

Pharmaceutical Marketing Expenditures in the District of Columbia, 2013



**Prepared for
Government of the District of Columbia
Department of Health
Health Regulation and Licensing Administration**

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I. Executive Summary

Overview

Title III of the AccessRx Act of 2004 requires that any “manufacturer or labeler of prescription drugs dispensed in the District that employs, directs, or utilizes marketing representatives in the District” annually report marketing costs for prescription drugs in the District. Companies are required to report expenses for advertising to District residents; gifts valued at more than \$25 given to District health professionals; and costs associated with employees or contractors who directly or indirectly engage in advertising and promotional activities in the District.

As required by the Patient Protection and Affordable Care Act of 2010, the Centers for Medicare and Medicaid Services established the Open Payments system, which collects information on gifts from pharmaceutical companies to physicians and teaching hospitals made on or after August 1, 2013. In response, the District of Columbia Department of Health (DOH) instructed companies to report to AccessRx only physician and teaching-hospital gifts made prior to that date, while reporting all other information for the entire calendar year.

One hundred sixty-one pharmaceutical manufacturers and labelers submitted reports of their 2013 District of Columbia marketing expenditures to the DOH. Reported expenditures totaled \$101.2 million, which represents an increase over the 2012 total of \$97.5 million. This is the second consecutive year of increasing expenditures, following years of decline from 2007 (when companies reported spending a total of \$158.2 million) to 2011 (a total of \$83.7 million).

In this document we report in aggregate format on the results of analyses of pharmaceutical companies’ 2013 reported marketing expenditures. We first describe both the total amounts reported, and then give results of analyses for which we removed gift expenditures that we deemed reportable to the federal Open Payments system rather than the District’s AccessRx system. This report also provides information on the quality of submissions and recommendations for continuing to improve the quality and utility of data in future years.

Key Findings

Expenditures for pharmaceutical sales representatives and other employees and contractors engaged in marketing accounted for the largest share of total expenditures. These *Aggregate Expenses* totaled \$65.2 million, or 64.4% of all expenditures. *Advertising Expenses*, for District-specific advertising activities, totaled \$5.7 million, or 5.6% of all expenditures. Both findings are consistent with previous years.

Companies reported \$30.4 million in spending on *Gift Expenses*, including food, speaker fees, grants, and travel. This constitutes only a slight decline from the 2012 total of \$30.5 million. We had expected reported spending in this category to decline as companies reported gifts made to physicians and teaching hospitals in the last five months of 2013 to the new federal Open Payments system instead of the AccessRx system.

Specific findings related to overall expenditures include the following:

- For 2013, 161 pharmaceutical manufacturers and labelers reported payments totaling \$101.2 million for advertising, gift, and aggregate expenses in the District of Columbia. (The “aggregate expenses” category is the amount spent on compensation for employees and contractors conducting marketing activities in the District.) Of this grand total, \$65.2 million were reported for aggregate expenses (64.4% of the total), \$30.4 million for gift expenses (30.0%), and \$5.7 million for advertising expenses (5.6%).
- Total expenditures increased from 2012, due mainly to an increase in aggregate expenditures. Between 2012 and 2013:
 - Aggregate expenditures increased by \$3.6 million (5.9%), from \$61.5 million to \$65.2 million;
 - Gift expenditures decreased by \$57,027 (0.2%), from \$30.5 million to \$30.4 million;
 - Advertising expenditures increased by \$227,701 (4.2%), from \$5.4 million to \$5.7 million; and
 - Total expenditures increased by \$3.8 million (3.9%), from \$97.5 million to \$101.2 million.
- Nearly four-fifths (78.6%) of the 140 companies that reported aggregate expenses reported spending more than \$25,000. This is a slight increase from 2012, when 73.5% of companies reported aggregate expense totals above \$25,000.

Total reported gift expenditures declined by \$1.8 million – from \$30.4 million to \$28.6 million – when we excluded gifts to physicians, medical practices, and teaching hospitals made on or after August 1, 2013. This exclusion was due to the federal requirement that these gifts be reported to the federal Open Payments system rather than to states with reporting laws. (See Section III for details.) Although our analysis of gifts made to physicians, medical practices, and teaching hospitals covered only the first seven months of the year (while other analyses covered the full year), physicians and medical practices together received three-quarters (75%) of gifts from pharmaceutical companies in 2013. Specific findings from our analysis of the remaining gifts include the following:

- As in previous years, the majority of gifts (69.7%) took the form of food, but monetary gifts (Cash or Checks, Grants, and Donations, Consultant Fees, and Honoraria) accounted for the most value given (\$26.2 million, or 92.2% of the total).
- Physicians and medical practices together received three-fourths (74.8%) of all gifts, although their gifts accounted for only 21.9% of the gift value (\$6.2 million).

The District’s AccessRx reporting system collects data on some forms of spending not reportable to the federal Open Payments system, including aggregate expenses for staff and contractors and gifts to recipients other than physicians and teaching hospitals. In 2013, pharmaceutical companies gave \$21.9 million in gifts to recipients other than physicians, medical practices, and teaching hospitals (the recipients for whom gifts must be reported to Open Payments). The vast majority, \$21.4 million, went to non-individual recipients, a group that received \$19.6 million in 2012.

Other findings from the analysis of gifts to recipients not covered by Open Payments include the following:

- The top ten Disease-Specific Organizations received \$13.9 million in 2013, an increase of 143.3% over the 2012 total of \$5.7 million. The median gift value was \$50,000. (Note that the composition of the “top ten” groups is based on each year’s reported gift totals, so the group composition changes from year to year.)
- The top ten Professional Organizations, representing individuals in particular clinical specialties or demographic groups, received \$3.7 million in 2013; the median gift value was \$21,719. This represents a 53.1% decrease from the \$7.8 million this group received in 2012.
- Nurses (including nurse practitioners) received gifts totaling \$320,532, with a median gift value of \$88, and physician assistants received gifts totaling \$95,456, with a median gift value of \$73. As is the case with physician gifts, food gifts for nurses and physician assistants were the most common gifts and accounted for the greatest share of the gifts’ dollar value.
- The top ten Disease-Specific Organizations and top ten Professional Organizations primarily received monetary gifts.

It will be instructive to see whether and how gift patterns change as the federal Open Payments system gathers more data, and as more analyses of that data are published. Comparing AccessRx data to Open Payments data can identify shifts in pharmaceutical-company spending patterns. For instance, the large increase in gifts to Disease-Specific organizations could be due to pharmaceutical companies shifting their spending patterns in response to the public availability of Open Payments data. Continued collection and analyses of AccessRx reports can help identify such trends.

II. Summary of Pharmaceutical Marketing Expenditures

For 2013, 161 pharmaceutical manufacturers reported payments totaling \$101.2 million in advertising, gift, and aggregate expenditures in the District of Columbia. Company reports of total marketing expenditures ranged from \$83 to \$10.6 million (excluding eight companies that reported no expenses). The median value for total marketing expenditures for companies reporting expenditures above \$0 was \$133,287.

Beginning August 1, 2013, pharmaceutical companies were required to report gifts to physicians and teaching hospitals to the federal Open Payments system. The District of Columbia Department of Health instructed pharmaceutical companies to report to the District only gifts *not* reportable to Open Payments, because the Affordable Care Act specifies that the federal reporting requirement preempts state requirements to report the same information. For this reason, the 2013 expenditures reported to the District likely do not capture all of the marketing expenditures pharmaceutical companies made in the District over the course of the entire year. The 2013 gift-expenditure totals are therefore not directly comparable to gift-expenditure totals from previous years. Reports of gifts to non-physician individuals and to organizations other than teaching hospitals, advertising, and aggregate expenditures are not affected by federal requirements.

Total Expenses

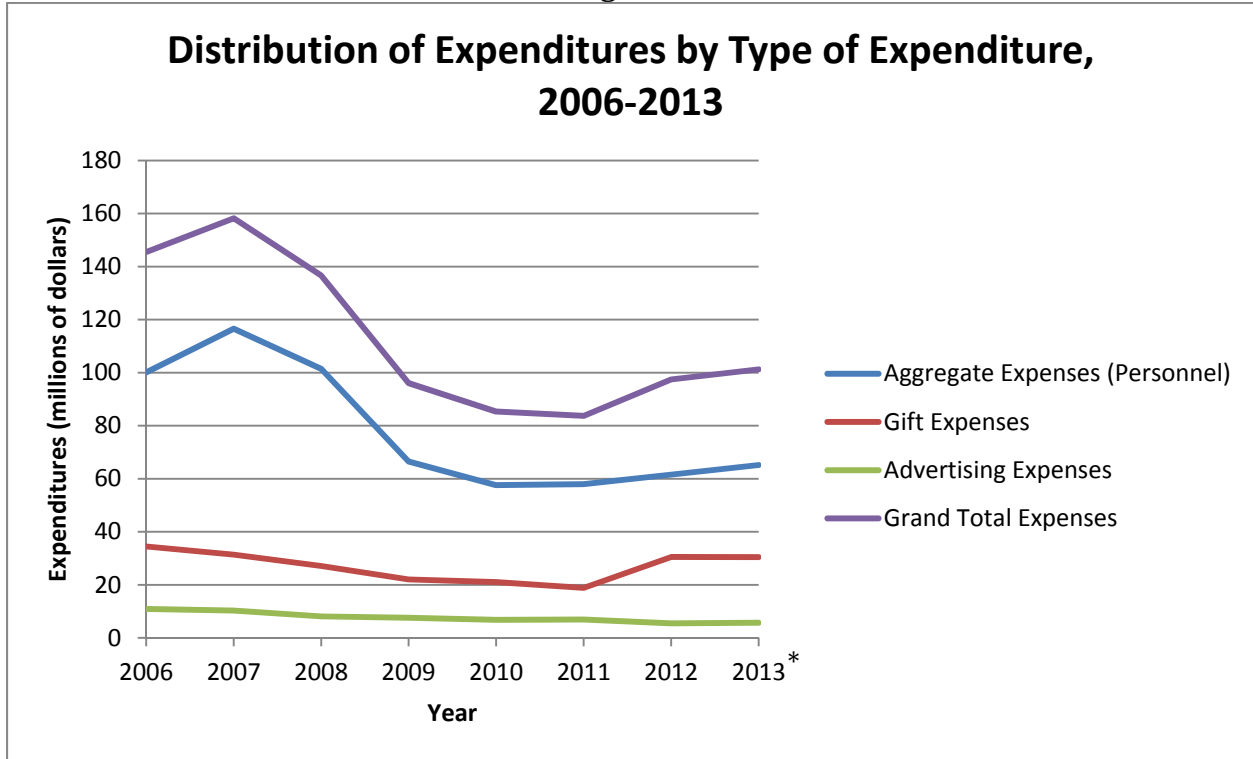
Table 1 shows the total reported amount in each category from 2006 through 2013; Table 2 shows the percentage of the total spent in each category. The apparent increase in expenditures from 2006 to 2007 is most likely due to improvements in the reporting process rather than to an actual increase (a standardized Excel spreadsheet was first provided to manufacturers in 2007). After 2007, reported expenditures decreased every year until 2012. Expenditures continue to increase, and the 2012-2013 increase is likely higher than what is reported here, because the mid-year introduction of federal reporting requirements allowed companies to not report to the District expenditures that were reported to the federal Open Payments system.

Table 1

Total Pharmaceutical Marketing Expenditures in DC by Type of Expenditure, 2006-2013				
Category of Expenses	Aggregate Expenses (Personnel)	Gift Expenses	Advertising Expenses	Grand Total
Total Value Reported for 2013*	\$65,158,392	\$30,414,193	\$5,673,841	\$101,246,426
Total Value Reported for 2012	\$61,537,192	\$30,471,220	\$5,446,140	\$97,454,522
Total Value Reported for 2011	\$57,920,090	\$18,859,946	\$6,894,171	\$83,674,207
Total Value Reported for 2010	\$57,551,911	\$21,010,822	\$6,791,214	\$85,353,974
Total Value Reported for 2009	\$66,483,622	\$22,034,979	\$7,569,036	\$96,088,376
Total Value Reported for 2008	\$101,425,020	\$27,090,335	\$8,108,052	\$136,623,408
Total Value Reported for 2007	\$116,573,964	\$31,382,109	\$10,254,533	\$158,210,607
Total Value Reported for 2006	\$100,141,658	\$34,431,608	\$10,892,163	\$145,495,429

**Companies were instructed not to report gifts to physicians and teaching hospitals given between August 1 and December 31, 2013, as these gifts were instead reportable to the federal Open Payments system.*

Figure 1



*Companies were instructed not to report gifts to physicians and teaching hospitals given between August 1 and December 31, 2013, as these gifts were instead reportable to the federal Open Payments system.

Table 2

Total Pharmaceutical Marketing Expenditures in DC by Type of Expenditures as a Percent of Total Expenditures, 2006-2013			
Category	Advertising Expenses	Gift Expenses	Aggregate Expenses
2013*	5.6%	30.0%	64.4%
2012	5.6%	31.3%	63.1%
2011	8.2%	22.5%	69.2%
2010	8.0%	24.6%	67.4%
2009	7.9%	22.9%	69.2%
2008	5.9%	19.8%	74.2%
2007	6.5%	19.8%	73.7%
2006	7.5%	23.7%	68.8%

*Companies were instructed not to report gifts to physicians and teaching hospitals given between August 1 and December 31, 2013, as these gifts were instead reportable to the federal Open Payments system.

Aggregate Expenses

Pharmaceutical companies reported *Aggregate Expenses*¹ – total expenditures for employees and contractors engaged in District marketing activities – of \$65.2 million in 2013. *Aggregate Expenses* accounted for nearly two-thirds (64.4%) of total marketing expenses in 2013. *Aggregate Expenses* totals of the 140 companies that reported any spending in this category ranged from \$732 to \$6.1 million, with a median value of \$99,871. Twenty-one companies reported no *Aggregate Expenses*.

Of the companies that reported any *Aggregate Expenses* in 2013, 110 of 140 (78.6%) reported spending more than \$25,000. This is a slight increase compared to 2012, when 73.5% of reported *Aggregate Expenses* totals were above \$25,000. Thirty-two companies (22.9% of the 140 reporting *Aggregate Expenses*) reported spending more than \$500,000 in 2013, and most (20 of 32, or 62.5%) had totals higher than \$1 million.

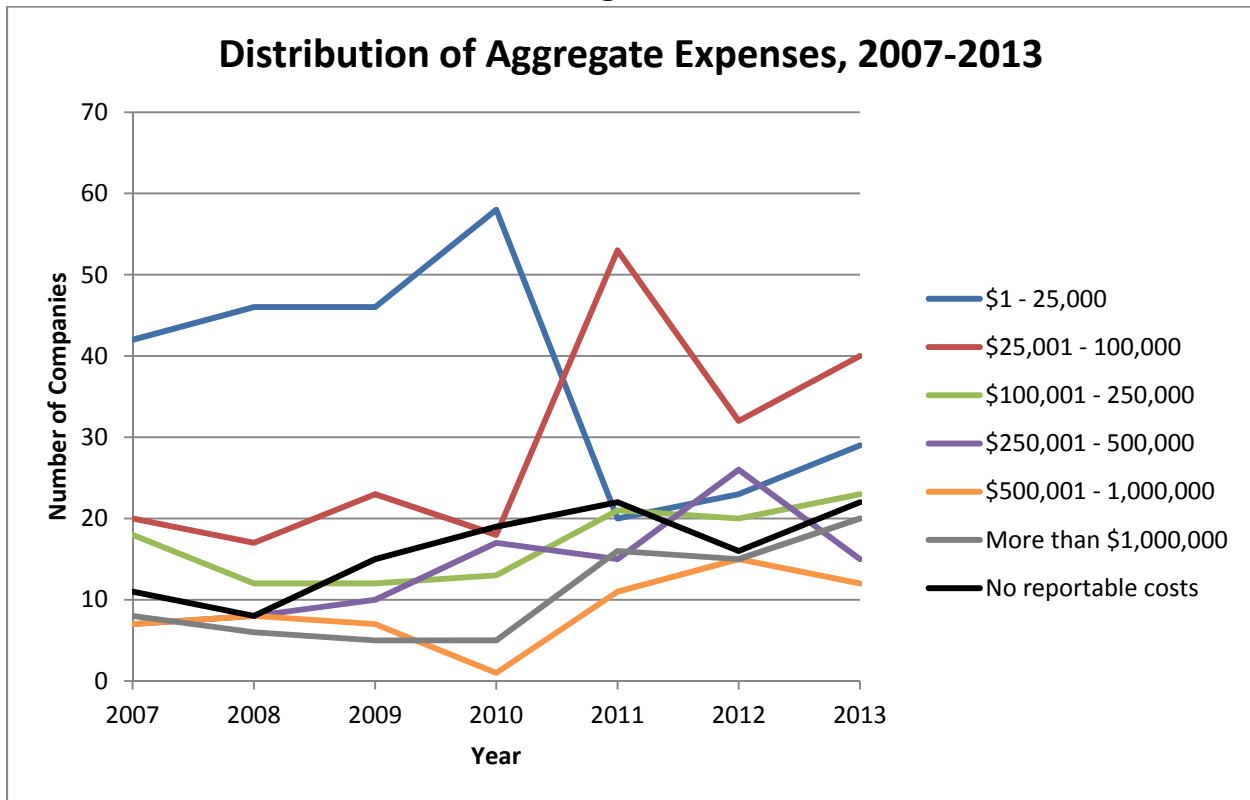
Table 3 shows the distribution of total 2013 *Aggregate Expenses*, and Figure 2 depicts the distributions from 2007 through 2013.

