



Part 4

Distribution (Customer) Issues

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18 Dr. Martin's Office¹

Seeking a Referral

The professor was not feeling well. In fact, on that Tuesday afternoon, he had felt tired and generally “down” physically. During the fifteen-minute drive home from work, he developed slight nausea and gastric discomfort. When he reached home he headed for the bathroom. For the next several hours, he experienced severe diarrhea and recurring waves of nausea and vomiting. After a few hours, the nausea had subsided somewhat, but the gastric distress persisted through most of what proved to be a long night.

On the following morning, the professor called the office of his primary care physician, Dr. Martin. Dr. Martin's nurse, Betty, came on the line. The professor detailed his physical problems of the previous night. “Betty, the nausea is pretty much gone, but the gastric discomfort is quite severe. I really feel that I need to see a doctor.” Betty replied, “Dr. Martin is booked solid all day, so it would be hard to see him.”

“Betty,” the professor said, “I really feel that I need to see a doctor. Suppose I go to the HealthCheck Clinic. It's close by, and I've always gotten good service there. Could the doctor refer me so that the University's insurance would cover the visit?”

Betty's voice took on a doubtful and clinical tone. “The doctor would not refer you to the clinic. However, I can ask him to prescribe something for the diarrhea. We'll call your pharmacy and place the prescription.”

Slightly perturbed, the professor said, “But I don't understand. My wife and I have always gotten good service at HealthCheck. Why can't he refer me there?”

Betty's clinical tone sharpened. “The doctor would not refer you to the clinic. The medicine should help you, though. I will call it in to the pharmacy.” It was obvious that it would do little good to continue the conversation, and as he was getting a little upset by the tone that Betty used, the professor said, “Thank you,” and hung up. “Thanks for nothing,” he thought to himself.

Collecting Some Information

As the professor thought about the conversation, he got angrier. He did not like being told that he could not choose his own health provider, given that his primary care provider was not available. Besides, HealthCheck was much less expensive than the hospital emergency room. He decided to call the Employee Benefits Office at the University to get their views on the episode. His call was taken by Wendy, the Assistant Director of Staff Benefits.

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The professor related the background of the situation to Wendy and described the results of the call to Dr. Martin's office. Wendy expressed surprise that a doctor who was an approved primary provider with the University's health plan would refuse to approve someone going to HealthCheck if the doctor could not see the patient. "If you can hold on a minute, I'll ask Candy about it," she said.

Candy was the Director of the Employee Benefits Office. After a minute Wendy came back on the phone. "Candy said she was surprised and distressed that Dr. Martin would not refer you to HealthCheck, especially since you requested this. The idea behind the recent changes in the University's health care plan was to cut costs, and this action was certainly cheaper than the hospital's emergency room. After all, the University's plan is self-insured. The faculty and staff ultimately pay all the bills. Professor, Candy said that we could call the doctor's office if you wanted us to."

The professor replied, "No, that's not necessary at this point. I can call them myself if I need to. I'll go ahead and get the medicine that Martin prescribed and take it from there. If I need your help, I'll call." Wendy agreed, wished the professor well, and hung up.

The professor drove to the pharmacy that he used and picked up his medicine. The charge was just over U.S. \$10. Returning home, he took a pill and went to bed. He did not go to work that day.

Trying Again

On Thursday, the professor felt somewhat better, and the diarrhea was more under control. However, the stomach discomfort continued to be a pronounced problem. He went to work that morning. By early afternoon, however, he gave up trying to work and went home. He then called Dr. Martin's office. When Betty came on the phone, the professor explained his ongoing problem, which seemed to be getting worse. "Could the doctor see me this afternoon, Betty?" the professor asked.

"Dr. Martin is not in the office this afternoon," Betty said. The professor expressed his disappointment. Then he repeated his earlier request to be examined by one of the other doctors in the office. Betty replied, "The doctor would not refer you to another doctor for this problem." The professor replied, "But you told me yesterday that he was booked solid, and I couldn't see him. Furthermore, he would not refer me to HealthCheck." Betty responded, "We would have had to have you come in yesterday and wait until we could work you in to see him."

The professor continued, "So you're telling me that he is not in the office and can't see me, yet he wouldn't refer me to another doctor or to HealthCheck. Betty, I really feel that I need to see a doctor. What would he want me to do?"

"I believe he would want you to go to the emergency room," Betty stated. The professor said in a stunned voice, "The emergency room? Why not HealthCheck? He's on the staff of the hospital which owns HealthCheck." "I don't think he would want you to go there," she replied.

