

Comments for the ACCC re 17th Edition of Medicines Australia Code

1. Sanctions

Medicines Australia fines for severe Code breaches (maximum \$300,000, average \$50,000) is not an effective deterrent.

Comment: ACCC should make authorising the Code conditional on increasing the maximum fine imposed to at least \$1.0 million.

2. Disclosure

Medicines Australia requirement of member companies to submit aggregate amounts of all payments made to healthcare professionals for advisory boards and consultancy arrangements; attendance and speaking at medical conferences and educational events; and sponsorships for consumer organisations including the value of non-monetary support falls short of full disclosure.

A number of Australian [pharmaceutical companies](#) have indicated that they will make disclosure of payments to individual healthcare professionals along the lines of the [U.S. Physicians Sunshine Act](#) which, although delayed, will require reporting from January 1, 2013.

Medicines Australia current plan to set up a working group to give advice on this matter is inadequate and untimely.

Medicines Australia CEO Brendan Shaw has said he is concerned that doctors known to have received pharmaceutical company payments will face tabloid media witch-hunts. But if health professionals have legitimate reasons for receiving money from industry, they should have no concerns about this information being made public.

Mr Shaw has also stated that the costs of collecting this information would be prohibitive, but presumably member companies must currently collect data about what they pay to which doctors and forwarding this data to Medicines Australia does not seem to create extra significant costs.

Comment: ACCC should make authorising the Code conditional on full disclosure of individual payments to healthcare professionals.

3. Limitations of industry self-regulation

In Australia, there is too much variation in the quality of regulation by different therapeutic industry associations. Furthermore self-regulatory codes don't apply to non-members. In 2011 a government [Working Group on Promotion of Therapeutic Products](#) was set up to address these problems. Consumer and health professional representatives argued for an independent Therapeutic Goods Promotion Agency

administering a single complaint (and monitoring) system and set of effective sanctions applicable to all therapeutic claims and promotional activities regardless of the industry sector, media or target. As you know, the ACCC believes that industry Codes are more effective when consumers, consumer associations, the government and other community groups participate fully in self-regulatory bodies.

Comment: ACCC should make advocate for a single all-inclusive national regulator. Meanwhile ACCC should make authorising the Code conditional on adding consumer and health professional representatives to the Code governing body.

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