Table 3

Distribution of 2013 Aggregate Expenses		
Total Aggregate Expenses	Number of Companies (Percentage of All Companies)	Total Value (Percentage of All Value)
More than \$1,000,000	20 (12.4%)	\$45,236,514 (69.4%)
\$500,001-\$1,000,000	12 (7.5%)	\$9,183,430 (14.1%)
\$250,001-\$500,000	15 (9.3%)	\$4,814,909 (7.4%)
\$100,001-\$250,000	23 (14.3%)	\$3,407,240 (5.2%)
\$50,001-\$100,000	16 (9.9%)	\$1,244,670 (1.9%)
\$25,001-\$50,000	24 (14.9%)	\$882,277 (1.4%)
\$10,001-\$25,000	17 (10.6%)	\$314,001 (0.5%)
\$1-\$10,000	13 (8.1%)	\$75,350 (0.1%)
No reportable costs	21 (13.0%)	-
Total	161 (100.0%)	\$65,158,392 (100.0%)

¹ Pharmaceutical companies are provided with a spreadsheet to calculate and report *Aggregate Expenses*, but are not required to submit the spreadsheet. The spreadsheet includes a line for each employee (or contractor) engaged in promotional activities, with salary, benefits, and commission. The amount of employee time devoted to District marketing activities is multiplied by total compensation to yield the District total for that employee. The sum of all District totals is the company's *Aggregate Expenses* total.

Figure 2



Gift Expenses

The 139 companies that reported any *Gift Expenses* spent a total of \$30.4 million on gifts in 2013. Gifts include monetary payments, food, and travel given to organizations and individuals. Again, this amount is likely an underreport, because companies were instructed not to report gifts given to physicians and teaching hospitals for the last five months of 2013, to avoid duplicate reporting to the federal Open Payments system. This may account for the fact that the reported *Gift Expenses* total did not increase between 2012 and 2013, although totals for the other two spending categories did.

Reports of total gift expenses ranged from \$34 to \$10.5 million. The median value for company gift expenses greater than zero was \$40,197. Thirty-two (19.9%) of 161 companies that submitted marketing reports to the District reported \$0 in 2013 *Gift Expenses*.

The six companies that reported more than \$1 million in gift spending accounted for well over half (57.1%) of the value of all 2013 *Gift Expenses*. This is a notable increase from 2012, when five companies reporting over \$1 million in *Gift Expenses* accounted for 44.2% of all expenditures in this category.

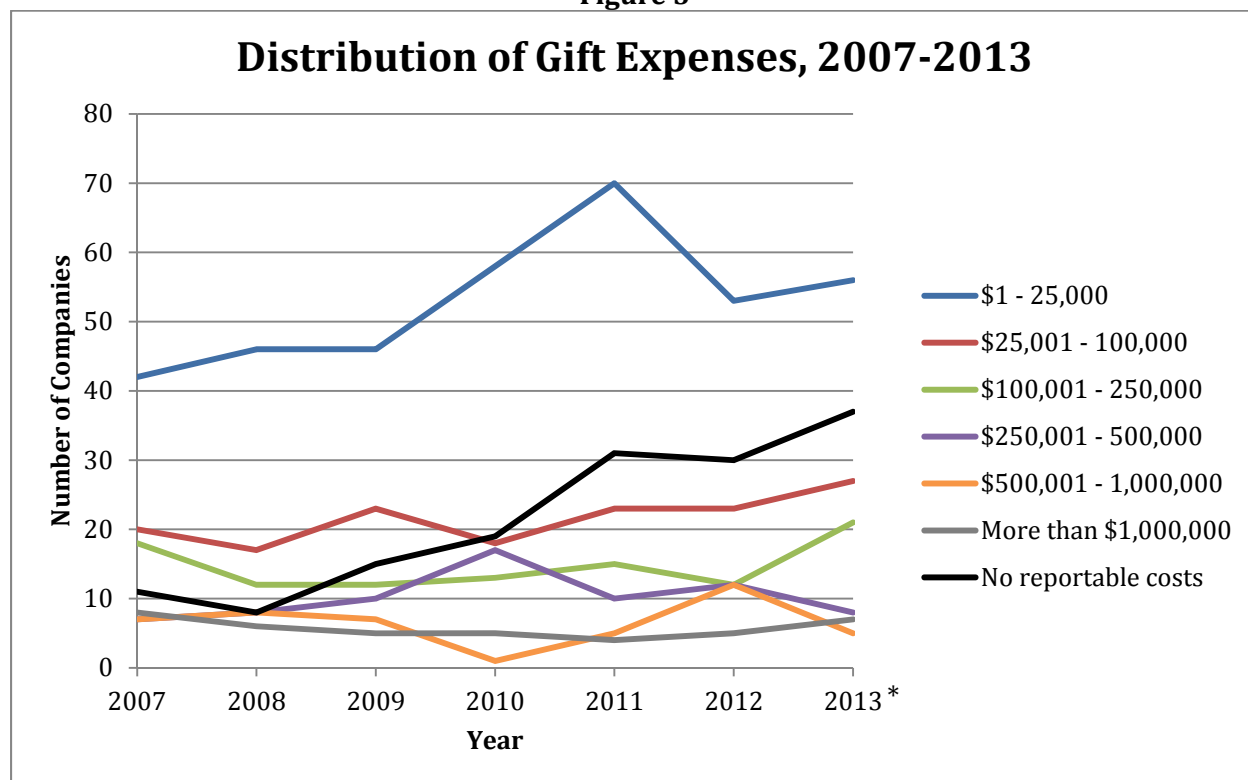
Table 4 shows the distribution of total 2013 *Gift Expenses*, and Figure 3 depicts the distributions from 2007 through 2013.

Table 4

Distribution of 2013 Gift Expenses*		
Total Gift Expenses	Number of Companies (Percentage of All Companies)	Total Value (Percentage of All Value)
More than \$1,000,000	6 (3.7%)	\$17,372,747 (57.1%)
\$500,001-1,000,000	6 (3.7%)	\$4,183,737 (13.8%)
\$250,001-500,000	11 (6.8%)	\$3,785,798 (12.4%)
\$100,001-250,000	20 (12.4%)	\$3,129,494 (10.3%)
\$50,001-100,000	16 (9.9%)	\$1,110,045 (3.6%)
\$25,001-50,000	14 (8.7%)	\$535,825 (1.8%)
\$10,001-25,000	12 (7.5%)	\$203,382 (0.7%)
\$1,001-10,000	24 (14.9%)	\$87,535 (0.3%)
\$1-1,000	20 (12.4%)	\$5,630 (0.0%)
No reportable costs	32 (19.9%)	-
Total	161 (100.0%)	\$30,414,193 (100.0%)

*Companies were instructed not to report gifts to physicians and teaching hospitals given between August 1 and December 31, 2013, as these gifts were instead reportable to the federal Open Payments system.

Figure 3



*Companies were instructed not to report gifts to physicians and teaching hospitals given between August 1 and December 31, 2013, as these gifts were instead reportable to the federal Open Payments system.

Advertising Expenses

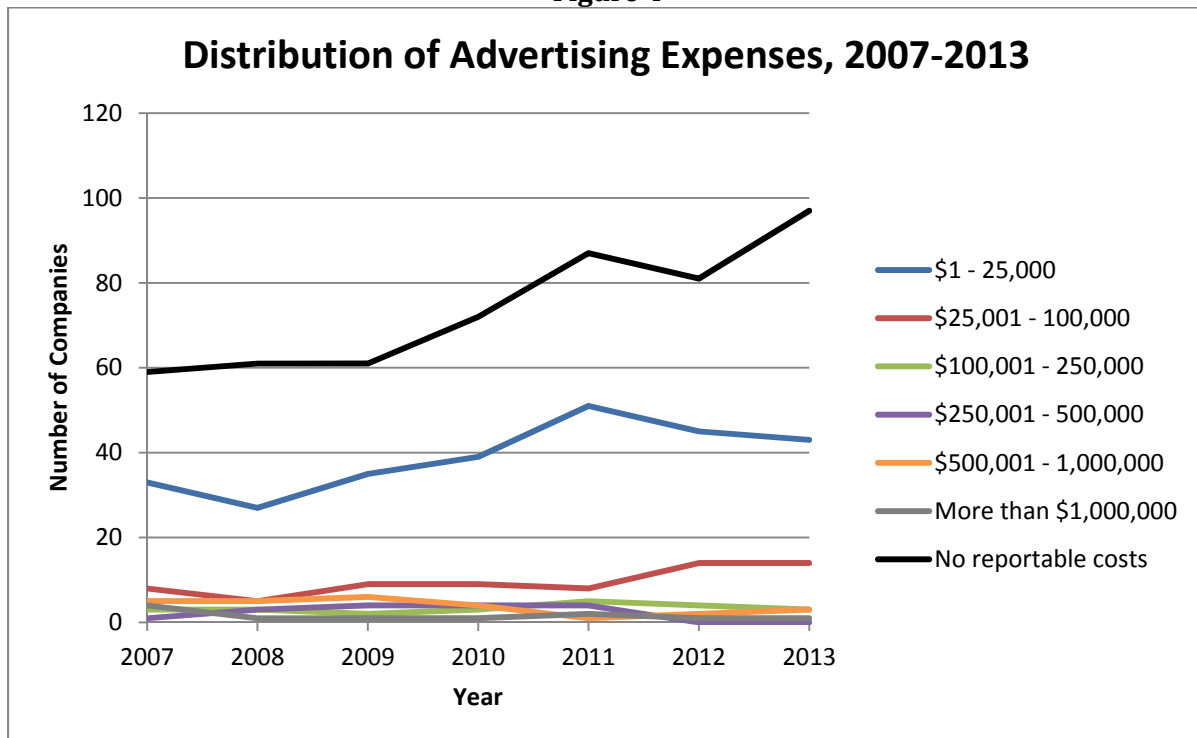
Advertising expenses include only local, not national, advertising expenditures. Pharmaceutical companies reported total District advertising expenses of \$5.7 million. Companies that reported advertising expenses had totals ranging from \$36 to \$2.1 million. The median value for expenses greater than zero was \$12,919.

Of 68 companies that reported advertising expenses, 47 (69.1%) reported total amounts of \$25,000 or less. Four companies spent over \$500,000 each, accounting for nearly three-quarters of all advertising expenses (72.6%). Table 5 shows the distribution of total 2013 Advertising Expenses, and Figure 4 depicts the distributions over time from 2007 through 2013.

Table 5

Distribution of 2013 Advertising Expenses		
Total Advertising Expenses	Number of Companies (Percentage of All Companies)	Total Value (Percentage of All Value)
More than \$500,000	4 (2.5%)	\$4,118,247 (72.6%)
\$250,001-500,000	-	-
\$100,001-250,000	3 (1.9%)	\$519,339 (9.2%)
\$50,001-100,000	6 (3.7%)	\$413,145 (7.3%)
\$25,001-50,000	8 (5.0%)	\$291,515 (5.1%)
\$10,001-25,000	15 (9.3%)	\$263,952 (4.7%)
\$1,001-10,000	15 (9.3%)	\$60,967 (1.1%)
\$1-1,000	17 (10.6%)	\$6,676 (0.1%)
No reportable costs	93 (57.8%)	-
Total	161 (100.0%)	\$5,673,841 (100.0%)

Figure 4



III. Gift Payments in AccessRx and Open Payments

As noted in Section II, the Affordable Care Act requires pharmaceutical companies to report gifts given to physicians and teaching hospitals to the federal Open Payments system; the law applies to gifts made after July 31, 2013, and preempts state requirements for reporting of the same information. Accordingly, the District of Columbia Department of Health instructed companies to include only gifts to physicians and teaching hospitals made between January 1 and July 31, 2013 in their 2013 AccessRx reports.

Unlike Open Payments, the District's AccessRx system collects information on gifts to non-physician recipients and non-teaching hospitals, as well as information on millions of dollars pharmaceutical companies spend on staff and contractors engaged in marketing in the District of Columbia. AccessRx also collects information on District-specific advertising efforts. Analyses of data reported to the AccessRx system can play an important role in identifying trends as pharmaceutical companies adjust to the public availability of Open Payments data.

The most striking advantages that Open Payments has over AccessRx are that information reported to Open Payments is made publicly available, and that the drug being promoted is identified. Researchers can explore patterns in gifts given to individual physicians and teaching hospitals, while consumers can discover whether their doctors receive gifts or research payments from drug companies, and which drugs those companies are promoting in the process.

Although the information on gifts and other expenses reported to AccessRx is available in detail to the District of Columbia Department of Health, the AccessRx Act specifies that this information is confidential and not a public record.²

Comparing AccessRx and Open Payments Reporting Requirements

The District's AccessRx system and the federal Open Payments system have different requirements for which gifts are reportable and how to report them. These differences include:

- **Gift Recipients:** Open Payments only requires reporting of “transfers of value” to physicians (Doctors of Medicine, Osteopathy, Dentistry, Dental Surgery, Podiatry, Optometry, and Chiropractic Medicine) and teaching hospitals, defined as “hospitals that received a payment(s) under a Medicare direct graduate medical education (GME), inpatient hospital prospective payment system (IPPS), indirect medical education (IME), or psychiatric hospital IME programs during the most recent calendar year for which such information is available.”³ In contrast, the AccessRx system collects information on gifts to “all persons and entities licensed to provide health care in the District, including health care professionals and persons employed by them in the District, carriers licensed under Title 31, health plans and benefits managers, pharmacies, hospitals, nursing facilities, clinics, and other entities licensed to provide health care in the District.”² (See the Appendix for text from the relevant regulation.)

² AccessRx Act of 2004. <http://doh.dc.gov/sites/default/files/dc/sites/doh/publication/attachments/AccessRx-Act-of-2004.pdf>, accessed May 28, 2015.

³ Centers for Medicare and Medicaid Services. Glossary and Acronyms [for Open Payments]. <http://www.cms.gov/OpenPayments/About/Glossary-and-Acronyms.html>, accessed May 28, 2015.

- **Value Cutoff:** Open Payments exempts payments valued at less than \$10 (amount indexed to inflation), provided the total payments to a recipient total less than \$100 in a year. AccessRx exempts expenses of less than \$25 (not indexed to inflation) per healthcare provider or entity.
- **Treatment of Gifts to Physician Practices:** For gifts given to the staff of physician practices, Open Payments requires the value to be attributed to the individual physicians working at the practice, while AccessRx allows the gift to be described as a gift to a medical practice. For instance, if a company representative spends \$200 to bring a buffet lunch to ABC Physicians, where five physicians practice, the company would report that to Open Payments as a \$40 gift to each of the five physicians. By contrast, the company could report such a gift (if it were given prior to August 1, 2013) to AccessRx as a \$200 gift to ABC Physicians.
- **Categorization of Gifts:** Open Payments and AccessRx categorize some gifts differently; most notably, Open Payments has different categories for compensation – including consulting fees, compensation for serving as a speaker, and compensation for other services. In AccessRx, these payments may be categorized as “cash or check” gifts with the primary purpose of “consulting” or “speaker fee or payment.”
- **Companies included:** Companies subject to the Open Payments requirements include device, medical supply, and biologics companies. AccessRx requires reporting only from pharmaceutical companies.
- **Research:** Open Payments requires reporting of research payments; AccessRx does not.

