

June 18, 2009

Washington - Rep. Peter DeFazio (D-Springfield) and Rep. Pete Stark's legislation, the Physician Payment Sunshine Act, was included in the discussion draft of the House health care reform bill released today. DeFazio and Stark introduced similar legislation in the 110th congress.

The measure would require prescription drug and medical device manufacturers to publicly report any gifts provided to doctors in connection with their marketing activities.

This information, under DeFazio and Stark's language would be made widely available to the public.

This measure will provide much needed transparency into the increasingly corrosive relationship between the pharmaceutical companies and American physicians.

"Americans are being gouged by pharmaceutical companies that spend more on marketing than they do on research and development," DeFazio said. "They enjoy generous subsidies from the government, but have no accountability when it comes to the billions of dollars they spend promoting high priced drugs.

I am glad this legislation, which would shine a light on the marketing practices of drug companies and give patients the information they need to make an informed decision about their healthcare, was included in the House health care reform bill."

Pharmaceutical companies spend over \$19 billion dollars a year in direct marketing to physicians. This marketing comes in the form of lavish trips, meals, speaking fees, and honorarium. Over 94% of physicians admit to receiving these gifts every year with many receiving payments in excess of hundreds of thousands of dollars a year. A report in the *Journal of the American Medical Association*

showed these gifts are influencing the clinical decisions of doctors. Recently, two of the largest drug companies in America were found to have been paying doctors hundreds of millions of dollars to prescribe their anemia medications that were recently found to be unsafe at commonly used doses.

“If the billions of dollars drug companies spend taking doctors on trips to the Caribbean and to expensive dinners at the country’s finest restaurants are above-board, then the pharmaceutical industry should support my legislation,” DeFazio said. “This bill will keep the pharmaceutical industry honest.”

It is expected that the House Committees on Energy and Commerce, Education and Labor and Ways and Means will mark up the health care reform bill in July.