Doctors and drug companies are locked in "vicious circle"

Melissa Sweet

BMJ 2004;329;998-
doi:10.1136/bmj.329.7473.998

Doctors and drug companies are locked in "vicious circle"

Melissa Sweet *Sydney*

A radical new approach to paying drug companies should be introduced—rewarding them for improving health rather than maximising sales, the UK parliamentary health committee has been told.

The proposal, by Healthy Skepticism, an international watchdog group based in Australia that is concerned with misleading drug marketing, was put to committee members during a week long visit to Australia that ended last week.

The MPs met doctors, academics, and drug companies and other groups as part of their inquiry into the influence of the drug industry. They also held meetings related to previous inquiries into child migrants and HIV and AIDS.

Dr Peter Mansfield, director of Healthy Skepticism, said in a memorandum given to the MPs that doctors and drug companies were locked in a "vicious circle," encouraging each other to do the wrong thing.

"If companies overpromote their drugs effectively, doctors reward them via higher drug sales," he said. "If doctors overprescribe drugs, companies have more money for gifts and for promotion, reinforcing doctors' beliefs that they are doing the right thing."

Rather than paying for research, education, and promotion through drug prices that are much higher than production costs, taxpayers would get better value by paying for those functions through separate competitive tenders, Dr Mansfield said.

One option could be to pay a combination of the traditional payments according to sales volume, but at lower prices, supplemented by bonus payments for achieving performance targets, such as appropriate use.

"The main difference would be a shift from paying drug companies to do the wrong thing (overpromoting drugs) to paying them more according to their contributions to improving health," Dr Mansfield said.

Healthy Skepticism's memorandum made other suggestions:

- In an ideal world promotion of drugs would be banned. If this was not achievable, the more it was limited the better the results would be for health;
- Ideally doctors should be banned from receiving gifts or any other incentives from drug companies. An alternative would be to make all gifts to doctors taxable;
- Doctors should be helped to become better decision makers.

Meanwhile Dr Rob Moodie, chief executive officer of the Victoria health promotion organisation VicHealth, said he told the MPs that investment in prevention was distorted by too much investment in drugs at the expense of more effective measures.

He said tens of millions of taxpayers' dollars had been spent on bupropion (Zyban) in Australia, with most patients not even finishing the smoking cessation treatment, and yet $A10m (£4.1m; $7.4m; €5.8m) had not been forthcoming for a national antismoking campaign that would have been far more effective, he said.

"The system is designed to provide a lot more money for pharmaceuticals than it does for far more effective prevention approaches," Dr Moodie said.

Professor Les Toop and Dr Dee Richards, from the Department of Public Health and General Practice at the Christchurch School of Medicine and Health Sciences, told the MPs of several examples where direct to consumer advertising in New Zealand had been misleading and had led to inappropriate, expensive prescribing.

They said direct to consumer advertising should be banned and that industry self regulation did not work. They also gave examples of drug companies funding patients' groups in New Zealand and of engineering "disease creation" campaigns to expand markets.

Speaking to the MPs Dr Richards emphasised the need to limit mass exposure to drugs until long term safety had been studied. □

Companies may face tighter regulation over promoting drugs

David Spurgeon *Quebec*

The drug industry may be facing the same kind of sea change in business practices and regulation that other segments of corporate America faced in the wake of Enron and other corporate scandals, says an article in the *New England Journal of Medicine* (2004;351:1891-900).

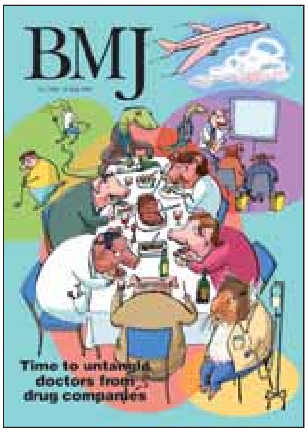
David Studdert and colleagues from the Harvard School of Public Health and Harvard Medical School say that the remarkable increase in regulatory, self regulatory, and prosecutorial activity that currently focuses on conflicts of interest between doctors and drug companies will intensify.

With the continuing publication of studies showing that even small gifts can influence doctors' behaviour, the government will grow more aggressive in enforcing measures against kickbacks, they say, and as the cost of drugs continues to rise and Medicare becomes an increasingly prominent payer the government will seek any means available to reduce the overuse and cost of drugs.

They cite "an extraordinary regulatory ferment in the area of conflicts of interest involving physicians," particularly in their relations with the drug industry. In 2002 the American Medical Association, the American College of Physicians, and the Accreditation Council for Continuing Medical Education each issued or revamped guidelines for doctors' relations with drug companies.

In July 2002 the drug industry adopted a broad code of conduct for its constituencies, and in 2003 the Office of the Inspector General of the Department of Health and Human Services released guidelines with which manufacturers had to comply to avoid liability risk.

One reason for the change, in addition to the rise in drugs costs, is a growing awareness "of the troubling influence that pharmaceutical marketing can have on patient care," say the authors. And with a new federal law dealing with fraud and abuse "the law has begun to annex terrain previously controlled by professional ethics."



Financial entanglement between the industry and doctors was explored in a theme issue of the *BMJ* last year

The industry spends about $12bn (£6.6bn; €9.5bn) a year on gifts and payments to doctors, funds more than 70% of clinical trials, and shoulders more than half the costs of formal continuing education programmes in medicine. Financial entanglement has bred close ties between the industry and doctors. Contacts with trainees come early and continue as they move into practice.

The authors cite the Lupron case, in which government investigators probed relations between TAP Pharmaceuticals and various urologists in the marketing of leuprorelin acetate (marketed as Lupron in the United States and Prostap in the United Kingdom), a potent gonadotropin releasing hormone agonist used to treat prostate cancer. TAP Pharmaceuticals was found to have encouraged urologists to bill Medicare at the average wholesale price for Lupron, which they received free or at discounted prices. A settlement required TAP to pay $290m in criminal fines and $585m in civil penalties (*BMJ* 2001;323:828).

The drug industry and medical associations have responded to greater policing but their new codes need further development, say the authors. □