Exclusion of Incorrectly Reported Gifts

An analysis of 2013 AccessRx reports submitted to the District found that some companies' *Gift Expenses* worksheets included gifts made to physicians or teaching hospitals between August 1 and December 31, 2013. Because these gifts should not have been reported to the District, and to render the data consistent, we excluded them from the detailed analysis of *Gift Expenses*.

To identify incorrectly reported physician gifts, we searched for gifts made between August 1 and December 31 for recipients with the credentials of the physician types listed in the Open Payments instructions (MD, DO, etc.) and to the “medical practice” recipient type. (Gifts to medical practices are excluded because the Open Payments system requires these gifts to be attributed to individual physicians.) To identify incorrectly reported gifts to teaching hospitals, we used the same date range and compared recipients' names to the list of teaching hospitals available on the Open Payments website, using both the hospital name and business name provided.

The gifts we identified as being incorrectly reported totaled \$1.8 million. We included these gifts in our summary of total reported expenditures (Section II), but excluded them from the detailed analysis of gifts (Sections IV- V).

We also compared the gifts given to physicians and teaching hospitals during the first seven months of the year (reported to AccessRx) to the gifts to physicians and teaching hospitals during the last five months of the year (reported to Open Payments). We also calculated an average monthly gift value for each of the two systems; see Section VI.

IV. AccessRx Gift Expense Analysis

To characterize *Gift Expenses*, companies' individual reports were uploaded into a Microsoft Access database, basic filters were used, and the results were entered into a Microsoft Excel spreadsheet. A total of \$156,684 in reported gifts was excluded from the detailed analysis due to missing gift details.

AccessRx Gifts Recipient Type Analysis: Frequency and Total Amount

A basic filter was run in the database to identify expenses by *Recipient Type*, for analysis of frequency and dollar amount. *Recipient Types* were broken down into four main categories: *Physicians & Medical Practices*, *Hospitals*, *Other Organizations*, *Other Healthcare Professionals*, and *None of the Above or Not Specified*.

Recipients classified as *Physicians* or *Medical Practices* were grouped together, because the Open Payments system requires that gifts to medical practices be attributed to the practices' physicians. *Hospitals* include both teaching hospitals and other District hospitals.

Recipients classified as *Physicians* received gifts most frequently, accounting for 74.8% of all reported gifts. Figure 5 reflects the frequency of payments to each type of recipient, and detailed amounts are listed in Table 6.

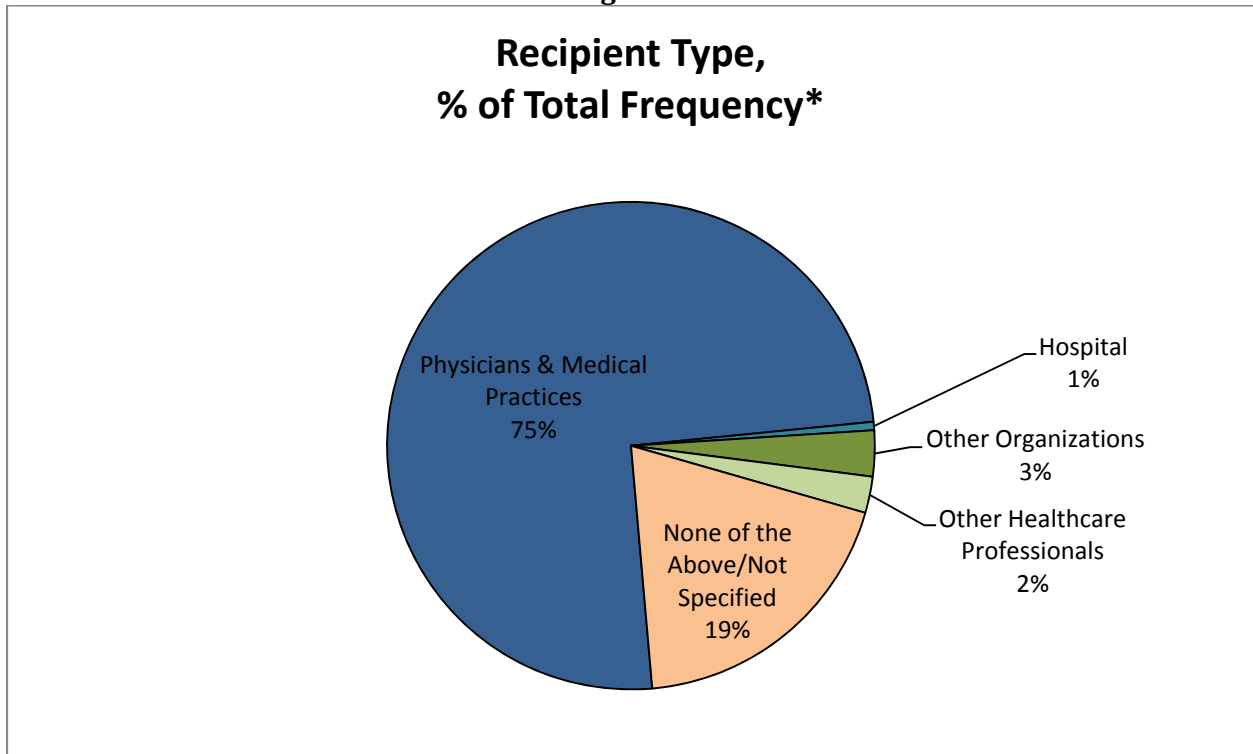
Table 6

Recipient Type of 2013 Pharmaceutical-Company Gifts*		
Recipient Type	Amount (Percentage of Total Amount)	Frequency (Percentage of Total Frequency)
Physicians & Medical Practices[†]	\$6,220,834 (21.9%)	15,254 (74.8%)
Hospitals	\$1,701,305 (6.0%)	113 (0.6%)
Other Organizations	\$1,408,516 (5.0%)	620 (3.0%)
Other Healthcare Professionals	\$62,674 (0.2%)	491 (2.4%)
None of the Above/Not Specified	\$19,016,552 (66.9%)	3,908 (19.2%)
Total	\$28,409,881 (100%)	20,386 (100%)

*Excludes gifts given to physicians, medical practices, and teaching hospitals between August 1 and December 31, 2013, because those gifts are instead reportable to the federal Open Payments system.

[†]The Physician and Medical Practice amount and frequency differ slightly from those identified in Section VI due to reporting inconsistencies. This section reports on analyses of data from the *Recipient Type* field, while the Section VI analyses use data from the *Credentials* field. For example, this section's analysis does not include gifts reported as going to an individual with the credentials of MD but a recipient type other than Physician, Doctor, or Medical Practice.

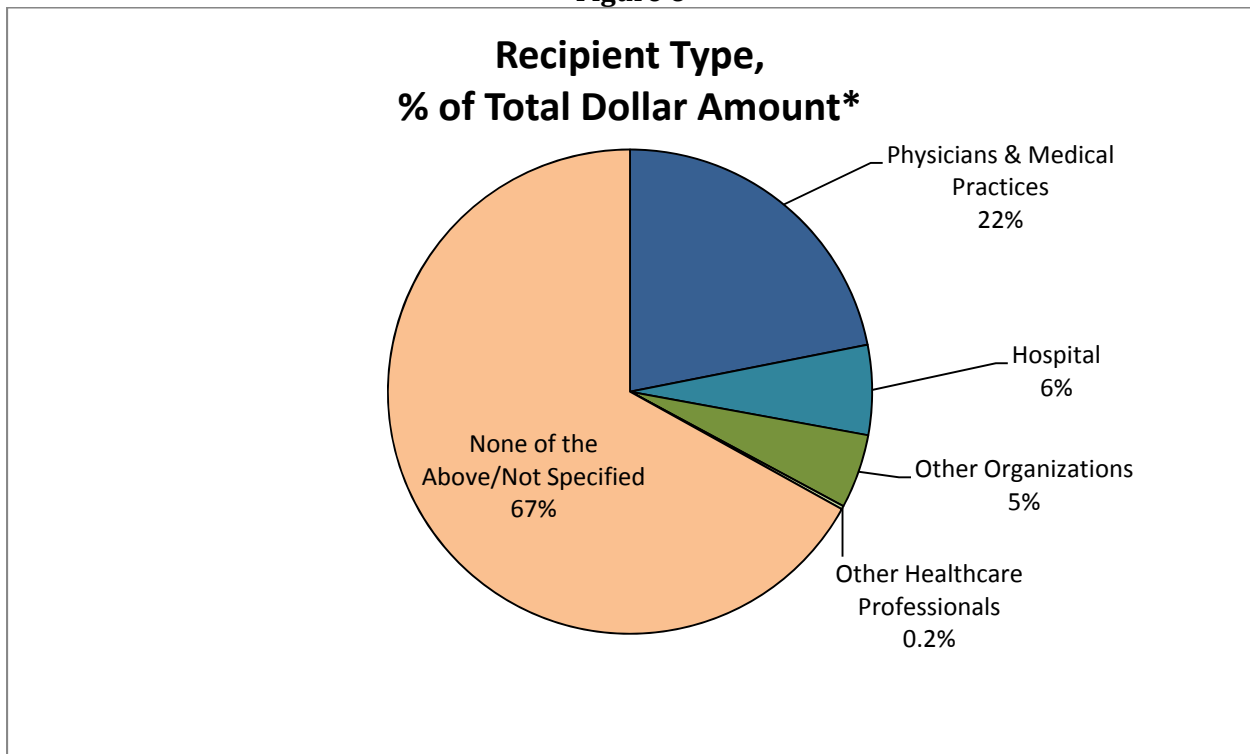
Figure 5



*Excludes gifts given to physicians, medical practices, and teaching hospitals between August 1 and December 31, 2013, because those gifts are instead reportable to the federal Open Payments system.

The picture changes when looking at gift values, rather than their frequency. Out of the \$28.4 million in gifts reported, *Physicians and Medical Practices* accounted for less than a quarter of total gifts (\$6.2 million, or 21.9%). *None of the Above or Not Specified* accounted for the majority of the gift total with \$19.0 million (66.9%). Gifts were grouped in this category if the submitting pharmaceutical company left the *Recipient Type* blank or listed inappropriate values (e.g., Miscellaneous); the majority of the value in this category is from a single gift that was not described using any of the approved *Recipient Type* responses.

Figure 6



*Excludes gifts given to physicians, medical practices, and teaching hospitals between August 1 and December 31, 2013, because those gifts are instead reportable to the federal Open Payments system.

AccessRx Gifts by Nature of Payment Analysis: Frequency and Total Amount

For the *Nature of Payment* analysis, we examined gift frequency and dollar amounts using the categories of *Monetary Payment*, *Food or Beverage*, *Travel or Lodging*, *Other*, and *None of the Above or Not Specified*.

Monetary Payment includes cash or checks, grants, honoraria, donations, and consulting fees. *Other* includes gifts designated by companies as Sponsorship, Displays or Exhibits, Education, or Entertainment. *None of the Above or Not Specified* includes indistinct responses and responses left blank.

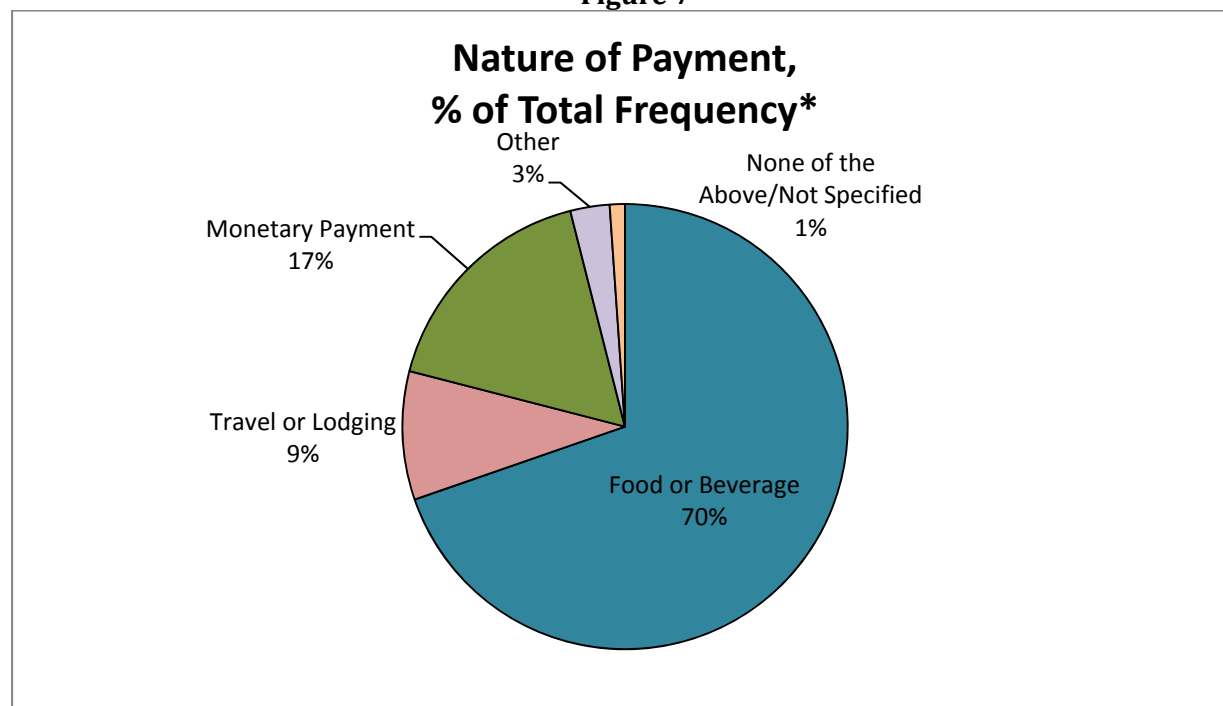
As has been the case every year since 2007, *Food or Beverage* was the most frequently listed *Nature of Payment*, accounting for 69.7% of all gifts. *Monetary Payments* accounted for 17.0% of the total number of payments, and the remaining categories each made up less than 10% of the total. The frequency of *Nature of Payment* categories is depicted in Figure 7, and detailed amounts are listed in Table 7.

Table 7

Nature of Payment of 2013 Pharmaceutical-Company Gifts*		
Nature of Payment	Amount (Percentage of Total Amount)	Frequency (Percentage of Total Frequency)
Food or Beverage	\$1,338,516 (4.7%)	14,207 (69.7%)
Travel or Lodging	\$700,172 (2.5%)	1,902 (9.3%)
Monetary Payment	\$26,196,223 (92.2%)	3,471 (17.0%)
Donation	\$12,270,448	126
Cash or Check	\$8,996,326	3,009
Grant	\$4,782,211	244
Honoraria	\$93,401	40
Consultant Fees	\$53,837	52
Other	\$64,583 (0.2%)	582 (2.9%)
Education	\$37,926	574
Sponsorships	\$19,221	3
Displays/Exhibits	\$7,350	2
Entertainment	\$61	1
In-Service	\$25	2
None of the Above/Not Specified	\$110,387 (0.4%)	224 (1.1%)
Total	\$28,409,881 (100%)	20,386

*Excludes gifts given to physicians, medical practices, and teaching hospitals between August 1 and December 31, 2013, because those gifts are instead reportable to the federal Open Payments system.