The professor was angry, and stated that he found this suggestion to be decidedly unhelpful. "Thanks for your time," he stated and hung up the telephone in disgust once again.

Taking Action

“To heck with this,” the professor growled to himself. He stalked out of the house, got in his car, and drove the two miles to the HealthCheck clinic. Entering the facility, he explained to the receptionist the reason for his visit. She asked him to sit down in the lobby. Almost as quickly as he sat down, a nurse called him to enter the treatment area and led him to an examination room. “What seems to be the problem,” she asked as she took his blood pressure. The professor reviewed his experience of the last two days. “Dr. Martin is my primary care physician. When he couldn’t see me, he did not want to refer me to HealthCheck. I don’t understand that,” he said.

The attendant looked quite surprised. “I don’t understand that, either,” she agreed. “You just lie down. Someone will be right in to look at you.”

Within two minutes, a nurse practitioner named Hilda entered the room. She briefly explained her role in the medical hierarchy. He had seen her before, and had no problem with having her conduct the exam. After looking at the professor’s chart, she used a stethoscope to listen to his stomach. “Oh my,” she exclaimed. “Your stomach is just gurgling.” She checked a few other visible symptoms before speaking again. Then she said, “I’m going to have the nurse take a blood sample to check for bacteria or viruses.” The professor asked, “Will you have to send the sample out?” “No,” Hilda replied. “We have the equipment right here.”

The nurse returned to the examination to draw blood. Then the professor was left alone for about 25 minutes. Hilda then returned with the nurse. “It’s a virus,” she proclaimed, shaking her head. “There’s nothing to do but wait it out, although it is likely close to running its course. I want to check for internal bleeding to be sure that’s not a problem, though.”

After checking him, Hilda told the professor that there was no sign of internal bleeding. “I’m going to prescribe some medicine for you. I want you to go home and stay there for seventy-two hours. Do not go to work tomorrow; you’re contagious.”

The professor gratefully thanked Hilda and the nurse. He drove home and called his wife to ask her to stop by the pharmacy and pick up his medicine on her way home from work. She came home in about an hour, and the professor immediately took the recommended dosage. Within an hour there was noticeable improvement in his condition, and within two hours he felt almost normal. He slept well that night.

A Final Discussion with Betty

By late Friday morning, the professor felt fine. His stomach problems seemed to be a thing of the past. However, he was still wondering why Dr. Martin would not send him to HealthCheck. He called Dr. Martin’s office and asked to speak to Betty. When she came on the line, he told her that on the previous day he had decided to go to HealthCheck rather than to the emergency room.

“The nurse practitioner on duty examined me and took a blood sample. She determined that the problem was viral in nature and prescribed medicine. The medicine did the trick, and my stomach feels much better this morning.” Betty said she was glad that he was feeling better.

The professor continued. “I’m still curious about one thing, however. Given the satisfactory treatment I received last night and the fact that the doctor is on staff at the hospital which owns HealthCheck, why was he so unwilling to refer me to that clinic?”

Betty replied, “The doctor just didn’t feel that you would get the best care there.” The professor asked, “Then I suppose he won’t refer me there so my insurance will pick up the bill?” Betty sounded skeptical. “I will ask him about it again, but I doubt he will approve it.”

Thanking her for her time, the professor hung up. Next he called Wendy in the Staff Benefits Office at the University. He brought her up-to-date on his experience of the last couple of days. He then asked her for her thoughts on the situation.

“I’m really surprised that he wanted you to go to the emergency room,” she said. “That is the kind of thing we hoped to avoid when we adopted the primary care plan. I would think Dr. Martin would know this since he is an approved provider. I’m sorry you had so much trouble, and I will tell Candy what happened.”

The professor thanked Wendy and hung up the phone. He reflected on the events that had transpired over the last few days with mixed emotions. It seemed that he had been caught between the University’s health care plan and Dr. Martin’s office and staff. He wondered about the consistency between the goals of each of the parties in monitoring and protecting his health. He also wondered how much of the cost of his treatment would come out of his own pocket.

Discussion Questions

1. Who is the customer in this case?
2. Describe the supply chain of this health care delivery system. Also, identify the roles of the primary players.
3. Knowing who the customer is, and considering present customer service levels, what are the implications for supply chain redesign and for optimization of good customer service while keeping costs in check?
4. Discuss the ethical issues involved in the doctor’s refusal of referral to the HealthCheck clinic.