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Unethical Distribution of COVID-19 Vaccines to Major Donors by Overlake Medical Center & Clinics

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NPA 601: Nonprofit Ethical Leadership

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Spring / 2021

1. Title

Unethical Distribution of COVID-19 Vaccines to Major Donors by Overlake Medical Center & Clinics

2. Summary

This case study reviews the unethical practices of Overlake Medical Center sending COVID vaccination invitations to a limited list of people, including donors and members of its board of directors. These invitations provided opportunities to register for standby access to receive the COVID vaccination in the event of any no shows. Without this special invitation, it would be impossible to register for a standby status. In response to negative feedback from the community, the hospital explained its intentions were to disseminate the opportunity to register for standby access to every email address it had on file. The hospital insists that anyone on the standby list would still be required to demonstrate eligibility based on state and local guidelines for vaccine prioritized groups. The hospital's conduct has drawn the attention and rebuke of the Mayor of Seattle and the Governor of Washington.

3. Applications

Nonprofits. This case demonstrates the importance of equity and ethicality in the distribution of COVID-19 vaccines, two principles we often reference in class. It further examines the importance of nonprofit hospitals being transparent, while also ensuring steps to avoid exacerbating existing healthcare access disparities. If the hospital had taken time to consider the possible unintended consequences of effectively creating a VIP access list to get a COVID-19 vaccination, it could have developed a strategy focused more on improving healthcare access for the most vulnerable and underserved members of the community.

Donors. While the major donors were not soliciting special access to the COVID-19 vaccination, many major donors were able to successfully book vaccination appointments. Some donors assumed the invitation had been disseminated broadly to the public. Other donors shared with others in their circles of influence.

Oversight. State and other regulatory and enforcement bodies need the appropriate legal framework to create sufficient leverage to ensure compliance with established laws and expressed intent is being adhered to by organizations distributing the COVID-19 vaccination. The laws in Washington do not provide for such enforcement and oversight, while some states, such as New York, have sufficient compliance and enforcement mechanisms available.

4. Outcomes

1) Even if prioritizing donors and board members on a reserve list is not legally wrong, it certainly raises ethical concerns. Washington has no legal recourse to address an unethical distribution of vaccinations. However, other states do have tools at their disposal to compel compliance.

2) Such an ethical misjudgment can cause damage to an organization's reputation and credibility in the community it serves. Without immediate corrective actions and intentionally transparency, the organization is likely to see longer term damage to its reputation.

3) In the near term, access to further COVID vaccinations could be limited for the organization. In the long term, donations could decline, future contracts could be harder to obtain and renew, and a higher turnover in employees might be forthcoming.

4) The "VIP list" spotlights and exacerbates distrust and the narrative that quality healthcare, and in this case, additionally access to a lifesaving vaccine, are reserved for the wealthy.

5. Video

Institute for Healthcare Improvement: What Is Healthcare Equity, and Why Does It Matter?. Retrieved from: <https://www.youtube.com/watch?v=CwBEkGurMiY>

6. Description

Overlake Medical Center & Clinics had to launch a new scheduling system for COVID vaccinations. Due to this transition from the old scheduling system to the new one, approximately 1,400 available vaccine slots were not listed in the old or new system due to technical difficulties. To fill as many of these appointments as possible, the hospital reached out to certain people, including major donors and board members. Despite any intention expressed to the contrary, this decision created the appearance of favoritism in the hospital's distribution of the COVID-19 vaccination.

The Chief Development Officer for Overlake Medical Center & Clinics emailed approximately 110 donors who gave more than \$10,000, inviting them to register for one of the available appointments and receive the coveted COVID-19 vaccination. This raises concerns about hospital-led vaccine distribution strategy, which puts a large amount of responsibility for implementation on the hospital's shoulders.

As many eligible seniors struggle to navigate a confusing and often disorganized landscape of vaccine appointment websites and hotlines, this hospital extended exclusive access to some major donors, board members, some patients, volunteers, employees, and retired health providers. According to Tom DeBord, the medical center's chief operating officer, the invitation was a quick-fix solution after the hospital's scheduling system failed. In hindsight, DeBord acknowledged the approach was not the best way to do it, while also describing the significant pressure being applied to complete as many vaccinations as possible and increase capacity.