Figure 7

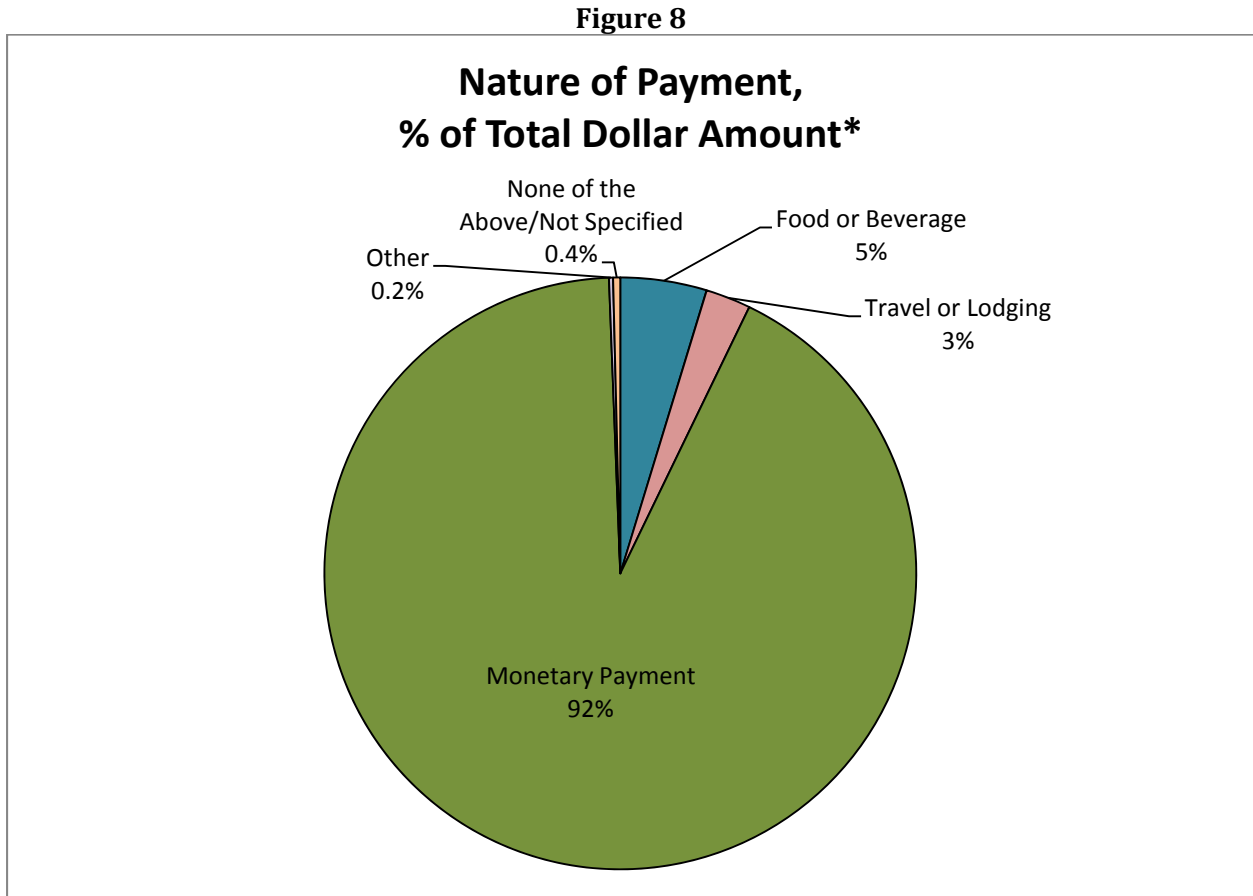


*Excludes gifts given to physicians, medical practices, and teaching hospitals between August 1 and December 31, 2013, because those gifts are instead reportable to the federal Open Payments system.

Note: "Other" includes Education, Sponsorships, Displays or Exhibits, Entertainment, and In-Service (see Table 7).

The picture is dramatically different when considering the total dollar amount of monetary gifts. *Monetary Payments* accounted for only 17.0% of the number of payments, but 92.2% of the total dollar amount, or \$26.2 million out of \$28.4 million. By contrast, *Food or Beverage*, which accounted for 69.7% of the total number of gifts, accounted for only 4.7% of total gift value, or \$1.3 million.

Figure 8 shows the proportion of total dollar amount for each category of *Nature of Payment*.



**Excludes gifts given to physicians, medical practices, and teaching hospitals between August 1 and December 31, 2013, because those gifts are instead reportable to the federal Open Payments system.*

AccessRx Gifts by Primary Purpose: Frequency and Total Amount

For this analysis, seven primary categories for *Primary Purpose* were used: *Education, Speaker, Marketing, Consulting, Grant, Other, and None of the Above or Not Specified*. *Other* includes primary purposes listed as Sponsorship, Membership, Exhibit or Displays, and Informational Meetings. Companies selecting “Other” as a gift’s *Primary Purpose* are instructed to provide further details, but most did not. *None of the Above or Not Specified* includes indistinct responses and those left blank. We note that there has been an increase in companies entering non-standard reporting terms that do not conform to the listed categories under AccessRx. Details are in Table 8.

Table 8

Primary Purpose of 2013 Pharmaceutical-Company Gifts*		
Primary Purpose	Amount (Percentage of Total Amount)	Frequency (Percentage of Total Frequency)
Education	\$4,499,432 (15.8%)	4577 (22.5%)
Speaker Payment	\$3,936,631 (13.9%)	3781 (18.6%)
Marketing	\$3,010,786 (10.6%)	8199 (40.3%)
Consulting	\$1,442,561 (5.1%)	1635 (8.0%)
Grant	\$540,000 (1.9%)	9 (0.0%)
Other	\$1,735,688 (6.1%)	43 (0.2%)
Sponsorship	\$1,624,482	17
Membership	\$75,000	1
Exhibit/Display	\$34,275	5
Informational Meeting	\$1,931	20
None of the Above/Not Specified	\$13,244,783 (46.6%)	2093 (10.3%)
Total	\$28,409,881 (100.0%)	20337 (100.0%)

*Excludes gifts given to physicians, medical practices, and teaching hospitals between August 1 and December 31, 2013, because those gifts are instead reportable to the federal Open Payments system.

Marketing was the *Primary Purpose* accounting for the greatest proportion of total gift frequency (40.3%); it was followed by *Education* (22.5%), *Speaker Payment* (18.6%), *Consulting* (8.0%), and *Other* (0.2%). In terms of total amount, *Education* accounted for the greatest proportion of total gift amount with \$4.5 million, or 15.8% of the total. This was followed by *Speaker Fee* (\$3.9 million, or 13.9% of the total), *Marketing* (\$3.0 million, or 10.6%), *Consulting* (\$1.4 million, or 5.1%), *Grant* (\$540,000, or 1.9%), and *Other* (\$1.7 million, or 6.1%). *Other* included Sponsorship, Membership, Exhibit/Display, and Informational Meeting, each of which made up a small portion of total gift frequency and total amount. *None of the Above or Not Specified* accounted for nearly half of the total gift amount (although only 10.3% of frequency), largely due to a single gift that was not described using any of the approved *Primary Purpose* responses.

V. Analysis of Gifts to Recipients not Covered by Open Payments

To understand how pharmaceutical-company gifts may be distributed when pharmaceutical companies report gifts to physicians (including medical-practice gifts attributed to physicians) and teaching hospitals to the Open Payments system rather than the AccessRx system for the entire year, we analyzed \$21.9 million in gifts to recipients other than physicians, medical practices, or teaching hospitals. Organizations and institution (hereafter referred to as “non-individual recipients”) received \$21.4 million in gifts, and individuals received \$565,118 over the course of 2013.⁴

Among non-individual recipients, we analyzed the gifts to the top ten Disease-Specific Organizations (which address specific diseases or medical conditions) and Professional Organizations (representing individuals in particular clinical specialties or demographic groups). The “top ten” organizations were those receiving the largest gift totals in 2013. (We excluded Clinical Organizations, reported in past years, because gifts to many such organizations are now reportable to Open Payments.) Compared to 2012, the top ten Disease-Specific Organizations received significantly more money, while Professional Organizations received substantially less:

- The top ten Disease-Specific Organizations received \$13.9 million in 2013, a 143.3% increase from \$5.7 million in 2012.
- The top ten Professional Organizations received \$3.7 million in 2013, a 53.1% decrease from \$7.8 million received in 2012.

It is important to note that the ten organizations in each group may change from year to year, as the “top ten” are identified based on the current year’s gift totals. These totals can fluctuate as pharmaceutical companies alter their giving patterns.

In 2013, gifts to all non-individual recipients were most often in the form of *Cash or Check* (46.9% of gifts), and *Donation* was the *Nature of Payment* that accounted for the greatest total dollar amount (\$12.3 million, or 57.4% of the total).

For the top ten Disease-Specific Organizations, *Donation* was both the most frequent *Nature of Payment* (accounting for 53.7% of gifts) and the category with the largest gift amount (accounting for 81.9% of the total value, or \$11.4 million). The top ten Professional Organizations most frequently had *Cash or Check* as the *Nature of Payment* (60.5%) and as the largest gift value (accounting for 53.0% of the value, or \$1.9 million).

We also examined gifts to physician assistants and nurses. These individuals were identified by recipient credentials corresponding to physician assistant (PA, PAC) or nurse (RN, NP, LPN, BSN, Nurse, etc.). When physicians are excluded, Physician Assistants and Nurses received the majority of payments to individuals. Physician Assistants received a total of \$95,583. Nurses received a total of \$320,671, a 55.9%

⁴ For this analysis, gifts were designated as going to non-individuals if the Non-Individual Recipient cell on the report spreadsheet was populated, or to individuals if the Recipient Last Name cell was populated.

increase from the total (\$205,756) they received in 2012. For both groups, *Food* was the most frequent *Nature of Payment*.

Single gifts to physician assistants ranged from \$7 to \$20,000, with a median value of \$73. The value of gifts to nurses ranged from less than one dollar to \$2,925, with a median value of \$88. Both groups' median gift amounts were lower than the median for physician gifts, which was \$98. The most frequent *Primary Purpose* for gifts to both physician assistants and nurses was *Marketing*. *Marketing* also accounted for the greatest *Primary Purpose* dollar amount for physician assistants, while the *Primary Purpose* of *Other* accounted for the largest share of the value of nurse gifts.

Table 9

Recipients of 2013 Pharmaceutical-Company Gifts*							
Recipient	Total Amount Received	Median Gift Value	Range of Gift Values	Most Frequent Nature of Payment	Nature of Payment Receiving Most Money	Most Frequent Primary Purpose	Primary Purpose Receiving Most Money
All Non-Individual Recipients (Excluding Teaching Hospitals)	\$21,361,212	\$133	<\$1 – 1,000,000	Cash or Check	Donation	Consulting	None of the Above
Top Ten Disease-Specific Organizations	\$13,902,910	\$50,000	\$100 – 1,000,000	Donation	Donation	Other	Other
Top Ten Professional Organizations	\$3,651,634	\$21,719	\$50 – 260,000	Cash or Check	Cash or Check	Marketing	Other
Individual Recipients (Excluding Physicians)	\$565,118	\$83	<\$1 – 20,000	Food	Food	Marketing	Marketing
Physician Assistants	\$95,583	\$73	\$7 – 20,000	Food	Food	Marketing	Marketing
Nurses	\$320,671	\$88	<\$1 – 2,925	Food	Food	Marketing	Other (unspecified)

*Excludes gifts given to physicians, medical practices, and teaching hospitals.

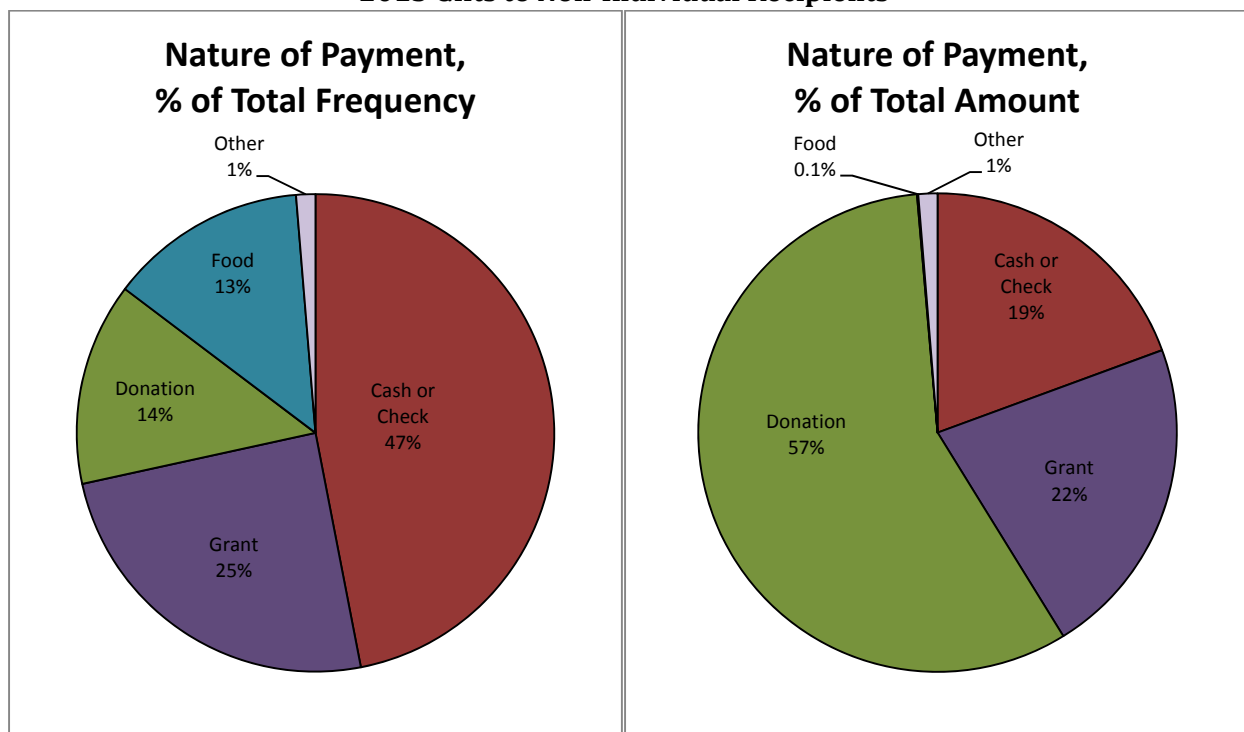
Non-Individual Recipients as a Whole

Non-individual Recipients (excluding medical practices and teaching hospitals) were analyzed first as a group. Then, gifts to the ten Disease-Specific Organizations and the ten Professional Organizations that received the largest total gift amounts in these categories were analyzed further.

As previously discussed, Non-Individual Recipients received a total of \$21.4 million in gifts. Single payments to Non-Individual Recipients ranged from less than one dollar to \$1 million, and the median gift value was \$133. This information cannot be compared directly to past years, because gifts to teaching hospitals and medical practices are excluded from the totals. However, it is informative to look at this subset.

Cash or Check was the most frequent *Nature of Payment* (accounting for 46.9% of gifts). *Donations* accounted for the largest share (\$12.3 million, or 57.4%) of the total dollar value of gifts to Non-Individual Recipients. *Grants* accounted for \$4.7 million, or 21.8%; *Cash or Check* for \$4.1 million, or 19.4%; *Food* for \$18,555, or a mere 0.1%; and *Other* for \$274,400, or 1.3%.

Figure 9
2013 Gifts to Non-Individual Recipients*



*Excludes gifts given to physicians, medical practices, and teaching hospitals.

Cash or Check accounted for the most frequent (47%) Nature of Payment, and Donations accounted for the greatest share (57%) of the Nature of Payment amount.

