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Dr Richard Chadwick  
General Manager  
Adjudication Branch  
Australian Competition and Consumer Commission  
23 Marcus Clarke St  
CANBERRA ACT 2600

Via email: [adjudication@accc.gov.au](mailto:adjudication@accc.gov.au)

Dear Dr Chadwick

Pfizer Australia (Pfizer) welcomes the opportunity to provide a submission in relation to the Medicines Australia Limited - Revocation and Substitution - A91436 - A91440 application. Pfizer fully endorses the Medicines Australia Code of Conduct 18<sup>th</sup> Edition submitted for authorisation.

### **The Code Review Process**

The Medicines Australia Code of Conduct (the Code) provides a robust framework for the Industry to promote medicines to healthcare professionals, to support patient care and to engage with healthcare professionals and other stakeholders. The proposed Code is a product of comprehensive consultation and long and careful deliberation by stakeholders, by Medicines Australia and by Member Companies.

The Code Review process was notable for the inclusion of representatives from the Consumers Health Forum and the Australian Medical Association on the Code Review Panel. The Code Review was conducted in a transparent fashion with regular Code Review Panel Communiqués published on the Medicines Australia website.

The Code Review panel responsibly explored the impact of the Privacy Legislation on the introduction of named disclosure of transfers of value to healthcare professionals. The general guidance obtained from the Australian Privacy Commissioner has informed the 18<sup>th</sup> Edition of the Code. It is highly evident that increased transparency delivered by an Industry Code requires the support of healthcare professionals and their peak bodies. There is strong support for increased transparency from prominent healthcare professional representative bodies, effective partnerships between these bodies and industry will be critical to deliver meaningful transparency to consumers.

The Code Review was also informed by issues raised by the Code of Conduct Committee and the Monitoring Committee which came to light during their comprehensive review of complaints and the full range of referred(?) matters arising from their review of materials covered by the Code.



Pfizer applauds the manner in which Medicines Australia works to further enhance the Code with each subsequent edition. The 18<sup>th</sup> Edition of the Code includes many enhancements, including increased transparency.

## Transparency

Pfizer strongly supports increased transparency in our industry. We believe it is important that we work with healthcare professionals to provide them with information about the safe, effective and appropriate use of our medicines. At the same time we acknowledge the community's desire to have confidence in the relationships between pharmaceutical companies and healthcare professionals.

We recognise that transparency and the trust it cultivates is essential to the development and delivery of healthcare. Transparency is a cornerstone in fostering trust between government, industry, healthcare professionals and patients. Pfizer fully supports the incorporation of increased transparency measures into the 18<sup>th</sup> Edition of the Code.

As the issue of transparency has been closely considered by the industry following the authorisation of the 17<sup>th</sup> Edition of the Code by the ACCC, it has become apparent that there are widely differing opinions as to what transparency should look like. This is evident in submissions to the ACCC, e.g. Dr Geoff Smith's recommended approach being to "to follow the 'trail' of the larger payments"(specifically including payments made for Clinical Research) and the Consumer Health Forum calling for the reporting of transfers of value over a \$10 threshold. Further, as noted on the [Medicines Australia Website](#)<sup>1</sup>:

*The Transparency Working Group members did not reach a consensus on every aspect of the model. It has not been endorsed or agreed upon by any of the Transparency Working Group members' organisations. The model provides a basis for consultation and feedback as part of the Medicines Australia Code of Conduct Review.*

The Key findings of [Consumer Workshops](#)<sup>2</sup> (from the three workshops held in Perth, Sydney and Melbourne) regarding reporting thresholds are highly informative:

### **Reporting threshold**

*The transparency discussion paper discussed what the reporting threshold should be, giving two options for consideration:*

- *that the model should require transfers of value of \$10 to be recorded, with reporting when the annual cumulative value to an individual healthcare professional reaches \$100 or more,*
- *that the model should record and report transfers of \$25 or over to a single healthcare professional.*

*After discussion, there was overall support across all workshops for a higher threshold than either option. Participants acknowledged that small transfers of value can influence prescribing behaviour, especially if these are cumulative, and that some health practitioners can be influenced even when there is no transfer of value because they have a strong working relationship with a pharmaceutical company representative. Still there was a view that, at least to start, the system should be set up to record more significant transfers ('don't sweat the small stuff'). It was felt that to require very small amounts to be recorded would demonstrate a very low level of trust in the ethical behaviour of healthcare professionals, requiring a lot of paperwork and oversight to 'catch' the very small percentage of practitioners whose decisions might be influenced by small value transfers. A higher threshold would be more manageable in the first instance for all concerned (those collecting, recording and reporting and using data), would be less open to ridicule and misrepresentation and could be adjusted downwards if, down the track, it was felt that the level had been set too high.*

*A possibility of utilising an activity based threshold rather than the dollar value thresholds proposed was discussed at two of the meetings. There was general support for this notion on the grounds that the type of activity leading to the transfer of value (rather than the dollar value of the transfer) might be a more reliable predictor of influence and that compliance might be easier under an activity based system.*



The activity based reporting outlined in the 18<sup>th</sup> Edition of the Code is consistent with the Consumer feedback above and the [\*Responsible Transparency\*](#)<sup>3</sup> being implemented by the 33 European Countries with an EFPIA Member Association.

## Summary

The collaborative working relationship between the Industry and healthcare professionals is extremely important. The expertise provided by healthcare professionals to the Industry informs the Industry's efforts to improve the quality of patient care and to refine treatment options. The healthcare professional education sponsored by the Industry provides opportunities for the exchange of scientific information and continuing education. A healthy working relationship between the Industry and healthcare professionals is in the best interests of patients. Increasing transparency around these relationships, when achieved by reasonable and workable measures, protects the integrity of the relationship and engenders trust.

Pfizer, in endorsing the 18th Edition of the Code, welcomes the very real benefits of increased transparency and trust that it will bring. As noted above, this is in the best interests of patients and prescribers, and also provides the industry with certainty. We appreciate that there are others who may prefer a different approach to that outlined within this Edition of the Code. The reality is that there are a number of outstanding issues to be resolved, including the availability of a unique identifier for healthcare practitioners. That is why we are committed to continuing our discussions with all stakeholders so we can continue to develop workable solutions in support of transparency. We are confident these matters can be addressed in time, and trust they do not prevent the timely adoption of the improvements already contained within the 18th Edition of the Code.

Yours sincerely

A handwritten signature in black ink, appearing to read "D. Gallagher".

**David Gallagher**

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<sup>1</sup> <http://medicinesaustralia.com.au/files/2012/08/20130621-Transparency-Reporting-Model-Consultation-Discussion-paper.pdf>

<sup>2</sup> <http://medicinesaustralia.com.au/files/2010/01/20131217-rpt-Report-of-Consumer-Workshops-Final.pdf>

<sup>3</sup> <http://transparency.efpia.eu/the-efpia-code-2>