Op-Ed

Banishing “Stakeholders”

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EVERY YEAR SINCE 1976, LAKE SUPERIOR STATE UNIVERSITY in Sault Ste. Marie, Michigan, has released a list of banished words—terms in the English language that deserve never to be spoken again. The university’s 2016 list includes “stakeholder.”¹ As one nominator put it, referring to the vampire fighter from *Dracula*, “Dr. Van Helsing should be the only stake holder.”

In the world of health policy, stakeholders abound. The Centers for Disease Control and Prevention notes that stakeholders can be

- program managers and staff;
- local, state, and regional coalitions;
- advocacy partners;
- state education agencies, schools, and other educational groups;
- universities and educational institutions;
- local government, state legislators, and state governors;
- privately owned businesses and business associations;
- health care systems and the medical community;
- religious organizations;
- community organizations; and
- private citizens.²

Soon after this year’s “banished words” list appeared, AcademyHealth convened a meeting “to bring together a diverse group of stakeholders to review and discuss policy priorities at the forefront of child health.” The US Department of Health and Human Services then promoted the National Health IT Stakeholder Pledge and the National Stakeholder Strategy for Achieving Health Equity. The HealthCare Institute of New Jersey convened the New Jersey Healthcare Stakeholders Summit, and the California Department of Public Health published *The Stakeholder Brief*.

These organizations—and many, many more—use the term “stakeholder” to express the meaning of “one who is involved in or affected by a

course of action," the third listed definition in Merriam-Webster's online dictionary (<http://www.merriam-webster.com/dictionary/stakeholder>). An agency "reaches out to," "includes," "engages with," or otherwise "hears from" stakeholders to develop health policies that will work in the real world.

I understand the utility of a shorthand term to signify that policies are not being made in a bubble. But I stand with Lake Superior State University: The term "stakeholder" should be relegated to the same linguistic storage facility as "trepanation" and "orgone generator."

To start, "stakeholder" has a mercenary connotation. The original meaning of the term is a person who literally held the money of bettors while the game was on. This meaning evolved into a second definition: "a person, company, etc., with a concern or (esp. financial) interest in ensuring the success of an organization, business, system, etc."³

Such a word origin is especially curious when it comes to health policy because stakeholders, in fact, frequently do have financial interests in the issue at hand. Depending on the matter, "key stakeholders" may include hospitals, physician practices, pharmaceutical companies, long-term care facilities, managed care organizations, insurers, and health IT companies.

It is, of course, essential to listen to the perspectives of those whose bottom line is affected by regulation and policy, but a catchall phrase like "stakeholder" obscures the landscape in question, much like a dense fog. Consider the greater clarity achieved by changing the sentence "Medicare proposed cutting the reimbursement rate to \$2,500 per procedure, but there is significant pushback from stakeholders" to "Medicare proposed cutting the reimbursement rate to \$2,500 per procedure, but those whose rates would be cut are protesting."

As a business term, "stakeholder" carries an assumption that all stakes have equivalent intrinsic merit. There are strategies to "identify key stakeholders," books on and courses in "stakeholder management," and videos on how to "deal with angry stakeholders." A primary goal of this enterprise is to "make the stakeholders happy."

The purpose of good health policy, however, is not to make the stakeholders happy. Instead, the purpose is to advance the health of the public at reasonable cost. Sadly, a number of health regulations and payment policies include provisions that favor financially interested parties with negative or no benefit for the public at large. "Stakeholder engagement" can put such interested parties on the same level as the many individuals

and families who pay more, suffer worse quality of care, or go without key preventive interventions. In essence, in a world where everyone is a “stakeholder,” there is less room for the public interest.

Those who are skeptical of my concern over this terminology ought to attend a few more “stakeholder meetings.” Many are filled with lobbyists whose job it is to restate established positions of industries or organizations, with little opportunity for give-and-take. Stakeholder meetings can last for hours and include dozens of people, some of whom have tussled and fought with one another for years.

A collection of “stakeholder meetings” is called a “stakeholder committee.” Over many hours of debate and discussion, entrenched interests often take the opportunity to dig in deeper. I recently attended a meeting on hospital finance that one participant ruefully described as the 28th on the topic before restating his organization’s same position from the beginning.

In place of unwieldy stakeholder committees, government agencies should convene smaller advisory committees with a specific charge and timeline. Such committees should hold public meetings and take public comment. The committees can ask those with special expertise, unique experiences, and even financial interest to provide input not only on the problem but also on creative solutions. Moreover, these committees can respond thoughtfully to all perspectives raised before making clearly understood recommendations that serve the common good.

This is hardly a new idea. For example, in October 1927, the Committee to Study and Report on Advisory Committees for Official Public Health Nursing presented its findings at the American Public Health Association meeting in Cincinnati, Ohio. The committee noted that the best advice comes from individuals who “serve without pay” and “represent no partisan politics nor self-seeking interests in the community” and who should “be chosen for their intelligence, public spirit, generally known integrity and good will.”⁴

Recently, the state of Rhode Island asked a small group of experts to engage in extensive public consultation on the challenge of addiction and to make a set of strategic recommendations. At an early public meeting, Dr. Josiah Rich of Brown Alpert Medical School announced, “Our goal here is not to make everybody in this room happy. Our goal is to cut down on overdose deaths.”⁵

With regard to the many stakeholder sessions already being planned for 2017, it’s not too late to break out the dictionary and use more specific

and helpful terms. Agencies should also consider whether a neutral expert committee should be added to the policymaking mix. One can only hope that within a year or two, we all might be working together on banishing other phrases listed by Lake Superior State University from the health policy lexicon, including "community of learners," "factoid," and "kick the can down the road."

References

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