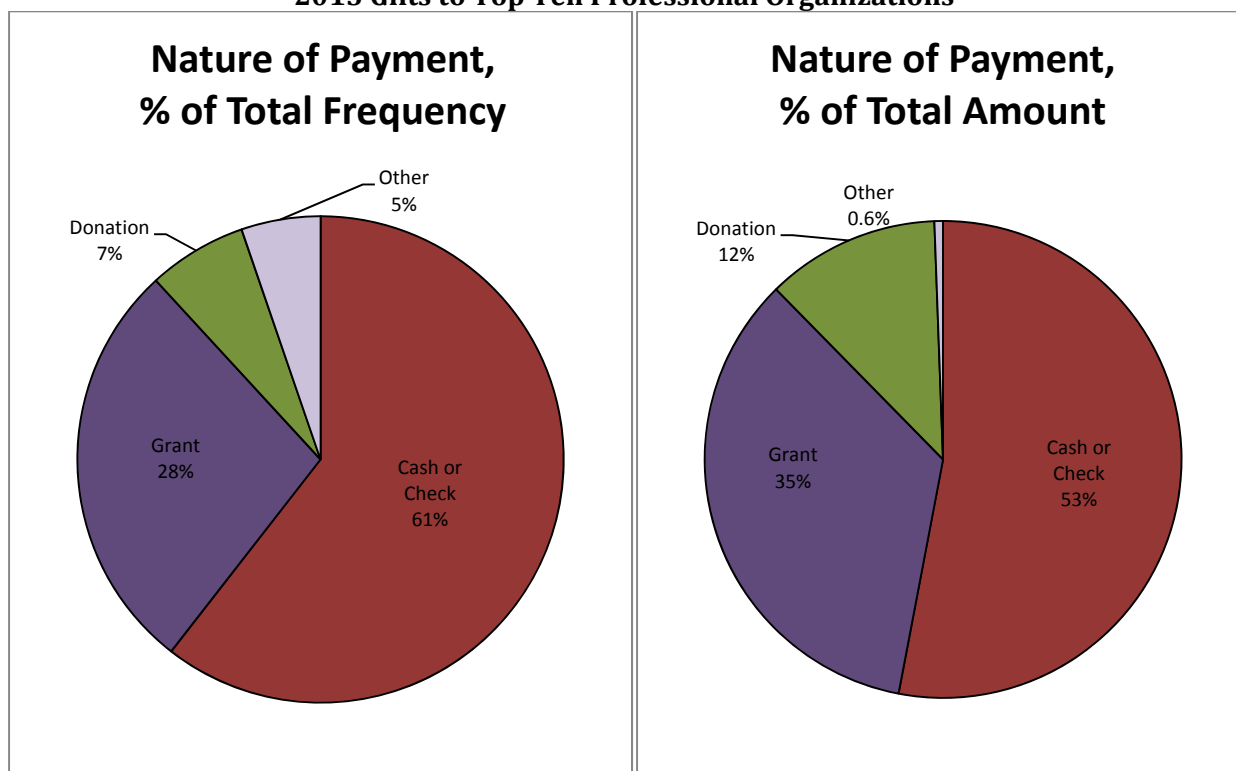
The most money given to Non-Individual Recipients was for the purpose of *None of the Above*, at \$12.2 million, or 57.3% of the gift value; much of this was gifts with descriptions not matching accepted responses. Other categories included *Education* (\$4.0 million, or 18.5% of the total), *Marketing* (\$2.1 million, or 9.9%), *Consulting* (\$159,957, or 0.7%), and *Other* (\$2.9 million, or 13.5%). In contrast, the largest number of gifts was categorized as *Consulting* (33.4%), followed by *Education* (26.8%), *Marketing* (21.5%), *None of the Above* (10.2%), and *Other* (8.1%).

Professional Organizations

Professional Organizations include organizations that represent healthcare professionals of particular demographic groups, or those that promote research activity within specific fields of medicine. The ten Professional Organizations with the highest gift totals together received \$3.7 million from pharmaceutical companies in 2013. This represents 17.1% of all money received by Non-Individual Recipients (see Table 9). Individual gifts to the top ten Professional Organizations in 2013 ranged from \$50 to \$260,000, with a median value of \$21,719.

Cash or Check again accounted for the most frequent *Nature of Payment* to the top ten Professional Organizations, with 60.5% of the total. *Grants* came in second with 27.6%, then *Donations* with 6.6%, and *Other* with 5.3%. Monetary gifts – those for which the *Nature of Payment* is *Cash or Check*, *Grant*, or *Donation* – totaled \$3.6 million, or 99.4% of total value. *Cash or Check* accounted for \$1.9 million, or 53.0% of the value; *Grants* for \$1.3 million, or 34.7%; *Donations* for \$430,000, or 11.8%; and *Other* for \$21,115, or 0.6%.

Figure 10
2013 Gifts to Top Ten Professional Organizations*



*Excludes gifts given to physicians, medical practices, and teaching hospitals.

Cash or Check accounted for the most frequent (61%) Nature of Payment and for the greatest share (53%) of Nature of Payment amount.

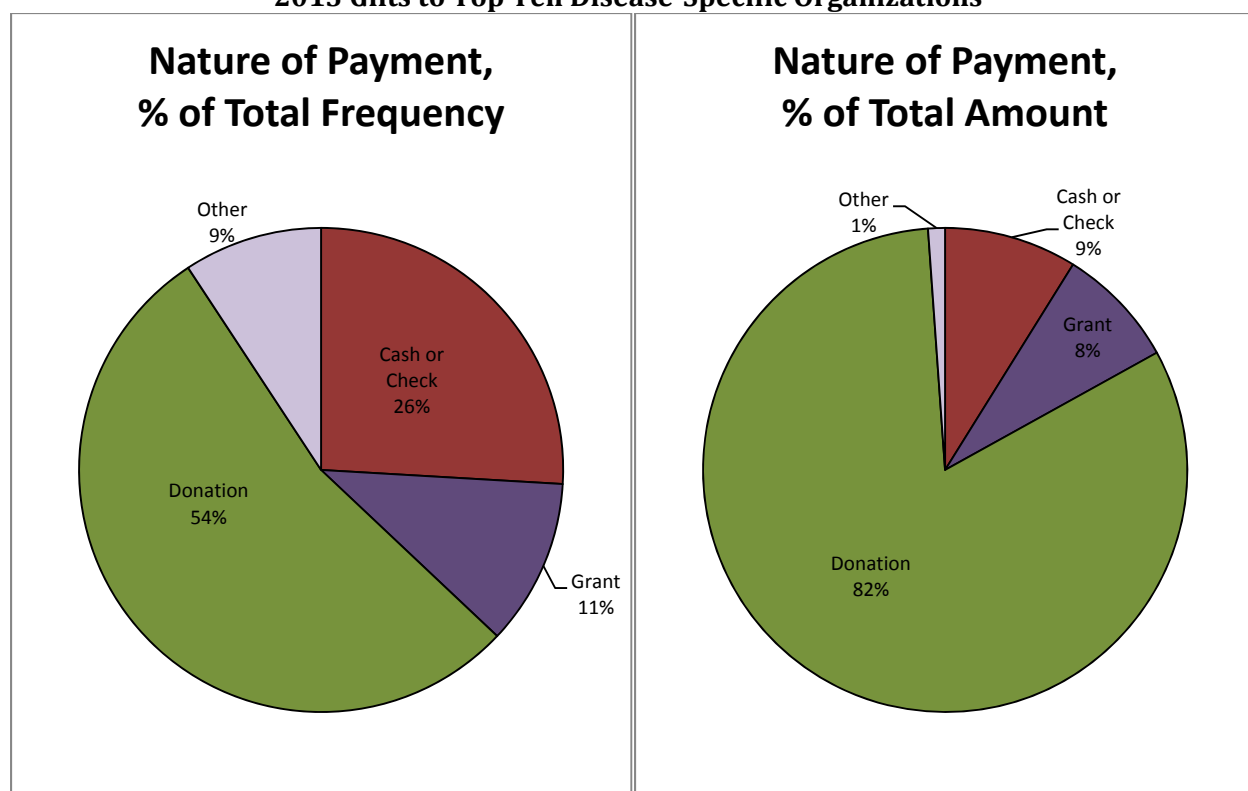
For the top ten Professional Organizations, gifts for the purpose of *Marketing* totaled \$872,590, or 23.9% of gift value. *Education* accounted for \$790,812 (21.7% of the total). The remaining gift value went to *Other*, with \$2.0 million (54.4%). This *Other* category included a *Primary Purpose* that was not specified. *Marketing* was listed as the most frequent (40.8%) *Primary Purpose*, followed by *Education* (27.6%) and *Other* (31.6%).

Disease-Specific Organizations

In 2013, the top ten Disease-Specific Organizations received \$13.9 million from pharmaceutical companies, which represents nearly two-thirds (65.1%) of all money received by Non-Individual Recipients. Although the median value of gifts to these organizations was \$50,000, gift values ranged widely, from \$100 to \$1.0 million.

Donation accounted for the most frequent Nature of Payment made to the top ten Disease-Specific Organizations, with 53.7% of the total. *Cash or Check* accounted for 25.9%, and *Grants* for 11.1%. Only monetary gifts (*Cash or Check*, *Donations*, and *Grants*) were given to these organizations. *Donation* accounted for \$11.4 million, or 81.9% of total value of gifts, *Cash or Check* for \$1.2 million, or 8.9%, and *Grant* for \$1.1 million, or 8.1%. A small proportion of gifts fell into an *Other* category, which accounted for 9.3% of the frequency and 1.1% of total dollar value.

Figure 11
2013 Gifts to Top Ten Disease-Specific Organizations*



*Excludes gifts given to physicians, medical practices, and teaching hospitals.

Donation accounted for the most frequent (54%) Nature of Payment and for the greatest share (82%) of Nature of Payment amount.

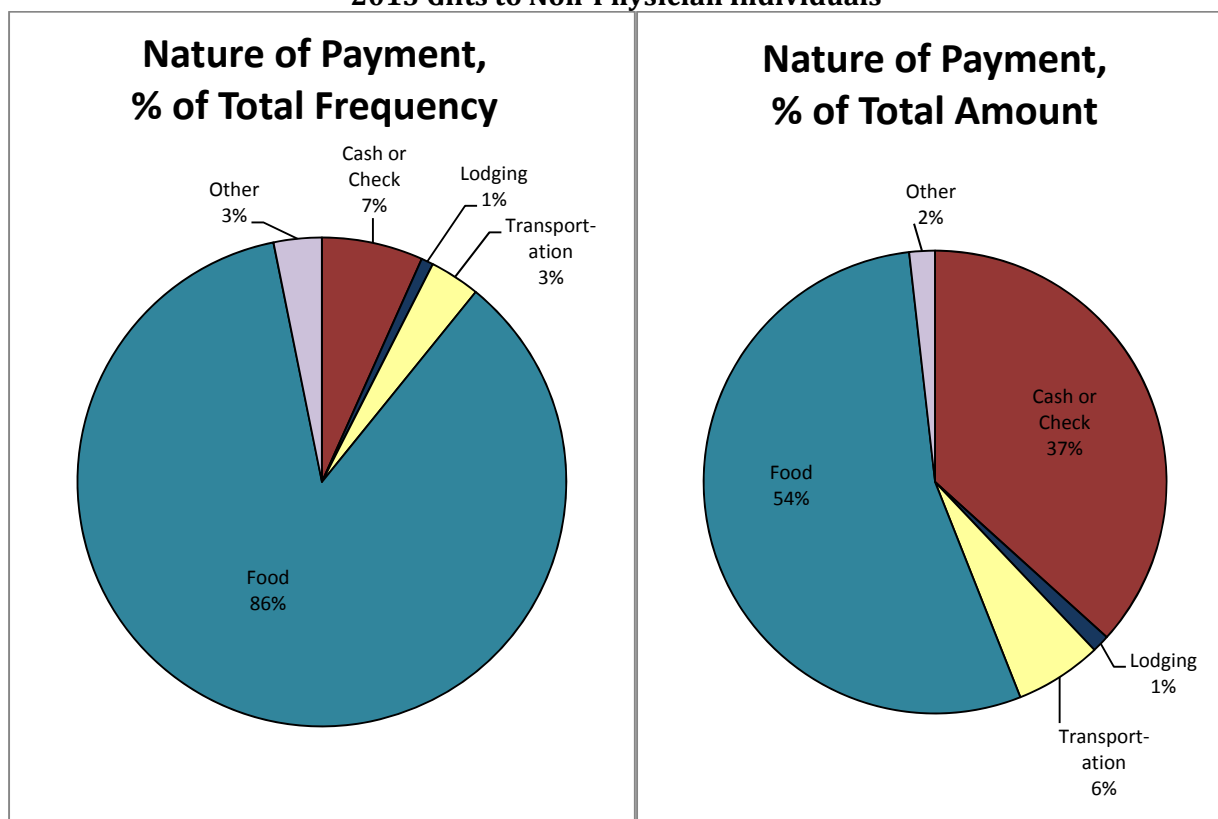
For the top ten Disease-Specific Organizations, gifts for the purpose of *Education* accounted for \$1.1 million, or 8.1% of total gifts. *Marketing* gifts accounted for \$829,400 (6.0% of the total). The remainder was for gifts described as *Other*, which totaled \$11.9 million (85.9%). In terms of frequency, 11.1% of gifts were for the purpose of *Education*, 16.7% for *Marketing*, and 72.2% for *Other*.

Individual Non-Physician Recipients

In 2013, Individual Recipients (excluding physicians) received \$565,118 in gifts. Single payments to individuals ranged from less than a dollar to \$20,000, with a median value of \$83.

The most frequent gift was *Food* (86.0%), followed by *Cash or Check* (6.7%), *Transportation* (3.3%), *Other* (3.2%), and *Lodging* (0.8%). Gifts in the form of *Food* accounted for \$306,394, or 54.2% of dollar value of the gifts, followed by *Cash or Check* (\$207,346, or 36.7%), *Transportation* (\$34,322, or 6.1%), *Lodging* (\$6,951, or 1.2%), and *Other* (\$10,104, or 1.8%).

Figure 12
2013 Gifts to Non-Physician Individuals*



*Excludes gifts given to physicians, medical practices, and teaching hospitals.

Food accounted for the most frequent (86%) Nature of Payment and for the greatest share (54%) of Nature of Payment amount.

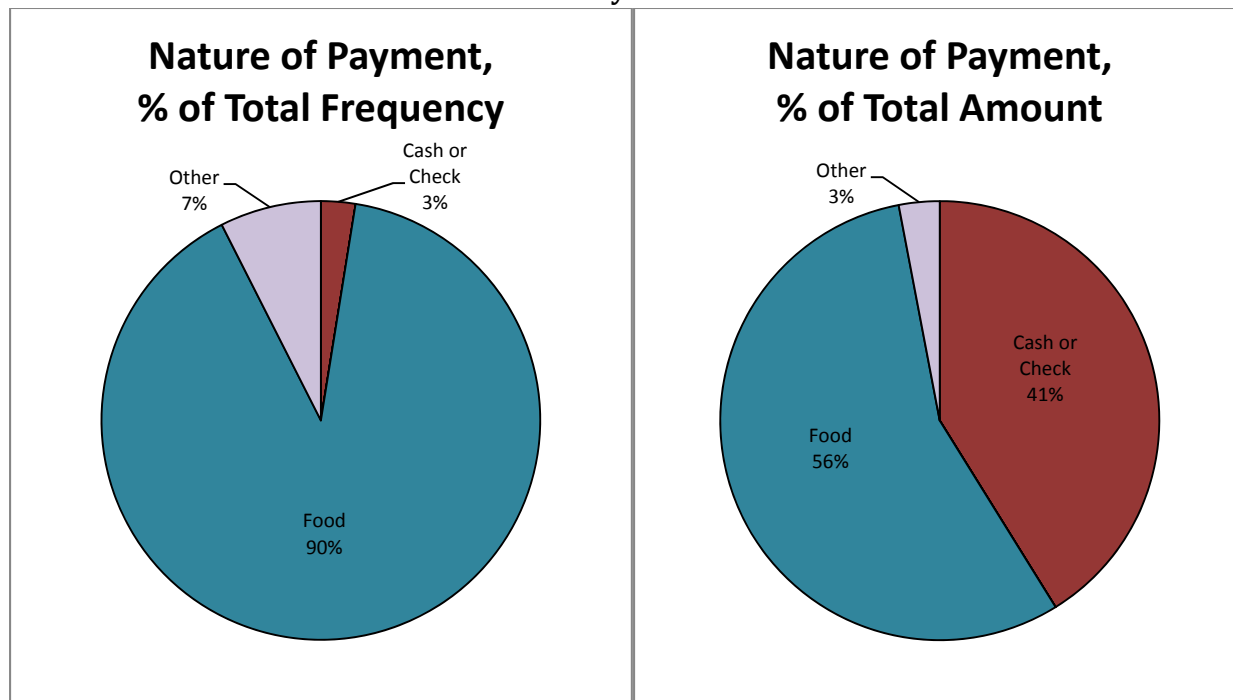
Gifts with the *Primary Purpose of Marketing* accounted for the largest proportion of total value: \$162,303 (28.7% of the total). Gifts for *Speaker Fees or Payments* totaled \$126,593 (22.4%), *Education* \$113,089 (20.0%), *Consulting* \$105,213 (18.6%), *Promotion* \$17,166 (3.0%), and *Other* \$40,754 (7.2%). In terms of frequency, slightly less than half of gifts (45.0%) were for the purpose of *Marketing*; other categories included *Education* (33.3%), *Speaker Fee or Payment* (7.6%), *Promotion* (5.8%), *Consulting* (4.1%), and *Other* (4.2%).

Physician Assistants

Physician Assistants received a total of \$95,583 in gifts in 2013. Single payments to individuals ranged from \$7 to \$20,000, with a median value of \$73.

By frequency, nine of ten gifts (90.0%) were *Food*. *Cash or Check* gifts accounted for only 2.5% of gifts, and 7.5% were classified as *Other*. Gifts in the form of *Food* accounted for \$53,375, or 55.8% of the dollar value of all gifts to Physician Assistants, and *Cash or Check* for \$39,336, or 41.2%. The *Other* category accounted for the remaining \$2,872, or 3.0%.

