experiences of loss and frustration due to insurance-related delays in necessary treatments. The classroom atmosphere was somber, filled with collective empathy for those who had suffered due to systemic healthcare failures.

THE MURDER OF THE UNITED HEALTHCARE CEO AND PUBLIC RECEPTION

A few weeks after the semester was over, there was the breaking news on my phone's news feed. "UnitedHealthcare CEO Brian Thompson fatally shot". I rushed to open the article, and there was a series of breaking news articles that had already been updated. I was not sure if it was an accident, or a robbery gone wrong. I soon discovered it was a premeditated act with a specific motive behind it—a message about the corporate for-profit healthcare system.

The atrocity of the US health system has been documented extensively. The U.S. is the only country that does not guarantee universal health care coverage and spends about 20% of its GDP towards health expenditure, while its health outcomes are not at par with peer countries (Blumenthal et al. 2024). Following the shooting, the focus sharply turned to the issue of administrative denials and delays in care orchestrated by health insurance plans. Alarmingly, a survey revealed that one in three insured Americans encounters at least one denial of coverage, with 90% of initial denials later overturned (Martin 2024). This corporate practice, often labeled as one of the 'utilization management' strategies, seemed to be the crux of the gunman's motives. Almost instantly, the public reacted to the incident, revealing a widespread understanding and sympathy for the struggles faced by

patients navigating insurance roadblocks. Comments flooded news articles, reflecting a shared frustration. For instance, a comment on Goldberg (2024) from Rob Plum (on December 6, 2024) stated that,

> *"I cannot believe something like this took so long to happen. The insurance companies put their customers through hell at a time when they could be gravely ill. It's like throwing gasoline on a fire. Immoral and disgusting behavior. I have to believe that the people on the phone are just following orders from management. I speak from personal experience."*

Other heartfelt testimonials echoed similar sentiments, revealing an overwhelming sense of neglect and dehumanization experienced at the hands of the healthcare system. For instance, a comment on Searcey and Kliff (2024) from Morris (on December 11, 2024) highlighted that,

> *"Everyone in this country hates this stupid system with the power of a thousand burning suns – everyone. Everyone has a story. Here's mine. Before the ACA, I was diagnosed with depression during grad school. My insurance, Blue Cross, partially covered my therapy and SSRI meds. When I finished grad school and moved from CA to CO, I stayed with Blue Cross. They refused to cover my preexisting condition, despite staying within the blue cross system; claiming that BCBS of Colorado was a change in provider. So, BCBS decided that it would be better for me to put myself in perpetual danger. They decided that, should I have a depressive episode resulting in a suicide attempt, it would be economically better for them to treat that one episode, than prevention. UHC had triple bottom line profits of $24B. Those disgusting profits are on the backs of people with zero choice"*

Collectively, these narratives pointed to a public that felt overlooked and expendable within the profit-driven American health system. The rapturous public sentiment about the murder was what really perplexed me. The gunman, Luigi Mangione, was celebrated for what he did. Conviction of Mangione's violent act notwithstanding, social media was flooded with posts and short videos picturing Luigi Mangione as a martyr or folk hero, who stood up against a monstrous for-profit health insurance conglomerate. The gunman himself viewed the killing as a "symbolic takedown" (Southall and Cramer 2024). While I do not condone violence, this incident represented a profound societal grievance (Bloche 2025). In a climate where voices advocating for better healthcare often went unheard, a tragic act became a rallying point against perceived injustices within the system. The aftermath revealed instances of individuals seeing Mangione as a folk hero, someone who took a stand against a troubling and often cruel healthcare landscape. For instance, a comment by Alex (on December 11, 2024) on Southall and Cramer (2024) said,

> *"We have all complained about coverage denials. Some of us have called our representatives. A few of us have retained lawyers. Did any of these action force the nation to look cruelty of the healthcare industry in the face? No! Only a killing could do that. Only a killing. This is proof of how sick our country is"*

US HEALTHCARE AND MORAL ECONOMY

The outrage in the wake of Thompson's murder sparked a critical reflection on the U.S. healthcare system within the context of the commonwealth of the country. The U.S. healthcare system is characterized by the strong influence of market dynamics. Historically, the *laissez-faire* approaches to healthcare have prevailed in the American health system. Proponents of the approach entrust corporate health insurance plans and health services firms to enhance the general welfare by bringing market discipline to the relationship between physicians, payers, hospitals, and patients. Fundamentally, the approach is aligned with market rationalists' belief that the market offers the best mechanism for exchanging goods and services, assuming that competition and profit-seeking behaviors of actors will find an equilibrium, resulting in fair exchange between those participating in the exchange (Johnson 2000).

