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## **AMA submission to the Australian Competition and Consumer Commission - Medicines Australia Code of Conduct Edition 17**

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The AMA supports the reauthorisation of the Medicines Australia Code of Conduct Edition 17 for five years.

We support changes to the Code to require the reporting in aggregate of:

- sponsorship of health professionals to attend educational events;
- payments made to health professionals to attend and speak at educational meetings; and
- payments to health professionals who act as advisory board members or provide consulting services.

The AMA acknowledges the public benefit in reporting the total amount of sponsorship and payments. This change will provide equal transparency to the reporting of expenditure on educational events.

There is also a public benefit in medical practitioners continuing ethical relationships with the pharmaceutical industry.

Medical practitioners' involvement and provision of advice in the development of medicines contribute to a product that is not only efficacious in a laboratory setting but also in a real-life practice setting. These medical practitioners are often then best placed to pass on knowledge to their colleagues to ensure new medicines are used appropriately. Educational events sponsored by pharmaceutical companies fill a vacuum in the provision of education that would otherwise have to be funded and delivered by other entities.

Pharmaceutical companies also seek medical practitioner membership in clinical advisory committees to ensure they have access to independent medical advice and expertise.

It is reasonable that medical practitioners who provide these services to the pharmaceutical industry are financially compensated for the time they spend away from their usual practice commensurate to the impact on their income. It is also reasonable for their travel costs to be covered. Medical practitioners who participate in Government policy committees are

compensated for lost income through payment of fees determined by the Remuneration Tribunal and also have their travel costs covered.

Pharmaceutical companies and medical practitioners operate in heavily regulated environments. In addition, codes of conduct require ethical and transparent behaviour in their dealings with each other and in their professional conduct.

Medical practitioners have an ethical obligation to disclose any conflicts of interest to patients. In the current environment, individual medical practitioners have the opportunity to do so in the context of their patient's care and treatment.

Sponsorship or payments within an ethical framework are not inappropriate. Public reporting of pharmaceutical payments to individual medical practitioners does not inform the public about the nature of the interaction. Members of the public may make incorrect judgments about the independence of a medical practitioner merely because he or she has been individually named. Public reporting does not allow medical practitioners to explain the nature of the relationship as they can on a one-to-one basis with a patient. Any public reporting mechanism would have to ensure patients are fully informed about the nature of the payment.

Any method of public reporting of payments to individuals would need to address these risks. Otherwise it could discourage medical practitioners from participating in legitimate activities with pharmaceutical companies that in fact have a public benefit.

If not done correctly, public reporting has the potential to misinform the public, and could unduly affect a medical practitioner's reputation, e.g. if the nature of the payment is not clear or the payment amount is incorrect or attributed to the wrong medical practitioner. Further, the sensitivity and impact of publicly reporting elements of individual health professions' personal incomes needs careful consideration. Significant work would need to be done to develop the right reporting framework and mechanisms for correcting errors.

The AMA therefore commends Medicines Australia's proposal to work further with stakeholders on the issue of public reporting on pharmaceutical companies interactions with individual healthcare professionals.

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