Figure 13
2013 Gifts to Physician Assistants*



*Excludes gifts given to physicians, medical practices, and teaching hospitals.

Food accounted for the most frequent Nature of Payment (90%) and for the greatest share (56%) of Nature of Payment amount.

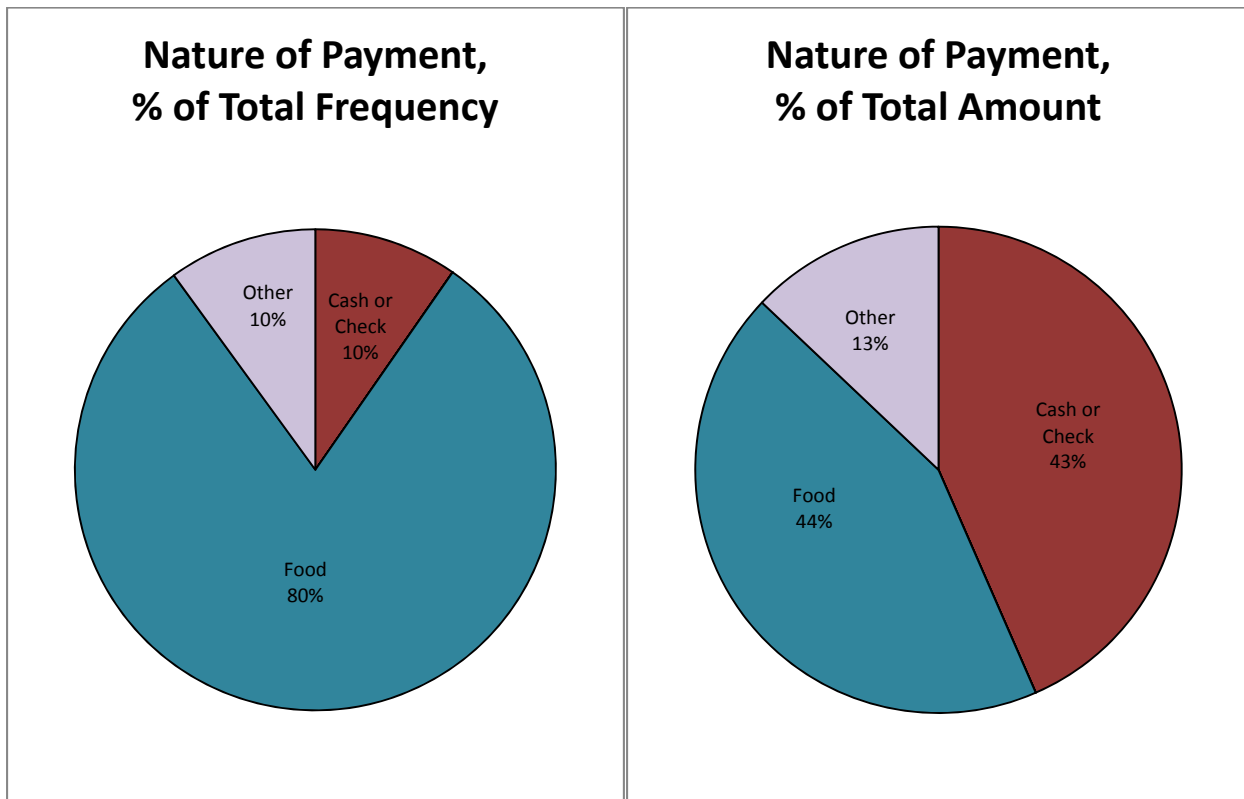
Pharmaceutical companies giving to physician assistants spent the most money (\$34,716, or 36.3% of the total) on *Marketing*, followed by *Consulting* (\$32,630, or 34.1%), *Education* (\$10,924, or 11.4%), and *Other* (\$17,312, or 18.1%). In terms of frequency, 58.8% of gifts were for the purpose of *Marketing*; other categories included *Education* (21.0%), *Consulting* (2.7%), and *Other* (17.5%).

Nurses

In 2013, nurses received \$320,671 in gifts. Single payments to individuals ranged from less than a dollar to \$2,925, with a median value of \$88.

When considering gift frequency, 80.3% of gifts took the form of *Food*, while 9.7% of gifts were *Cash or Check*, and 10.0% were reported as *Other*. Gifts in the form of *Food* accounted for \$139,885, or 43.6% of the dollar value of all gifts. This nearly equaled *Cash or Check* gifts, which totaled \$139,331, or 43.4%. The remaining \$41,454, or 12.9%, was classified as *Other*.

Figure 14
2013 Gifts to Nurses*



*Excludes gifts given to physicians, medical practices, and teaching hospitals.

Food accounted for the most frequent (80%) Nature of Payment and for the greatest share (44%) of Nature of Payment amount.

Pharmaceutical companies giving gifts to nurses spent the most money on *Marketing*: \$86,483 (27.0% of the total), followed by *Education* (\$60,118, or 18.7%), *Consulting* (\$56,643, or 17.7%), and *Other* (\$117,428, or 36.6%). In terms of frequency, *Marketing* was the most frequent purpose (46.4%) given for gifts; other categories included *Education* (30.8%), *Consulting* (5.4%), and *Other* (17.3%).

VI. Gifts to Physicians & Teaching Hospitals

Information from both AccessRx and Open Payments was analyzed to compare gifts to physicians, medical practices, and teaching hospitals. This included AccessRx data from January 1 - July 31 and Open Payments data from August 1 - December 31. Open Payments requires that gifts to medical practices be attributed to each practice's physicians. In this section, AccessRx gifts to both physicians and medical practices are reported as part of the Physicians category for comparability with Open Payments. Table 10 provides a summary.

While the AccessRx and Open Payments gifts to these recipients are not directly comparable due to differences in reporting requirements, it is nonetheless noteworthy that there are differences in average monthly gift counts and average monthly gift value between AccessRx and Open Payments. AccessRx reports show higher average gift counts and values for physician gifts, while Open Payments reports show a higher monthly average value for teaching hospital gifts. This could be due to differences in how gifts are defined, or it could be due to a change in gift patterns that occurred over the course of 2013 – possibly a response by pharmaceutical companies to the knowledge that gift information would become publicly available.

Table 10

AccessRx & Open Payments Gifts 2013 Monthly Gift Averages								
Recipient Type	AccessRx (Jan-July)				Open Payments (Aug-Dec)			
	Total	Monthly Average	Count	Average Count	Total	Monthly Average	Count	Average Count
Physicians	\$6,242,003	\$891,715	15,344	2,192	\$1,756,678	\$351,336	6,434	1,286.8
Teaching Hospitals	\$241,547	\$34,507	87	12.4	\$519,576	\$103,915	49	9.8

Physicians received \$8.0 million in gifts, with \$6.2 million reported to AccessRx and \$1.8 reported to Open Payments. When looking at the source of data, the gifts reported to AccessRx had both a higher median gift value (\$98) and higher average gift value (\$407) in comparison to the gifts reported to Open Payments. This is a notable difference in reported values, which is unexpected, as there should be similar reporting of gifts to physicians in both AccessRx and Open Payments. Gifts range from less than one dollar in both AccessRx and Open Payments to over \$200,000 in Open Payments. *Food and Beverage* were the most common gifts, and *Monetary Payments* made up the greatest value of physician gifts in both AccessRx and Open Payments

Teaching Hospitals received \$761,123 in gifts, with \$241,547 reported to AccessRx and \$519,576 reported to Open Payments, again showing a difference in the two reporting systems. When looking at the source of data, Open Payments had both a higher median gift value (\$2,500) and higher average gift value (\$10,604) in comparison to AccessRx. Gifts ranged from \$27 in AccessRx to \$300,000 in Open Payments. When looking at total gift value, *Monetary Payments* made up the greatest value of teaching hospital gifts in AccessRx, and *Education* made up the greatest value in Open Payments. When looking at frequency, *Monetary Payments* made up the greatest number of teaching hospital gifts in AccessRx, while *Space Rental or Facility Fees* made up the greatest number of gifts in Open Payments.

These differences in payment values and types are worth ongoing monitoring to assess changes in gift patterns, differences between national patterns and District patterns, and discrepancies between Open Payments and Access Rx that deserve follow-up, as physician and teaching hospital payments continue to be made public through Open Payments.

Table 11

AccessRx and Open Payments 2013 Gifts to Physicians and Teaching Hospitals						
Recipient Type	Total Amount Received	Median Gift Value	Average Gift Value	Range of Gift Values	Most Frequent Nature of Payment	Nature of Payment Receiving Most Money
Physicians						
AccessRx	\$6,242,003	\$98	\$407	<\$1 - 25,000	Food and Beverage	Monetary Payments
Open Payments	\$1,756,678	\$19	\$273	<\$1 - 207,500	Food and Beverage	Monetary Payments
Teaching Hospitals						
AccessRx	\$241,547	\$845	\$2,776	\$27 - 17,000	Monetary Payments	Monetary Payments
Open Payments	\$519,576	\$2,500	\$10,604	\$50 - 300,000	Space Rental or Facility Fees	Education

Physicians

In 2013, *Physicians* received \$8.0 million in gifts. Single payments to individuals ranged from less than a dollar to \$207,500 (Table 11).

For *Physician* gifts reported to AccessRx, gifts in the form of *Food and Beverage* were the most frequent gift, constituting 69.2% of gifts. Relatively small numbers of gifts were in the form of *Travel and Lodging* (11.2%), *Monetary Payment* (14.9%), and *Other* (4.7%).

Food and Beverage gifts in Open Payments were even more frequent, accounting for 77.6% of gifts. As with Access Rx, relatively small numbers of gifts were in the form of *Travel and Lodging* (8.7%), *Monetary Payment* (8.0%), and *Other* (5.7 %).

When comparing monthly averages for AccessRx and Open Payments, AccessRx consistently has higher monthly averages for most categories of payments. *Honoraria* was the one *Nature of Payment* in which there was a higher monthly average for Open Payments than AccessRx, though this makes up an insignificant share of total number of gifts.

Figure 15 summarizes *Physician* gifts by total frequency, and Table 12 provides details.

Figure 15
2013 Gifts to Physicians, % of Total Frequency

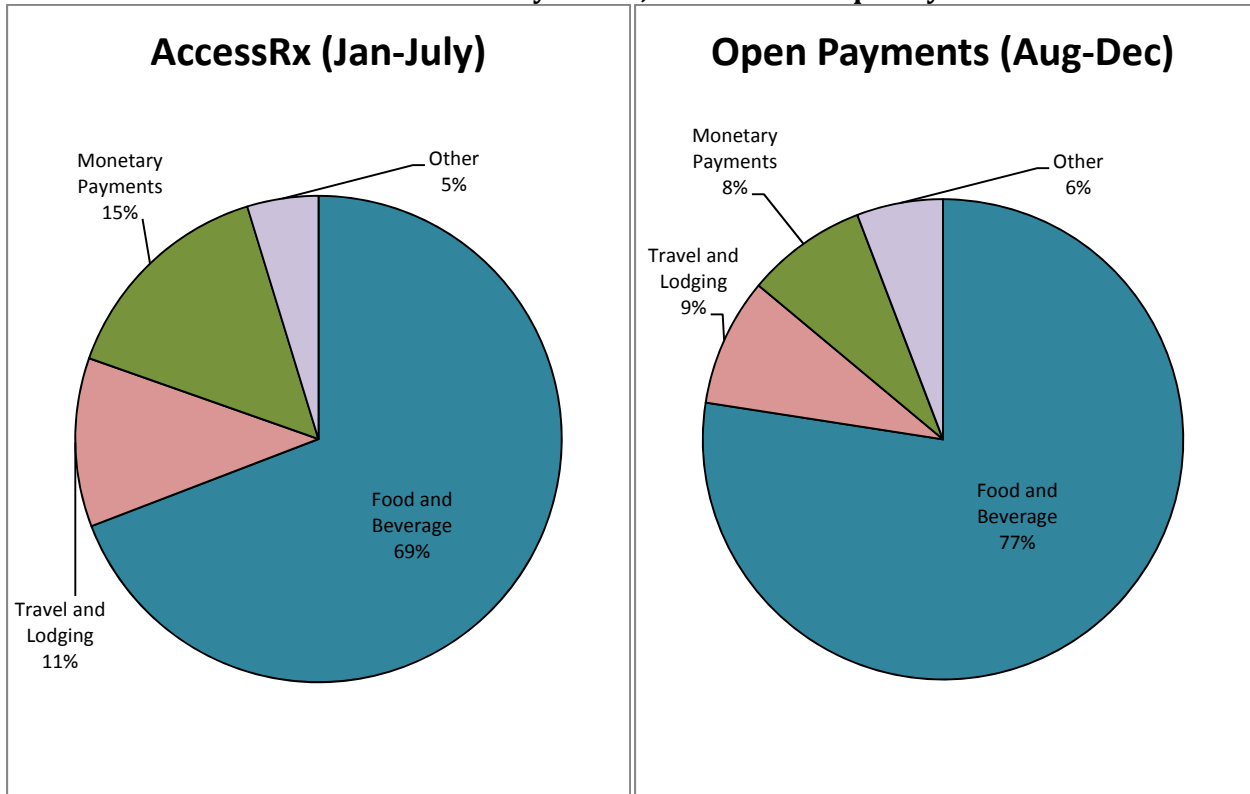


Table 12

AccessRx and Open Payments 2013 Physician Gifts, by Frequency				
Physician Gifts by Types	AccessRx Number of Payments (Jan-Jul)	AccessRx Monthly Average	Open Payments Number of Payments (Aug-Dec)	Open Payments Monthly Average
Food and Beverage	10,613	1,516	4,992	998.4
Travel and Lodging	1,722	246	561	112.2
Monetary Payments	2,283	326	516	103.2
Cash or Check	2,279	326.	-	-
Consulting Fee	-	-	213	42.6
Compensation for services other than consulting, including serving as faculty or as a speaker at a venue other than a continuing education program	-	-	232	46.4
Honoraria	3	0.4	43	8.6
Compensation for serving as faculty or as a speaker for a non-accredited and noncertified continuing education program	-	-	28	5.6
Grant	1	0.1	-	-
Other	726	104	365	73.0
Other	541	77	-	-
Royalty or License	-	-	4	0.8
Education	-	-	360	72.0
Book	184	26	-	-
Entertainment	1	0.1	-	-
Gift	-	-	1	0.2
Total	15,344	2,192.0	6,434	1,286.8

When considering dollar amount, *Monetary Payments* made up the greatest proportion of total gift value for AccessRx, with \$4.4 million, or 70.3% of the total. The remaining one-fourth of gift value was accounted for by *Food and Beverage* (\$1.0 million, or 16.1% of the total), *Travel and Lodging* (\$652,538, or 10.5%), and *Other* (\$192,849, or 3.1%).

In Open Payments, *Monetary Payments* also made up the largest dollar amount for *Physician* gifts, with \$1.4 million, or 78.7% of the total. The remaining gift value was accounted for by *Travel and Lodging* (\$183,798, or 10.5%), *Food and Beverage* (\$150,602, or 8.6%), and *Other* (\$39,038, or 2.2%).

Although *Monetary Payments* made up the largest portion of gift value for both AccessRx and Open Payments, it is important to note that *Monetary Payments* are designated differently in each system. For AccessRx, *Monetary Payments* are *Cash or Check*, *Honoraria*, and *Grant*, whereas for Open Payments these are *Consulting Fee*, *Honoraria*, and *Other Compensation*, as noted in Table 13.

When comparing monthly averages for AccessRx and Open Payments, AccessRx consistently has higher monthly averages for most categories of payment. This is consistent with AccessRx reporting higher total frequency and value. Again, *Honoraria* was the one *Nature of Payment* in which there was a higher monthly average for Open Payments, although this made up an insignificant share of total dollar value.

Figure 16 summarizes *Physician* gifts by total dollar amount, and Table 13 provides details.

