



July 15, 2009

**The Honorable Henry A. Waxman
The Honorable Charles B. Rangel
The Honorable George Miller**

Support for Physician Payments Sunshine Provision

Dear Sirs,

Thank you for including Subtitle D— Physician Payments Sunshine Provision (Section 1451) in the July 14 Tri-Committee bill on Health Care Reform.

This provision reflects the recommendation by major medical, consumer and industry groups, as well as MedPAC and the Institute of Medicine (IOM), for Congress to pass federal legislation to bring transparency to the financial relationships between pharmaceutical or medical device companies and health professionals and organizations.

As you know, numerous Congressional investigations, media reports, published studies and legal settlements have highlighted the extensive financial links between medicine and industry, and the potential of such links to influence prescribing and increase health care costs.

According to analyses in the *New England Journal of Medicine*, 94% of physicians have some financial relationship with industry, and companies spend at least \$25 billion each year marketing to doctors. While many relationships between academic medicine and industry are necessary and beneficial, they create potential conflicts of interest. Studies show that financial relationships can influence prescribing and drive up costs.

Your provision will create a clear, comprehensive transparency initiative that will generate useful data, but will not limit business conduct. Among the key elements that we support are:

Comprehensive reporting. A reporting threshold of \$5 includes even small gifts and payments that studies show can influence prescribing.

Broad inclusion of covered recipients. MedPAC and IOM agree that a federal transparency standard should go beyond physicians to cover other providers and institutions. Industry marketing to NPs and PAs has increased markedly in recent years to roughly 20 million detail visits in 2006, a 20% increase over 2004.

Careful pre-emption of state laws. Preemption of state disclosure laws will remove a potential compliance burden for companies. We commend the current language for preserving the right of states to collect information that is not collected under the federal bill.

This initiative has support from diverse stakeholders. We believe that its passage will protect patients and help restore trust in our health care system.

Sincerely,

**Allan Coukell
Director, Pew Prescription Project
The Pew Charitable Trusts**

**Marcia Hams
Director of Prescription Access and Quality
Community Catalyst**

The following groups support federal transparency legislation, including these key provisions:

- **Require reporting of all transfers of value above a low threshold**
- **Define physician-industry financial relationships broadly**
- **To the extent they affect state laws, pre-empt only the collection of information that will be collected under the federal program.**

AIDS Action Committee of Massachusetts	Health Action New Mexico	National Research Center for Women & Families
Alliance for Retired Americans	Health Care for All (MA)	National Senior Citizen's Law Center
American Federation of Labor and Congress of Industrial Organizations (AFL-CIO)	Health Partners Medical Group (MN)	National Women's Health Network
American Federation of State, County and Municipal Employees (AFSCME)	HealthPartners Health Plan (MN)	Neighborhood Health Plan of Rhode Island
American Medical Student Association (AMSA)	Human Services Coalition of Miami-Dade County	New Jersey Citizen Action
Center for Medical Consumers	Idaho Community Action Network	NJ Family Voices
Center for Science in the Public Interest	Long Island Health Access Monitoring Project	No Free Lunch
Central New York Citizens in Action, Inc	Maine Consumers for Affordable Health Care	North Carolina Justice Center's Health Access Coalition
Citizen Action of Wisconsin	Maryland Citizens' Health Initiative	Oregon Health Action Campaign
Coalition of Wisconsin Aging Groups	Massachusetts Senior Action Council	Our Bodies, Ourselves
Committee of Interns and Residents / SEIU Healthcare	Medical Accountability Network	Pharmacist Planning Services
Commonwealth Care Alliance (MA)	Medicare Rights Center	Rural Wisconsin Health Cooperative
Congress of California Seniors	Milwaukee County Commission on Aging	South Carolina Appleseed Legal Justice Center
Consumers Union	Ministry Health	Statewide Parent Advocacy Network (NJ)
DES Action	Mississippi Health Access Program	Tennessee Health Care Campaign
Families USA	Mississippi Human Services Coalition	The Everett Clinic (WA)
Florida Alliance of Retired Americans	MN Senior Federation	United Senior Action of Indiana
Florida CHAIN (Community Health Action Information Network)	Mon Valley Unemployed Committee (PA)	Universal Health Care Action Network of Ohio
Government Accountability Project	National Committee to Preserve Social Security and Medicare	US PIRG
Gray Panthers	National Education Association	USAction
	National Partnership for Women & Families	Utah Health Policy Project
	National Physicians Alliance	Washington Community Action Network (Washington CAN!)
		Wisconsin Alliance for Retired Americans