Following this logic, the market rationalist view promotes the privatization of public services, otherwise provided by the various levels of government (Svihula 2008). The Medicare Modernization Act 2003 serves as one of many examples that signify the market rationalist belief guiding a major health policy reform. The act introduced separate prescription drug coverage for the individuals insured under traditional Medicare and Medicare Advantage plans, reducing the role of government (Medicare) in regulating drug prices while providing

subsidies to private insurance companies and self-insured employers in the name of enhancing the competition (Svihula 2008). Numerous accounts illustrate how the interests of payers and providers can overshadow the needs of patients, leading to delayed treatments, financial stress, and adverse health outcomes (Silver-Greenberg 2023). Generally, the conflict arises when an entity with a strong, if not an overriding, commitment to maximizing profit may sometimes find that the best way to do this is not to act in its patients' best interests (Gray 1986).

The increasing preponderance of managed care in the U.S. has intensified these conflicts among health service providers, health insurance plans, and patients. The core of managed care is, again, tied to market rationalist belief where private payer organizations and health services providers are left to interact in the market to offer quality healthcare while limiting the growth of cost to do so (Sprinkle 2001). With the increase of prepayment or capitation contracts between health insurance plans under managed care, health services providers are incentivized to underutilize care and underinvest resources to secure savings for potential profits (Gray 1986; Schwartz and Sharpe 2011). As a cost control measure, health insurance plans also implement 'utilization management' strategies where they often introduce additional administrative complexity in a care process (e.g., prior authorization) or offer limited coverage to their patients to suppress demand for health services. Whether, or to what extent, these market-based approaches actually result in any meaningful reduction in the cost of care is an extremely difficult question to answer. More importantly, the impact of these market-based approaches on patient well-being is far more challenging to justify.

In his writing in 1971, Thompson popularized the concept of "moral economy" based on the historical analysis of the English crowd's riots during a famine in the late 18th century. Moral economy underscored the notion that one society's economy and economic acts reflect a complex web of social norms and obligations legitimized by society. Moral economy complements the view that an economy is a collection of economic acts by people who organically interact based on the transactional values of their acts. The moral economy framework provided a conceptual lens to examine how a mass responds to social and economic practices (Thompson 1971). At its core, moral economy considers the ways in which people conceive of and act for or against certain economic and social orders, what they perceive as right or wrong, just or unjust (Hendricks 2005). In introducing the moral economy concept, Thompson (1971) wrote that,

> *Grievances operated within a popular consensus as to what were legitimate and what were illegitimate practices in marketing, milling, banking, etc. This in turn was grounded upon a consistent traditional view of social norms and obligations, of the proper economic functions of several parties within the community, which, taken together, can be said to constitute the moral economy of the poor. An outrage to these moral assumptions, quite as much as actual deprivations, was the usual occasion for direct action (...) since it supposed definite, and passionately held, notions of the common wealth.* (pg. 79)

As shown in scores of research and anecdotal evidence, public sentiment reveals a grave discontent with profit-driven practices prevalent in the U.S. health system. Notably, there appears to be a rare consensus among the politically polarized public advocating for universal healthcare coverage backed by the federal government (Gallup 2024). These sentiments constitute the moral economy of people and U.S. healthcare - Americans seek healthcare that is human, fair, respectful, responsive, and affordable and expect institutions to also prioritize these values.

TRANSFORMING HOW WE TEACH ABOUT THE U.S. HEALTH SYSTEM AND HEALTHCARE MANAGEMENT

Healthcare organizations, whether providers or payers, are an essential part of society and wield significant moral agency, influencing their decisions and actions with regard to the health and commonwealth of people. Their organizational decisions and practices promote a specific moral culture that reflects the perception of what is acceptable ethical behavior with regard to the health of people (Lukich 2020).

Healthcare providers and patients form a unique relationship. Healthcare providers exercise subjective value judgment that guides the course of treatment for the sick. Healthcare providers, therefore, act as agents within the moral economy of healthcare and judge which patients are deserving of certain care and which are not (Higashi et al. 2013). However, under the current ecosystem of U.S. healthcare, especially given the dominance of the market rationalist perspective embedded in the system, many provider organizations are prohibited from practicing their moral agency because of economic priorities of generating profits (Gray 1986). Healthcare organizations are obligated to heal and save people, yet they are sometimes the entities that break the norms and

obligations (Silver-Greenberg 2023). Healthcare administration educators must address these moral dimensions within the educational pipeline for future healthcare leaders.

