

Ask the Ethicist: Conflicts of Interest

October 2008

Q: *Is stock ownership in a medical device/equipment firm or a pharmaceutical company a conflict of interest for an ophthalmologist?*

A: A conflict of interest may exist if a physician recommends treatments using devices or drugs manufactured by a company in which he or she has substantial stock ownership (especially if there are better or more appropriate choices in the marketplace).

Conflicts of interest or other serious ethical dilemmas may occur when a physician inappropriately interprets research results or reports or lectures to colleagues in order to increase demand and utilization for that device or drug. A conflict also may arise if the number of company shares awarded or the value of shares or options held may depend on the outcome of the research.

Unacceptable conflicts can occur if a physician recommends the utilization of certain devices or drugs to a hospital, insurance company or drug benefit plan, for example, and has substantial stock ownership in related industries. On a smaller scale, conflicts could arise when a physician recommends an equipment purchase for his or her practice or department.

The ownership of mutual funds that include stock in companies with which the physician is involved is generally not considered a conflict, except in the unlikely event that the physician is able to influence the selection of stocks for that mutual fund, pension plan or investment portfolio.

Potential conflicts of interest are all around us, and it is likely that any busy ophthalmologist occasionally will encounter them. Management of conflicts of interest begins with recognition and then disclosure to all parties who may have an interest, including patients, colleagues and the public. Beyond disclosure, we must be prepared to recuse ourselves from a decision or position of influence when appropriate.

For more information about or to submit a question for this column, contact the Ethics Committee staff at ethics@aao.org.