

Legal Insight



Pharmaceutical Industry-Sponsored Meals and Prescribing Rates: New Research Shows Link

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A new report published in the Journal of the American Medical Association (JAMA) has noted a link between pharmaceutical industry payments to physicians and prescribing rates for brandname medication. Specifically, the study found that receipt of industry-sponsored meals affected physicians' prescriptions of brand-name products relative to generic alternatives in the same drug class. The study compared physician data sets from the Open Payments program and Medicare Part D, evaluating whether there was an association between industry payments and prescribing rates for the brand-name medications that were being promoted. The data focuses on the most-prescribed brand-name drug in each of Medicare Part D's four drug categories in 2013. Notably, the study points out that there is "limited, mixed, or contrary evidence about the superiority" of these drugs over their generic alternatives.¹

The study population included over 279,000 physicians, and across the four study groups, 2% to 12% of these physicians received payments promoting the target drug. The study focused on meals sponsored by the pharmaceutical industry, since these make up almost 80% of the total number of payments that drug and device manufacturers make to physicians. Of the payments studied here, 95% were for sponsored meals, with a mean value of \$12 to \$18 per meal. The study found that receipt of a single industry-sponsored meal, with a mean value of less than \$20, "was associated with prescription of the promoted brand-name drug at significantly higher rates to Medicare beneficiaries" and additional or more expensive meals were associated with even greater increases in the prescribing rate for the promoted drug.

Of course, the idea that industry payments are linked to physician behavior is not new, and industry groups have attempted to self-regulate behavior that could improperly influence a clinician's independent medical judgment. The Pharmaceutical Research and Manufacturers of America (PhrMA) has adopted the PhRMA Code on Interactions with Healthcare Professionals, which allows provision of meals along with informational presentations and discussions by industry representatives. Meals must be "modest as judged by local standards," not part of an entertainment or recreational event, and provided in a way that is "conducive" to the informational presentation.² The Open Payments plan, used to provide data for this study, requires disclosure of certain financial relationships between industry and providers. Many states have implemented their own "sunshine" reporting requirements that adopt PhrMA's guidelines or impose additional disclosure requirements and limitations on industry payments.

However, this study does raise the question of how low the threshold for payments should be set, since even payments of less than \$20 are associated with different prescribing patterns. PhrMA has not yet released an official response to the study, but a representative has taken issue with the "false narrative" advanced by the study, suggesting that the educational sessions, not the provision of meals, may be the factor influencing prescription decisions.³

Alternately, as the study's authors note, some physicians may choose to attend educational

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¹ Pharmaceutical Industry-Sponsored Meals and Physician Prescribing Patterns for Medicare Beneficiaries, DeJong, et al, JAMA Intern Med, June 20, 2016.

² PhRMA Code, available at http://www.phrma.org/sites/default/files/pdf/phrma_marketing_code_2008.pdf (last accessed June 27, 2016)

³ See, e.g., http://www.npr.org/sections/health-shots/2016/06/21/482922838/even-a-small-meal-for-a-doctor-can-tip-the-balance-for-a-brand-name-drug (last accessed June 27, 2016).

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sessions for products they already prefer. Other doctors may not attend educational sessions at all. Additionally, the study linked five months of Open Payments data with one year of Medicare Part D prescription data, so the study could not verify a temporal relationship between a meal or payment and a subsequent prescription. The study is careful to characterize the results as "an association, not a cause-and-effect relationship." However, the study, and its coverage in the press, reflect a shifting reality for pharmaceutical and device manufacturers. As patients and providers focus on reducing healthcare costs, pharmaceutical promotion has become subject to both regulatory and public scrutiny.

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