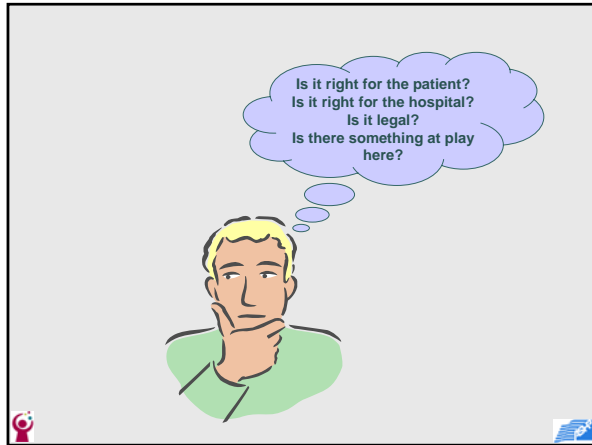
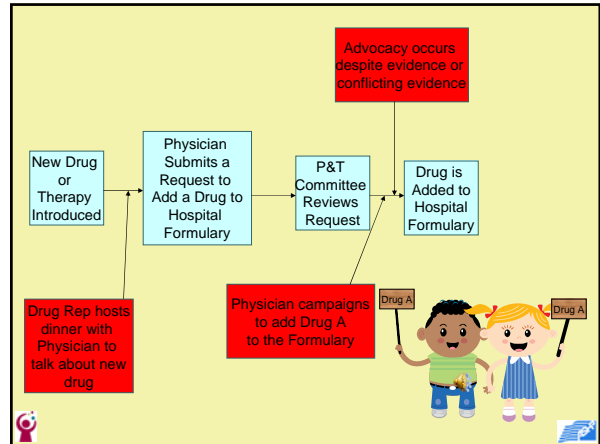




**Keeping the Fox Out of the Hen House...
How to Reduce Inappropriate Influence in the
P&T Committee**

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Lakeland Regional Medical Center

Issues of Influence

- o A one minute encounter between physician and sales rep typically results in a 16% increase in prescriptions of the rep's products.¹
- o A four minute encounter prompts a 52% jump in ordering and prescribing habits.¹
- o \$12 increase in prescription sales for each dollar paid to a physician consultant.²

¹ Walsh, Tom. "Massachusetts Medical Society | Home." Massachusetts Medical Society | Home. 21 Sep. 2009. <http://www.massmed.org>.
² Handley, K. (n.d.). "Drugmakers willing to pay to get doctor's approval - St. Petersburg Times". 30 Sep. 2009. <http://www.stpetersburg.com/news/health/medicine/drugmakers-willing-to-pay-to-get-doctors-approval/10318178>.

P&T Committee Provisions

- o Rule 8: "To avoid even the appearance of impropriety, companies should require any healthcare professional who is a member of a committee to disclose the nature of his/her relationship."
 - Disclosure should extend for two years beyond termination of speaker or consultant agreement
 - Healthcare Professionals who serve as consultants should be required to follow the procedures set forth to recuse themselves from decisions related to medicine for which they speak.

What are our problems?

- o No national legislation.
- o Voluntary compliance with the 2008 PhRMA Code.
- o Codes have no enforcement
- o Suggestive not mandatory language

What do we do?

Proposed suggestion

- Leverage the P&T committee
- 2-Part Approach:
 1. Require disclosure of influence activities
 2. Negotiate with Pharmaceutical Companies when reviewing new formulary requests



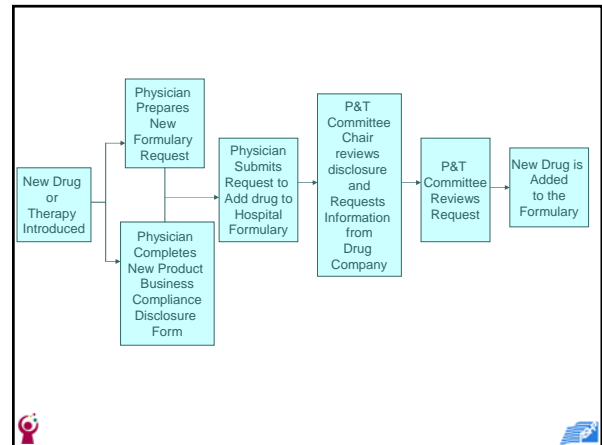
Required Disclosures

- New Formulary Request requires completion of a drug-specific disclosure form
 - Disclosure lists all types of possible paid activity
 - Requires initials if no activity
 - Attestation explicitly states hospital's reliance on disclosure
- Annual disclosure by all P&T Committee members

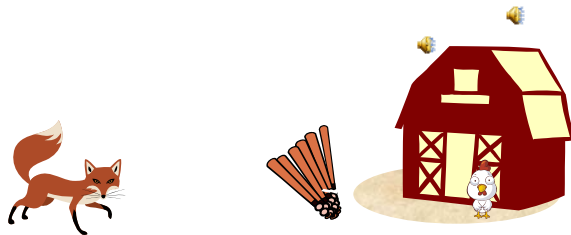


Negotiation with Pharmaceutical Companies

- Pharmaceutical Companies maintain logs of their paid consultants
- Most do not publish this list
- P&T Committee has leverage to approve or disapprove formulary requests
 - Approvals are based on many factors, including whether a request was biased or influenced
- May prompt Pharmaceutical Companies to begin internet listing of paid relationships with physicians
 - Consistent with State legislation and pending Federal legislation
 - Support the disclosure requirements in the 2008 PhRMA Code
 - Would enable P&T Committee to self-police instead of requesting the information from the Pharmaceutical Company.



Keeping the Fox Out of the Hen House... How to Reduce Inappropriate Influence in the P&T Committee



Memorandum

To: Pharmaceutical Drug Company

From: P & T Committee Chairman

Date: [Date]

Re: Formulary Request for Drug

The [Hospital] P & T Committee will be evaluating your drug _____ for inclusion on its formulary. To ensure that our formulary review process is above reproach, [Hospital] requires verification of all relationships between pharmaceutical companies and the members of the [Hospital] P & T committee.

Before proceeding with the evaluation of your drug, please mark with either a yes or a no next to each name listed below indicating whether you have or had a relationship within the last 12-month period. Relationship includes any of the following with your company parent company subsidiary or related company:

- Company/Manufacturer Funded Research;
- Company/Manufacturer Consultancies;
- Company/Manufacturer Advisory Panels;
- Company/Manufacturer Funded Honoraria;
- Company/Manufacturer Employment;
- Company/Manufacturer Stock Ownership;
- Expert Testimony;
- Company/Manufacturer Gifts (value greater than \$10).

| P&T Committee Members | YES | NO |
|-----------------------|-----|----|
| 1. | | |
| 2. | | |
| 3. | | |
| 4. | | |
| 5. | | |
| 6. | | |
| 7. | | |
| 8. | | |
| 9. | | |
| 10. | | |
| 11. Requester | | |

Please fax completed form to [P&T Committee Chairman] at (XXX) XXX-XXXX.