Figure 16
2013 Gifts to Physicians, % of Total Amount

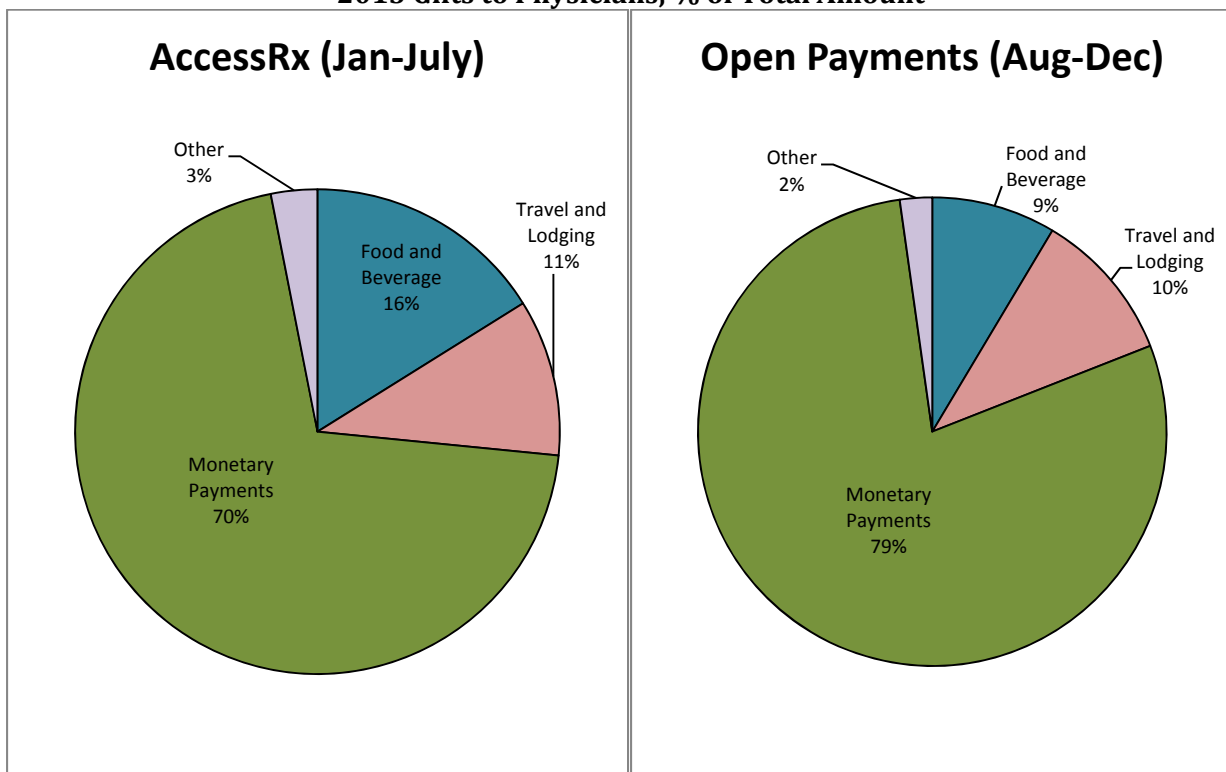


Table 13

AccessRx and Open Payments 2013 Physician Gifts, by Dollar Amount				
Physician Gifts by Types	AccessRx Amount (Jan-Jul)	AccessRx Monthly Average	Open Payments Amount (Aug-Dec)	Open Payments Monthly Average
Food and Beverage	\$1,006,240	\$143,749	\$150,602	\$30,120
Travel and Lodging	\$652,538	\$93,220	\$183,798	\$36,760
Monetary Payments	\$4,390,377	\$627,197	\$1,383,240	\$276,648
Cash or Check	\$4,371,211	\$624,459	-	-
Consulting Fee	-	-	\$795,370	\$159,074
Compensation for services other than consulting, including serving as faculty or as a speaker at a venue other than a continuing education program	-	-	\$446,924	\$89,385
Honoraria	\$7,166	\$1,024	\$91,205	\$18,241
Compensation for serving as faculty or as a speaker for a non-accredited and noncertified continuing education program	-	-	\$49,740	\$9,948
Grant	\$12,000	\$1,714	-	-
Other	\$192,849	\$27,550	\$39,038	\$7,808
Other	\$178,659	\$25,523	-	-
Royalty or License	-	-	\$24,314	\$4,863
Education	-	-	\$14,685	\$2,937
Book	\$14,130	\$2,019	-	-
Entertainment	\$61	\$9	-	-
Gift	-	-	\$40	\$8
Total	\$6,242,003	\$891,715	\$1,756,678	\$351,336

Teaching Hospitals

In 2013, *Teaching Hospitals* received \$761,123 in gifts. Individual payments to *Teaching Hospitals* ranged from \$27 to \$300,000 (Table 11).

Approximately half (50.6%) of all gifts to *Teaching Hospitals* reported to AccessRx were in the form of *Monetary Payments*. Most of the remaining half (48.3%) of gifts took the form of *Food and Beverage*.

In Open Payments, *Teaching Hospital* gifts were most frequently in the form of *Space Rental or Facility Fees*, which made up 44.9% of total frequency, followed by *Monetary Payments* (40.8%), then *Education* (14.3%).

When comparing monthly averages for AccessRx and Open Payments, AccessRx consistently has higher monthly averages for all categories of payments. It is notable that the reported *Nature of Payments* also varied substantially between AccessRx and Open Payments.

Figure 17 summarizes *Teaching Hospital* gifts by total dollar amount, and Table 14 provides details.

Figure 17
2013 Gifts to Teaching Hospitals, % of Total Frequency

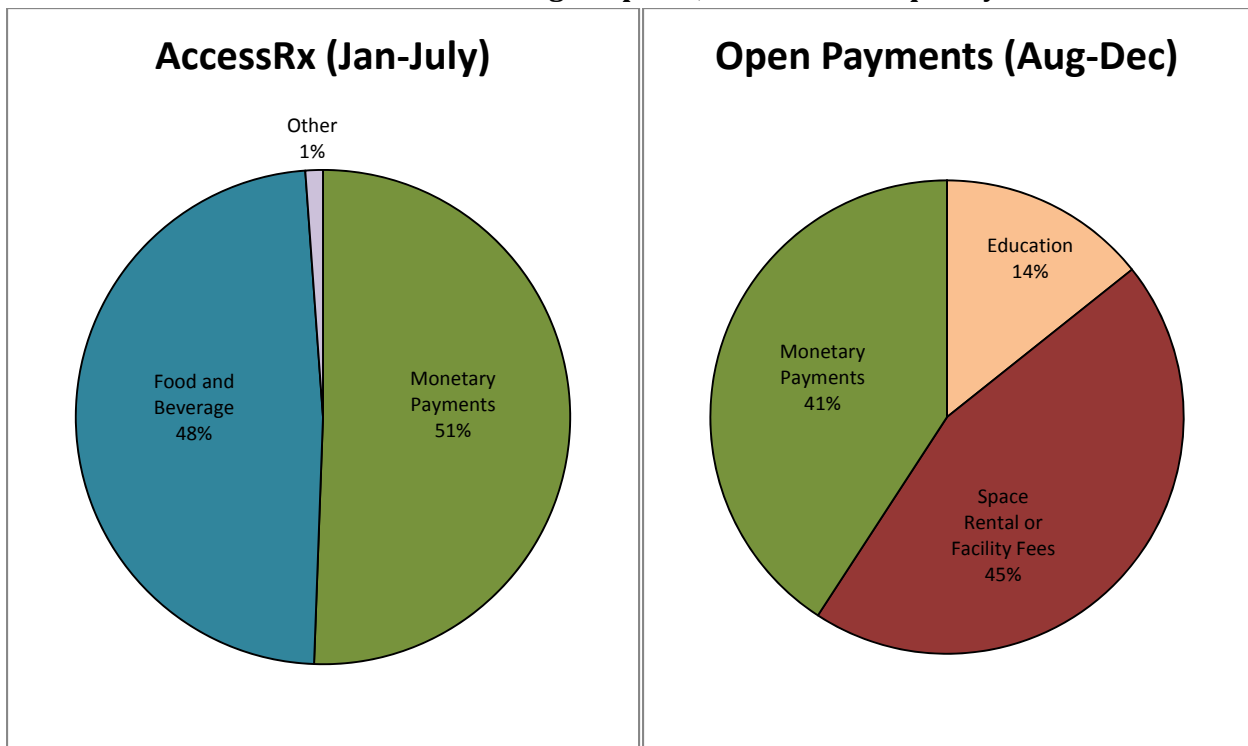


Table 14

AccessRx and Open Payments 2013 Teaching Hospital Gifts, by Frequency				
Teaching Hospital Gifts by Types	AccessRx Frequency (Jan-Jul)	AccessRx Monthly Average	Open Payments Frequency (Aug-Dec)	Open Payments Monthly Average
Education	-	-	7	1.4
Space Rental or Facility Fees	-	-	22	4.4
Food and Beverage	42	6.0	-	-
Monetary Payments	44	6.3	20	4.0
Cash or Check	27	3.9	-	-
Grant	17	2.4	8	1.6
Compensation for services other than consulting, including serving as faculty or as a speaker at a venue other than a continuing education program	-	-	10	2.0
Charitable Contribution	-	-	2	0.4
Other	1	0.1	-	-
Total	87	12.4	49	9.8

When considering dollar amount, *Monetary Payments* made up the greatest proportion of total gift value for AccessRx (\$233,471, or 96.7%). A small portion of total gift value was in the form of *Food or Beverage* (\$7,326, or 3.0%).

When looking at Open Payments, *Education* made up the largest dollar amount for *Teaching Hospital* gifts, with \$320,461, or 61.7% of the total. The remaining gifts fell into the remaining two categories, *Monetary Payments* (\$144,327, or 27.8%) and *Space Rental or Facility Fees* (\$54,788, or 10.5%).

Nature of Payment categories varied significantly for *Teaching Hospitals*. *Education* and *Space Rental or Facility Fees* made up the greatest proportion of value for Open Payments, while there were no AccessRx payments with these categorizations. In comparison, *Monetary Payments* made up the greatest proportion of value for AccessRx.

Figure 18 summarizes, and Table 15 provides details.

Figure 18
AccessRx and Open Payments 2013 Teaching Hospital Gifts, % of Total Amount

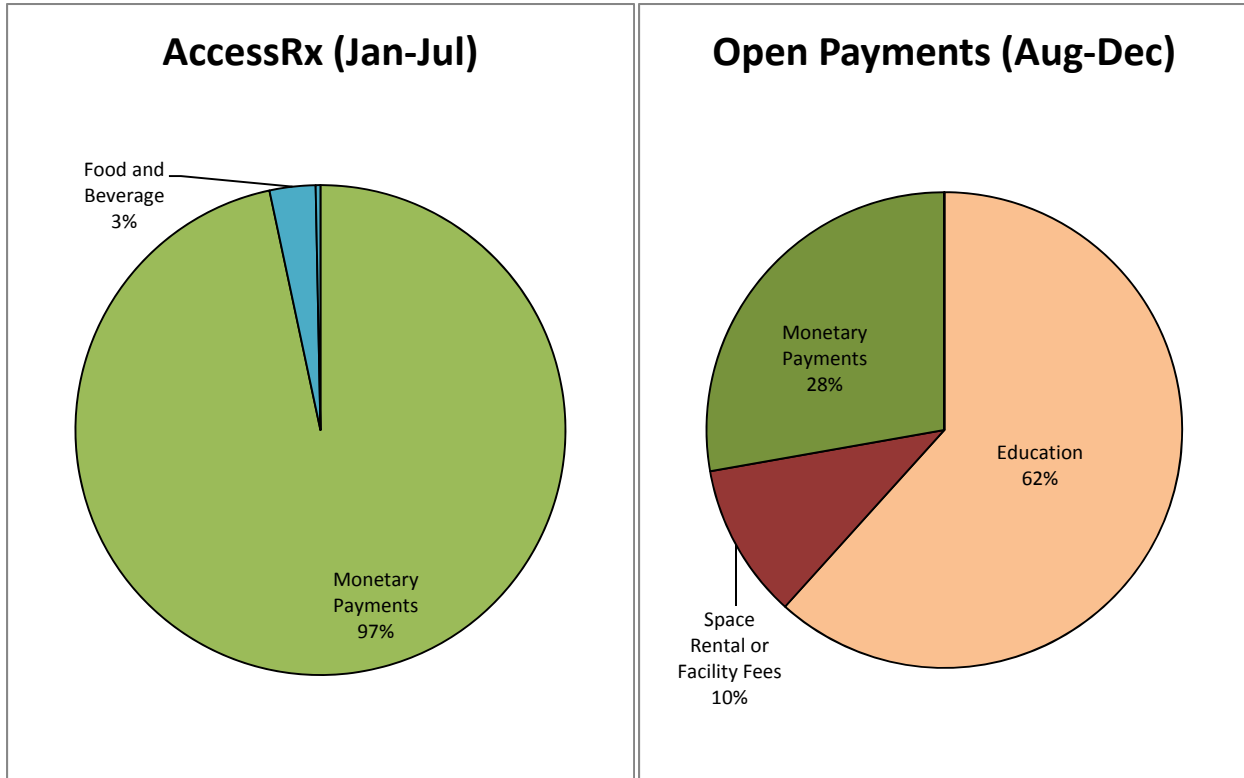


Table 15

AccessRx and Open Payments 2013 Teaching Hospital Gifts, by Dollar Amount				
Teaching Hospital Gifts by Types	AccessRx Amount (Jan-Jul)	AccessRx Monthly Average	Open Payments Amount (Aug-Dec)	Open Payments Monthly Average
Education	-	-	\$320,461	\$64,092
Space Rental or Facility Fees	-	-	\$54,788	\$10,958
Food and Beverage	\$7,326	\$1,047	-	-
Monetary Payments	\$233,471	\$33,353	\$144,327	\$28,865
Cash or Check	\$116,575	\$16,654	-	-
Grant	\$116,896	\$16,699	\$106,000	\$21,200
Compensation for services other than consulting, including serving as faculty or as a speaker at a venue other than a continuing education program	-	-	\$26,827	\$5,365
Charitable Contribution	-	-	\$11,500	\$2,300
Other	\$750	\$107	-	-
Total	\$241,547	\$34,507	\$519,576	\$103,915

VII. Subgroup Analysis

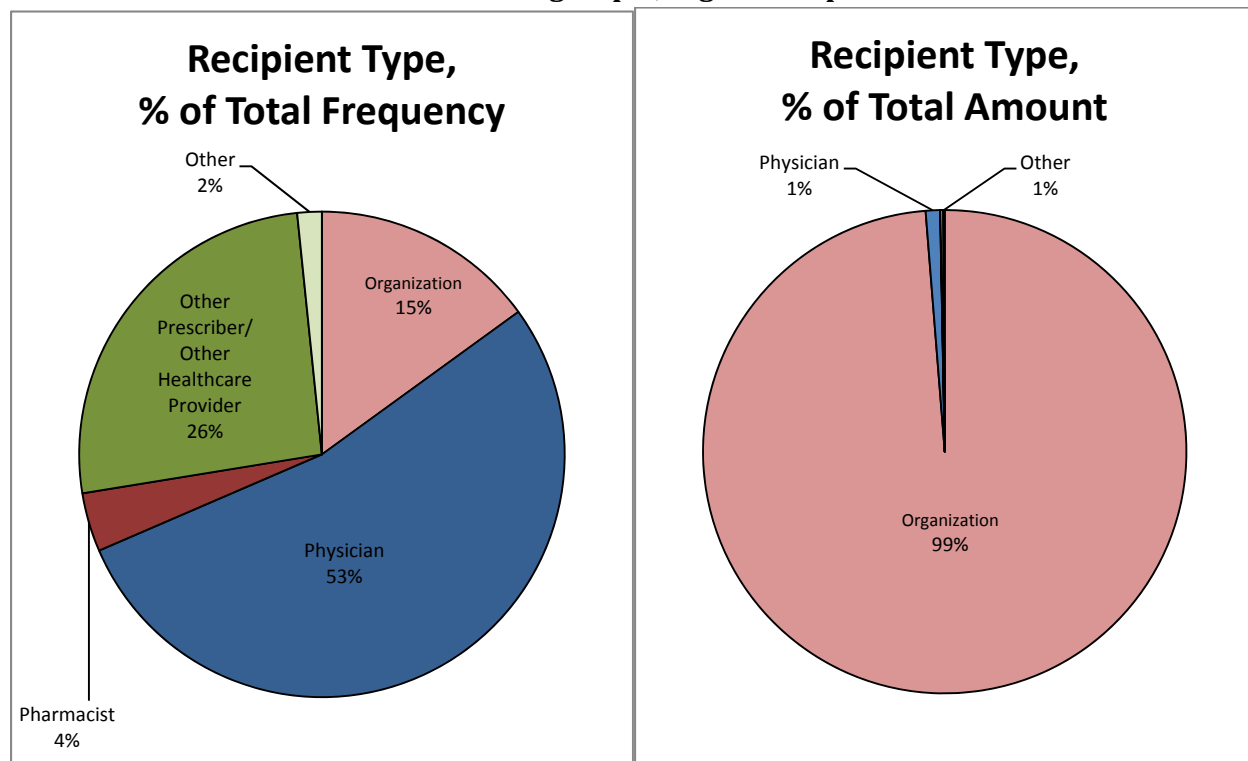
Additional analyses addressed the expenses of two subgroups: the companies with the highest reported totals in the *Gift Expenditures* category, and the companies whose *Gift Expenditure* totals placed them near the median of all reported gift totals.

