

A personal opinion from a player in the pharmaceutical industry.

I'll start by saying that most pharmaceutical companies try to do the right thing and that the manner of how each company handles situations with HCPs is different and depends largely on the internal culture and individual senior management. Most will try to stay within the Code, however the balance between the commercial benefit/gain and any risk of any action is weighed up differently. Some companies take bigger risks.

I do believe however that no company has or will bring a complaint against another in relation to HCP travel, HCP sponsorship or the amount of honorarium paid for services such as speaking. To do so would be commercial suicide. The HCPs would avoid all interactions with that company - or worse, punish it by not prescribing their products. Thus the risk of providing, or agreeing to provide, excessive sponsorships or honorariums to HCPs is very low in the present system.

So, because of this limitation, the present system of self-regulation does not work that effectively in respect of honorariums paid to HCPs and the distribution of sponsorships/grants. Disclosure and transparency of this information will make it cleaner and easier - even for the companies.

Like many laws in life, they exist to stop the unacceptable excesses and protect society in general. So too should the Medicines Australia Code of Conduct - it should support people to make the right decisions in a transparent manner that withstand true scrutiny and provide the back up for the difficult decisions where some pressure is being applied. How can the actions of the companies and the interactions with the prescribers "withstand public and professional scrutiny" when only a small part of it is transparent enough for it to be scrutinised?

HCPs expectations can sometimes be unreasonable and out of date - they do occasionally make threats to sales representatives to get what they want (eg higher honorarium, sponsorship for a meeting or travel grant etc) - this is often by refusing access for a sales rep or threatening to prescribe another product. Sales Directors know this is the case and will sometimes allow the rules to bend to accommodate these demanding HCPs. I believe it is often a combination of the expectations of the HCPs, the fear by companies of the consequences of not obliging, and that some companies are more likely to oblige than others, that result in some companies making decisions that probably put them in breach of the MA Code of Conduct. Not common, but these situations do arise and cause widespread problems between HCPs, companies, sales reps and internal management. The Code needs to be stronger to help companies deal with these situations and know that any company that does not do the same thing will be exposed. Until that happens everyone is afraid to be the odd ones out.

A typical talk on behalf of a pharmaceutical company would earn the speaker \$1,000 or more. Some demand anywhere between \$1-2K and higher - for what is usually a one-hour talk. Often, but not always, they use slides provided by the company or have to adhere to RACGP accredited presentations - so the preparation is quite minimal in many of these cases. Would the public be

surprised to know this – most people I have mentioned it to have been very surprised – shocked might be a better description.
(some therapeutic areas are notorious for this – presently diabetes is a booming area - so endocrinologists are demanding high prices to be paid speakers.)
There can be no denying that the educational content of these talks is obviously biased to the companies' products. Companies see these talks as mere extensions of their product promotion.

The use of KOLs is very widespread and amount to nothing short of paid comments. These KOLs are provided with multiple business class airfares to the medical meetings of their choice. For meetings in Europe or North America this usually means a cost of up to \$15,000 per KOL for the sponsoring company. To date no company has been made to reveal these sponsorships or the cost, yet these are the large cost items and have the most influence with HCPs. Transparency on this would surprise many - probably evenmost HCPs.

Some rules should be applied; some suggestions:

- Any sponsorship/grant that includes any hospitality (i.e. travel or accommodation, meals etc) must be declared. If that sponsorship is over \$1000 per year the HCPs name must be included (broken down by individual sponsorship).
- No company can sponsor the same HCP more than once in a 24 month period.
- HCPs who serve on TGA, state tender boards (for medicines) or similar committees should not be sponsored whilst in those positions
- If a company sponsors or subsidises a HCPs travel to a meeting it cannot allow the HCP to extend the stay for any personal reason (i.e. holidays etc) (this is a very common occurrence. The company would need to be in control of the ticketing for this.
- Companies should only be able to sponsor a certain amount or only limited items. This means the HCPs have some stake in their attendance. It has been known for HCPs to be sponsored to attend international meetings and never turn up – probably off motoring around Europe somewhere !
- HCPs should be responsible for their own meals, taxis and other incidentals.
- Either Medicines Australia or the AMA (or whoever) should set published fee rates for interactions with pharmaceutical companies. (Presently some HCPs can sell themselves to the highest bidder!)

(Sponsorship or grant = providing anything directly or indirectly to HCPs and/or medical associations, unis etc (the definitions within companies differ and can be used to avoid somethings) The Code must clearly make every payment, direct or indirect, no matter what it is called, reportable.)

Such rules are merely common sense and are likely to result in a more equitable distribution of educational funds – rather than being concentrated to the top KOLs, who enjoy subsidised holidays as extensions to these sponsorships. It would also not affect the overall provision of “educational events” by companies, which is line they often raise (I disagree with the naïve comments in the Sanofi submission – the present system does not provide equitable unbiased education – it buys influence with a select few who have influence. The big-ticket sponsorships and their recipients need to be more transparent)