

Drug Firms' Payola Practices under Fire

PATIENTS PAY THE PRICE

Don McLeod

Congress is getting ready to crack down on drug companies that lavish gifts and entertainment on doctors to induce them to prescribe certain brands.

The drug industry is spending more than \$5 billion a year on promotion in the United States alone, claims Senator Edward Kennedy, D-Mass. "Much of this spending is legitimate and in the public interest," he says, "but some is not." As chairman of the Senate Labor Committee, Sen. Kennedy conducted hearings late last year on the promotion practices of many large pharmaceutical firms. He said legislation may be needed to curtail "questionable" promotions by some drug firms.

Such legislation could help consumers. According to Senator David Pryor, D-Ark., drug companies spend so much on marketing and advertising that they drive up retail prices. "These unreasonable and unjustifiable prices," he told the Labor Committee "have a devastating impact on our nation's elderly, who often have to make tough choices between buying food and paying for their medications."

Drug industry spokesmen denied there is anything wrong with the promotions which, they say, provide a valuable service for both doctors and patients.

But witness after witness, mostly doctors, told a different story. "I have received any number of gimmicks to help remind me to use a specific drug," John C. Nelson, a Salt Lake City obstetrician told the committee. "Among the many that come to mind are: golf balls with a company or drug logo, rulers, pens, pencils, note pads, mugs, glasses, cups, hats, caps, shirts, magnets, towels, tie tacks, clipboards, a large variety of anatomic models, games, puzzles, socks, visors, packages of candy, gum, popcorn, tickets to shows, dinners, weekend getaways, golf fees, tennis balls, and cash."

What these promotions add up to, testified Sidney M. Wolfe, M.D., director of the Public Citizen Health Research Group, is, "The drug companies and the doctors whom they bribe are classic examples of white-coated and white-collared crime."

While that might be making too much of ballpoint pens and baseball caps, the innocuous favors on Nelson's list are outweighed by other gifts. Kennedy's committee found that one firm set up a frequent-flyer plan for doctors who prescribe one of its products. Fifty such prescriptions got the participating doctor a free ticket to anywhere in the continental United States. Another company offers a \$1,200 "grant in aid" for doctors who participate in a "study" by answering a few simple questions about patients receiving an expensive drug.

Promotional dinners are one of the most popular marketing techniques. A drug firm throws a dinner at which doctors get a free meal and often fees of \$100 or \$200 just to hear a presentation about the sponsor's product. Even more questionable: free vacations for doctors and their spouses to such places as Hawaii or the Caribbean. While there, the doctor may hear a lecture on the host's products; often the rest of the time is spent golfing or dining or dancing.

Doctors can justify these freebies because they are required by state certification boards to participate in continuing education programs. "The pharmaceutical companies now subsidize virtually all continuing medical education for doctors," L. Frederick Fenster, a Seattle internist, testified. "They have essentially taken over the financing of this important industry, considered by most states to be a crucial component of quality care, and indeed required by most states for relicensure."

Both the industry and the American Medical Association (AMA) deny the situation is as sordid as critics claim. Gerald J. Mossinghoff, president of the Pharmaceutical Manufacturers Association, testified that the communication efforts are "the major source of information needed to select the most appropriate drug and to prescribe and dispense it effectively and safely." Mossinghoff also said the successful marketing of products helps the industry fund vital research, which now costs drug firms \$8 billion a year.

The industry and the AMA each has adopted new guidelines for drug company gifts to doctors. Essentially, they say it is all right for doctors to accept pens, pencils and the like and even "modest" meals but not cash payments, including fees for attending medical conferences.

Still, Said Sen. Kennedy, "questions remain as to how these guidelines will be followed and enforced and how many of the questionable activities ... are covered by the guidelines."

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