Overlake Medical Center released an official statement, which included the following justification and apology for their actions:

"There have been logistical challenges for hospital systems to meet the demands to successfully schedule vaccinations and administer vaccine supply received. Despite these challenges, we have administered 11,000 vaccines to date, and will soon administer vaccines for over 40,000 community members who have upcoming appointments scheduled through our online system.

Recently, in an effort to notify people of additional, immediate-term vaccine appointments that had become available, we sent emails to approximately 4,000 members of the Overlake community, including volunteers, retired nurses and physicians, all employees and about 100 donors from our Foundation database. All communications made clear that people must show proof of eligibility under current Washington State requirements to ultimately be vaccinated, no matter who they are or how they are affiliated with us.

We recognize we made a mistake by including a subset of our donors and by not adopting a broader outreach strategy to fill these appointments, and we apologize. Our intent and commitment has always been to administer every vaccine made available to us safely, appropriately, and efficiently.” (Marsh, 2021).

Guidance from federal and state officials typically focus on ensuring the vulnerable populations are prioritized, without addressing potential line-jumping for affluent or otherwise connected people. Despite having negligible oversight structures in place, word of Overlake’s VIP vaccination invitations came to the attention of Jay Inslee, the governor of Washington. Only after receiving a phone call from Governor Jay Inslee’s staff did the hospital shut down access to the invite-only vaccination booking website.

This might seem to imply no one or very few were able to use the exclusive website to register for the coveted COVID-19 vaccination appointments. However, many people were able to successfully register for appointments. In one case, a large donor forwarded the invitation to a friend. That friend made an appointment and booked appointments for dozens of others within days, most of whom were people of color over the age of 65.

7. Questions

- 1) Who at the hospital should take responsibility for limiting access to standby COVID vaccinations to those invited via email?
- 2) How can nonprofit hospitals work to maintain and strengthen their trust within the communities served?
- 3) Would the nonprofit sector benefit from this hospital facing any further consequences for their actions? If so, why?
- 4) How could the hospital adjust access to the standby COVID vaccinations to improve access to the most vulnerable and underserved members of the community?
- 5) What responsibility do the Major Donors and Board Members have in this case study? Should they be held accountable, or is the majority of the blame put on the organization?

8. Resources

KING 5 News: Push to prevent Washington hospitals from prioritizing donors for COVID-19 vaccine. Retrieved from: <https://www.youtube.com/watch?v=vmU2VFKSVjU>

KING 5 News: Bellevue's Overlake Medical Center apologizes for prioritizing eligible donors for COVID-19 vaccine. Retrieved from: <https://www.youtube.com/watch?v=7Q8chInnkmg>

9. Endnotes

Bush, Even; Reicher, Mike; and Brownstone, Sydney. *Overlake Medical Center donors got special access to COVID-19 vaccine; Inslee rebukes hospital system*. The Seattle Times. <https://www.seattletimes.com/seattle-news/times-watchdog/special-access-to-covid-19-vaccine-for-overlake-medical-center-donors-draws-inslee-rebuke/>. February 4, 2021.

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Marsh, J. Michael. *Our statement to the community*. Overlake Medical Center & Clinics. <https://www.overlakehospital.org/news/2021-01/our-statement-community>. January 27, 2021.

Stiffman, Eden. *Fundraisers' Group Condemns Letting Donors and Board Members Jump the Vaccine*. The Chronicle of Philanthropy. https://www.philanthropy.com/article/fundraisers-group-condemns-letting-donors-and-board-members-jump-the-vaccine-line?bc_nonce=30ghnffskms518eoto1cy&cid=reg_wall_signup . February 2, 2021.

Disclaimer: The case study here analyzed is made for educational purposes only and it is based on publicly available documents. The case is publicly shared to advance the collective consciousness of the nonprofit social sector and to develop nonprofit ethical leadership practices. The case does not reflect an official position of the university toward the interested parties. Although formulated with sound academic and critical analyses methods, the case does not claim to represent the full realities of the organizations and people involved, especially in their most recent developments or internal remedies. For questions and concerns please contact the USF Office of General Counsel generalcounsel@usfca.edu or Dr. Marco Tavanti mtavanti@usfca.edu