The tenets of the moral economy framework provide implications for key transformative pedagogical approaches that are aligned with what critical pedagogues have theorized and practiced. Critical pedagogues recognized the very threat of the dominant beliefs and culture manifesting in education. At its core, critical pedagogy aims to connect education with the broader societal context. Therefore, critical pedagogues highlighted the importance of incorporating historical consciousness, reflection, dialogues, and *praxis* in teaching to liberate students from the workings of the oppressive dominant ideology (Giroux 2020; Freire 2020). Applied to the current ecosystem of U.S. healthcare, including the educational pipeline of healthcare administrators and managers, critical pedagogues inform us to examine the market rationalist principles deeply embedded in our education and pedagogical approaches in the context of the moral economy of health. Informed by both, here, I describe several practical pedagogical applications for healthcare management educators to consider:

- Incorporating Moral Economy Framework: Teach healthcare management students about the concept of moral economy as a lens through which to analyze healthcare practices and policies. Provide case studies that illustrate how moral considerations can shape public perceptions and responses to healthcare issues.
- In-Depth Discussion of Historical Context of Healthcare: Explore historical examples of what constitutes the moral economy of health, such as past public health crises or social movements that reflect collective moral outrage
- Employing Storytelling: Incorporate storytelling as a pedagogical tool. Use patient narratives like Justice's and others highlighted to emphasize the real-life impact of healthcare policies and practices. Encourage students to analyze these stories through the moral economy lens to assess societal norms, values, and expectations surrounding care.
- Practicing Empathy in Healthcare: Focus on fostering empathy by connecting students with community experiences, perhaps through service-learning projects or partnerships with local healthcare advocacy groups. This can help students grasp the human aspects of healthcare and the moral obligations of providers and managers.
- Critically Examining Healthcare Systems: Encourage students to critically assess the ethical implications of market-driven healthcare systems. Analyze how profit motives can clash with the commonwealth of the people.
- Discussing Organizational Responsibility: Integrate discussions on corporate ethics and responsibility in healthcare. Explore how insurance companies and health systems can align their practices with the moral expectations of the public and patients, beyond mere compliance with regulations.
- Developing Advocacy Skills: Equip students with skills to advocate for systemic changes that align healthcare delivery with moral economy principles. This may include teaching negotiation, emotional regulation, and policy analysis skills necessary for effective advocacy efforts.
- Promoting a Culture of Accountability: Encourage students to consider their future roles in ensuring accountability within their organizations. Discuss frameworks for ethical decision-making that anticipate the societal impact of their decisions on patients and communities.
- Cross-Disciplinary Collaboration: Encourage collaboration with other disciplines (e.g., sociology, ethics, law) to explore the multifaceted issues within the healthcare system. This can deepen students' understanding of how moral and social values intersect with healthcare practices and policy.
- Comparing in a Global Context: Incorporate international examples of healthcare systems that prioritize moral economy principles. Compare and contrast to explore how different systems balance profit motives with patient rights and social justice.
- Facilitating Open Discussions: Create platforms for open dialogue where students can reflect on their own values and experiences in healthcare. Consider fostering discussions on moral dilemmas faced in healthcare management, enhancing students' ability to navigate complex ethical landscapes.
- Reflection on Personal Experience: Encourage students to reflect on their own encounters with the healthcare system, identifying lessons learned and areas for potential advocacy. This can deepen their connection to the material and highlight the importance of humanizing healthcare delivery.

CONCLUSION

After Justice's team and other teams delivered the final presentations in class, we held an exercise where we envisioned a new U.S. healthcare system. Students were asked to reflect on their positive personal experiences and the lessons gleaned from the course. A recurring theme emerged: the desire to create a health system that is fundamentally healing. As stewards of care, healthcare administrators bear an inherent obligation to their patients, particularly the sick and vulnerable. The moral economy framework illuminates the significance of recognizing these obligations and guiding healthcare organizations toward a mission focused on healing, equity, and human dignity (Pellegrino 1993). The moral economy framework informs us to reflect this very core of healthcare and the obligations of healthcare organizations as a moral agent in society for the sick and vulnerable. In this paper, I discussed the basic principles of the moral economy, reflecting on the recent sentinel event and its implications for the field of healthcare and healthcare management. Based on the tenets of the moral economy of healthcare, I also described pedagogical approaches that educators may consider. Healthcare organizations are critical moral agents of society, carrying a vital responsibility of upholding societal norms and obligations as healers. Understanding the importance, it is imperative for the community of healthcare management educators and scholars to consider normative and obligatory expectations that are placed upon healthcare leaders and healthcare organizations. Therefore, we must critically review and continuously develop our education and scholarship to reflect the moral norms and obligations that prioritize human dignity and care for all.

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