



July 11, 2008

# Fact Sheet

## PhRMA Marketing Code 'Interactions with Healthcare Professionals': Old vs. New

*The Prescription Project promotes evidence-based prescribing and works to eliminate conflicts of interest in medicine due to pharmaceutical marketing.*

*The Project promotes policy change by working with*

- *State and Federal Policymakers*
- *Academic Medical Centers*
- *Professional Medical Societies*
- *Private Payers*

*Created with The Pew Charitable Trusts, the Prescription Project is led by Community Catalyst in partnership with the Institute on Medicine as a Profession.*

### Introduction

On July 10, 2008, the Pharmaceutical Researchers and Manufacturers of America issued a revised voluntary Code on "Interactions with Healthcare Professionals." The following is a brief summary and comparison of the previous Code, revised in 2002, and the latest one.

2008 PROVISION	ANALYSIS
<b>Section 2 – Meals</b>	
Meals in-office or in-hospital with rep only. Must be modest by local standards. No spouses. No takeaway.	<p>No major change to existing code for in-office meals.</p> <p>Eliminates lunch with a drug rep at a restaurant, but still allows for other industry personnel to provide "modest" restaurant meals.</p> <p>Also allows for modest meals at a restaurant if a group of physicians gather to hear an industry-funded physician speaker.</p> <p>Allows companies to sponsor meals at third-party conferences and meetings (including those at which CME is provided as part of the program).</p>
<b>Section 3 - Entertainment</b>	
No entertainment or recreational items, such as tickets to the theater or sporting events, sporting equipment, or leisure or vacation trips, whether or not there is an educational component.	No major change to the status quo, although it does close a loophole that allowed for entertainment of consultants and speakers.

<b>Section 4 – Continuing Medical Education</b>	
Companies to separate CME grant-making functions from sales and marketing departments.	Consistent with OIG recommendations.
No direct subsidy to attendees for travel or attendance.	Status quo. Likely little effect.
The company should not provide any advice or guidance to the CME provider, even if asked by the provider, regarding the content or faculty for a particular CME program funded by the company.	Consistent with new ACCME standards. Concern is that CME companies know how to produce the content that companies want and will do so because they depend on ongoing funding.
No direct funding of meals.	Because CME providers can be funded to provide meals, this may have little material effect. In addition, meals may be provided at third-party conferences and meetings at which CME is provided as part of the program.
<b>Section 5 – Professional meetings support</b>	
No direct support of individual attendees	A welcome change.
Support for meetings is permitted.	Status quo
Company should not influence content	Companies will still be able to fund meetings consistent with their goals.
No support, direct or indirect, of reimbursement for attendees or travel for spouses.	Status quo
<b>Section 6 – Consultants</b>	
Companies should continue to ensure that consultant arrangements are neither inducements nor rewards for prescribing or recommending a particular medicine or course of treatment.	Status quo
Compensation must be reasonable and fair market value.	Still allows for lucrative relationships
No token or advisory relationships for time or travel.	Status quo. Notwithstanding that this language is the same as the old code, consulting payments have been increasing, according to available state disclosure data. The effectiveness of this is subject to the effectiveness of the provisions below.
Bonafide relationships defined by some of the following:	
<ul style="list-style-type: none"> <li>Written contract specifies services and payment</li> </ul>	
<ul style="list-style-type: none"> <li>A legitimate need for the consulting services has been clearly identified in advance of requesting the services and entering into arrangements</li> </ul>	This is important if it were truly implemented.
<ul style="list-style-type: none"> <li>The number of healthcare professionals</li> </ul>	This is important if it were truly

retained is not greater than the number reasonably necessary to achieve the identified purpose;	implemented.
<ul style="list-style-type: none"> <li>Retaining company maintains records concerning and makes appropriate use of the services provided by consultants;</li> </ul>	
<ul style="list-style-type: none"> <li>Venue is conducive to the consulting services and activities related to the services are the primary focus; specifically, resorts are not appropriate venues.</li> </ul>	No major change to current practice, although the explicit exclusion of resort venues is welcome.
<ul style="list-style-type: none"> <li>Modest meals</li> </ul>	
<ul style="list-style-type: none"> <li>No spouses.</li> </ul>	
<b>Section 7 – Speakers</b>	
Speakers must be trained on the product and on FDA rules	Status quo
Reasonable compensation allowed, including travel and honoraria	Status quo, except that resorts are no longer allowed as a training venue.
Annual cap on individual speaker fees to be established by each company	Any effect will depend at what level individual companies set the cap.
<b>Section 8 – Formularies and Treatment Guidelines</b>	
Industry consultants who also serve on formulary or practice guidelines committees must disclose industry relationships to the committee	An improvement, although it would be better if such relationships were also disclosed publicly.
<ul style="list-style-type: none"> <li>Disclosure requirement to extend two years after end of financial relationship with industry</li> </ul>	
<b>Section 9 – Scholarships and education</b>	
Recipients to be chosen by the institution, not industry	A welcome change.
<b>Section 10 – Non-educational items</b>	
No non-educational items, including pens, pads, mugs, reminder items with product logos	A welcome change.
Stethoscopes, etc. not allowed.	A welcome change.
<b>Section 11 – Educational items</b>	
Educational items for clinicians or patients allowed if under \$100	Would limit expensive textbooks. Would still allow for a premium subscription to a marketing-supported drug information system (e.g. Epocrates).
Items should not have value outside intended use (e.g. CD player not allowed)	Would limit some potential for abuse.
Items to be offered only occasionally	Vague; no audit. Public reporting would enhance these provisions.
<b>Section 12 – Prescriber data</b>	

Respect voluntary opt-out programs. Otherwise, continue as current practice	Status quo
<b>Section 15 – Adherence to code</b>	
Website will list companies that pledge to adhere to Code	Useful, although companies that do not agree to adhere, as well as non-member pharmaceutical companies and medical device makers will not be identified.
Companies encouraged to seek external verification every 3 years that appropriate policies for Code adherence are in place	An internal policy audit is not a replacement for mandatory public disclosure of industry marketing.

*The Prescription Project is led by Community Catalyst in partnership with the Institute on Medicine as a Profession. Created with The Pew Charitable Trusts, the Project promotes evidence-based prescribing and seeks to eliminate conflicts of interest in medicine caused by pharmaceutical marketing by working with academic medical centers, professional medical societies, public and private payers, and state and federal policymakers. For more information, please visit [www.prescriptionproject.org](http://www.prescriptionproject.org)*