Gift Expenses: Subgroup A

The three companies with the largest gift expenditure totals together spent \$14.2 million, or approximately half (49.9%) of the \$28.4 million *Gift Expenses* total. This is a greater concentration of spending compared to the previous year, when the top four companies reported spending \$11.4 million, or 37.3% of all *Gift Expenses* (the composition of this subgroup varies from year to year).

The vast majority of gift dollars from the three companies with the largest *Gift Expenses* totals went to organizations. *Organizations* received \$14 million, or 98.7% of the value of Subgroup A's gifts, but accounted for only 15.0% of the number of gifts. *Physicians* (for whom the AccessRx database includes only gifts given from January through July of 2013) received only 1.0% of the gift value (\$135,207), but more than half of the gifts (53.5%). *Other Prescribers/Other Healthcare Providers* recipients accounted for less than one percent of the gift value (\$26,518) but received one-fourth (25.9%) of the gifts.

Figure 19
2013 Gifts from Subgroup A, High Gift Expenditures*



**Excludes gifts given to physicians, medical practices, and teaching hospitals between August 1 and December 31, 2013, because those gifts are instead reportable to the federal Open Payments system.*

Organizations received nearly all of the value of gifts from the companies with the largest Gift Expenses totals, while Physicians received the largest number of gifts. Physician gifts were only included if they were given during the first seven months of 2013.

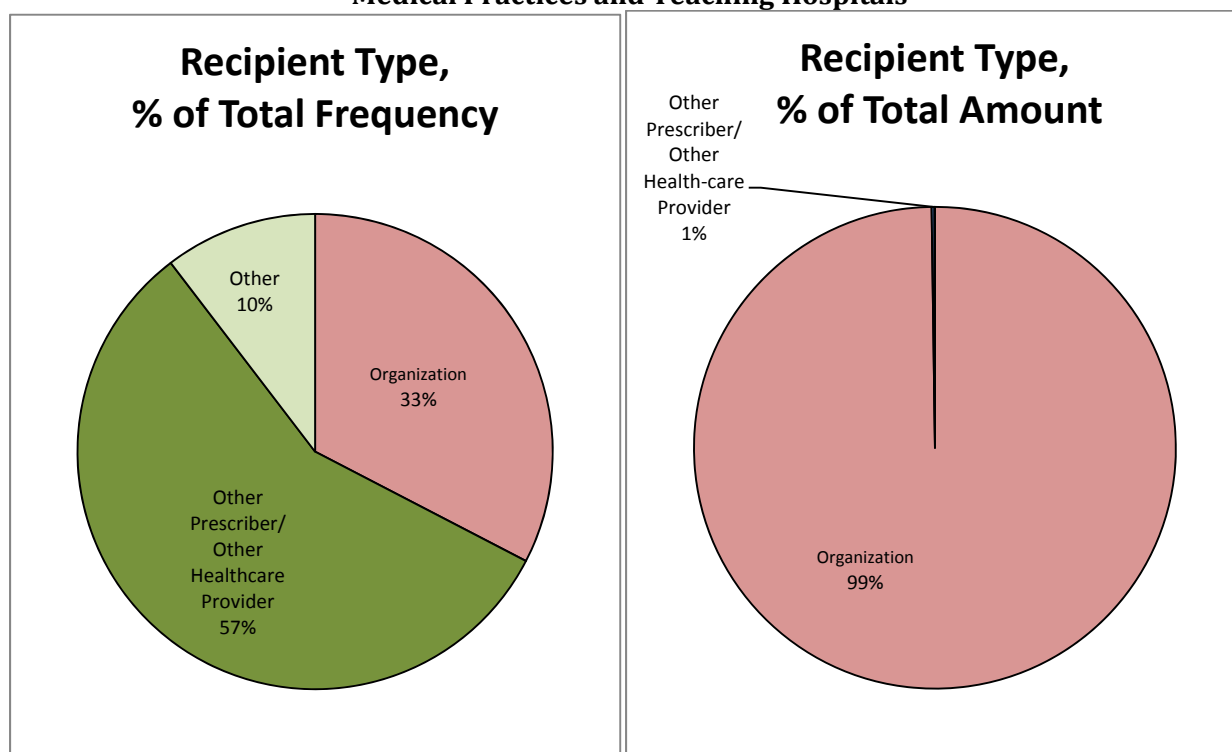
Note: The category "Other" includes payments identified as Other (0.7% of value, <0.1% of frequency), as well as other responses that accounted for less than one percent of the value and count.

AccessRx-Specific Information

The picture changes somewhat when gifts to physicians, medical practices, and teaching hospitals are excluded from the analysis of Subgroup A's *Recipient Types* – as they will be for the 2014 AccessRx report and subsequent reports. (Gifts previously reported to AccessRx as going to medical practices must be attributed to individual physicians in the federal Open Payments system; see Section III for details.)

When gifts to physicians, medical practices, and teaching hospitals are excluded, the three companies that spent the most on gifts still spent the most on *Organizations*, which received the vast majority of gift dollars (99.8%) and approximately one-third of gift frequency (32.6%). *Other Prescribers/Other Healthcare Providers* received the greatest number of Subgroup A's gifts (57.0%).

Figure 20
2013 Gifts from Subgroup A, High Gift Expenditures, to Recipients other than Physicians, Medical Practices and Teaching Hospitals



When gifts to physicians, medical practices, and teaching hospitals are excluded, Organizations receive nearly all of the value of Subgroup A's gifts, and Other Prescribers/Other Healthcare Providers receive the greatest number.

Note: The category "Other" includes payments identified as Other (<0.1% of value, 1.4% of frequency), as well as other responses that accounted for less than one percent of the value and count.

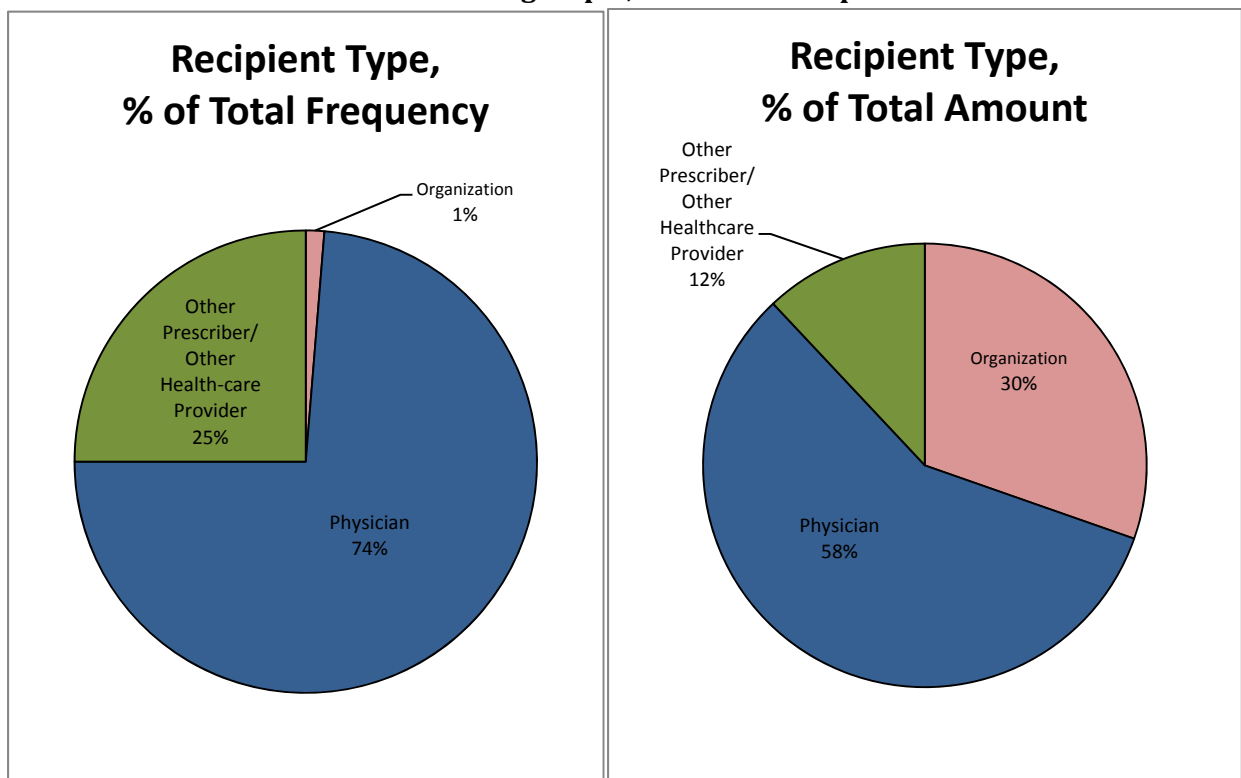
When considering the *Nature of Payment* of Subgroup A's gifts, monetary gifts to all recipients (including physicians and teaching hospitals) accounted for \$14.1 million, or 99.7% of the value, and approximately one-fourth (26.8%) of the number of gifts. Nearly half of Subgroup A's gifts (49.1%) took the form of *Food*, although these gifts accounted for only 0.2% of the total value (\$23,438). Most gifts (56.9%) were for the purpose of *Marketing* (\$1.6 million). A small percentage (5.4%) of gifts was for a purpose identified as *Other*; these totaled \$11.8 million.

Gift Expenses: Subgroup B

Subgroup B is composed of three pharmaceutical companies whose *Gift Expenses* totals centered around the median value (\$35,919) for all *Gift Expenses* totals greater than zero. Subgroup B's *Gift Expenses* totaled \$107,048 and accounted for less than one percent of all companies' combined *Gift Expenses*. Unlike Subgroup A's total, which rose between 2012 and 2013, Subgroup B's total fell from \$118,191 in 2012. The fact that the 2013 gift reports do not include gifts to physicians and teaching hospitals given after July 31 could account for some or all of the drop.

For Subgroup B, *Physicians* accounted for both the majority of gift frequency (73.7%) and the majority of gift value (57.6% of the total, or \$61,710), even though only seven months of physician gifts are included in the total. Only 1.3% of gifts went to *Organizations*, but accounted for nearly one-third (30.4%, or \$32,500) of the value.

Figure 21
2013 Gifts from Subgroup B, Medical Gift Expenditures*



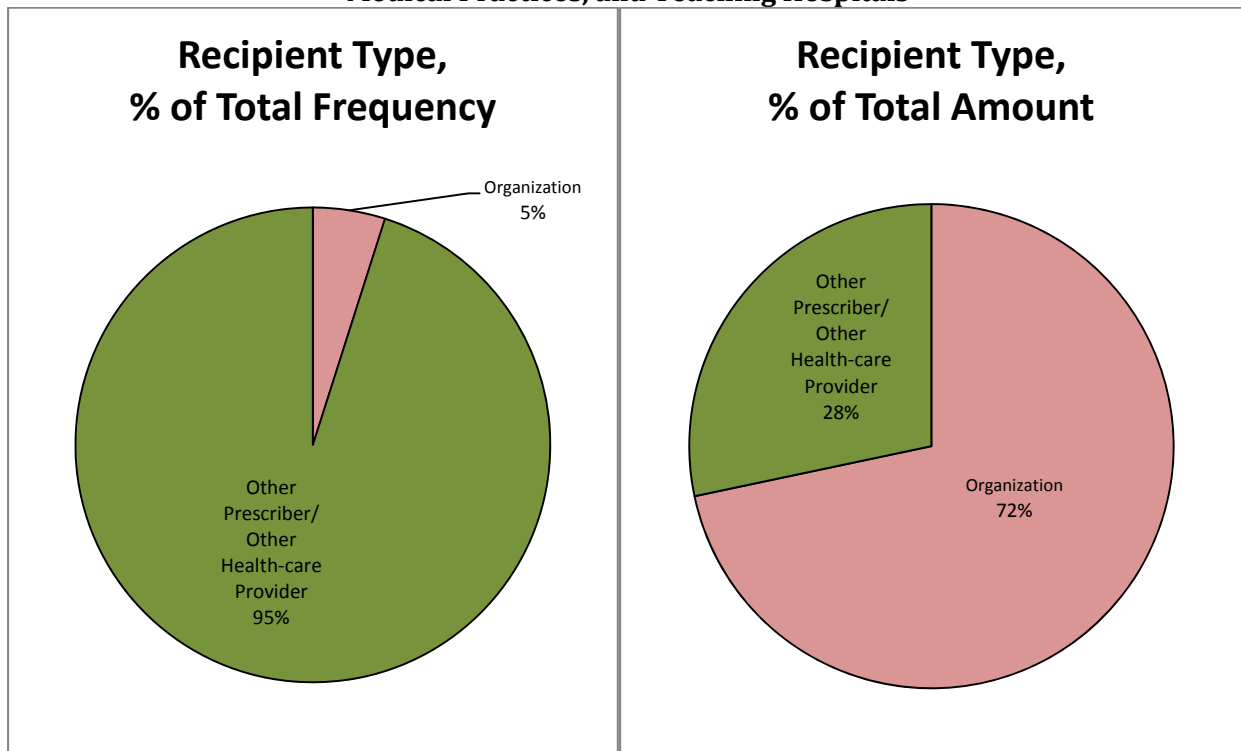
*Excludes gifts given to physicians, medical practices, and teaching hospitals between August 1 and December 31, 2013, because those gifts are instead reportable to the federal Open Payments system.

Physicians accounted for the greatest share of the value and the greatest number of gifts from Subgroup B, even though the totals include only physician gifts given during the first seven months of the year.

AccessRx-Specific Information

When gifts to physicians, medical practices, and teaching hospitals are excluded, we see how Subgroup B's gifts might be divided among *Recipient Types* in future years. With the exclusions, *Organizations* receive a small percentage of gifts (4.9%), but account for the vast majority of the value (71.7%, or \$32,500). *Other Prescribers/ Other Healthcare Providers* receive many small gifts – 95.1% of the gifts, but only 28.3% of the value (\$12,838).

Figure 22
2013 Gifts from Subgroup B, Median Gift Expenditures, to Recipients other than Physicians, Medical Practices, and Teaching Hospitals



When gifts to physicians, medical practices, and teaching hospitals are excluded, Organizations still receive the most money from companies with median gift expenditures, and Other Prescribers/Other Healthcare Providers receive the greatest number of gifts.

For organizations with median gift expenditures (including gifts to physicians and teaching hospitals), 16.0% of the gifts were monetary, but these gifts accounted for 79.3% (\$84,897) of gift value. Most gifts – 64.2% – took the form of *Food*, though these gifts accounted for only 10.5% of the gift value. The majority (55.6%) of gifts were classified as having the purpose of *Marketing*, although these accounted for only 12.9% of the value (\$13,824). Another 18.5% of gifts were designated as *Other*, and these accounted for nearly one-third (31.0%, or \$33,186) of gift value.

Subgroup Comparison

In 2013, the three companies with the largest *Gift Expenses* totals, Subgroup A, accounted for nearly half of the value of all companies' gifts, while the three companies with *Gift Expense* totals around the median total for all companies accounted for less than one percent. Subgroup A's *Gift Expenses* total rose from \$11.4 million in 2012 to \$14.2 million in 2013.

These totals exclude gifts given to physicians, medical practices, or teaching hospitals after July 31, 2013, because such gifts were required to be reported to the federal Open Payments system rather than to the AccessRx program. This may be a reason why Subgroup B's 2013 *Gift Expense* total of \$107,048 was lower than Subgroup B's 2012 *Gift Expenses* total of \$118,191, in contrast to the increase seen in Subgroup A.

In 2013, Subgroup A gave the greatest share of the number of gifts to *Physicians*, but *Organizations* received nearly all of this subgroup's gift value. Subgroup B gave the greatest share of both the number and value of gifts to *Physicians*.

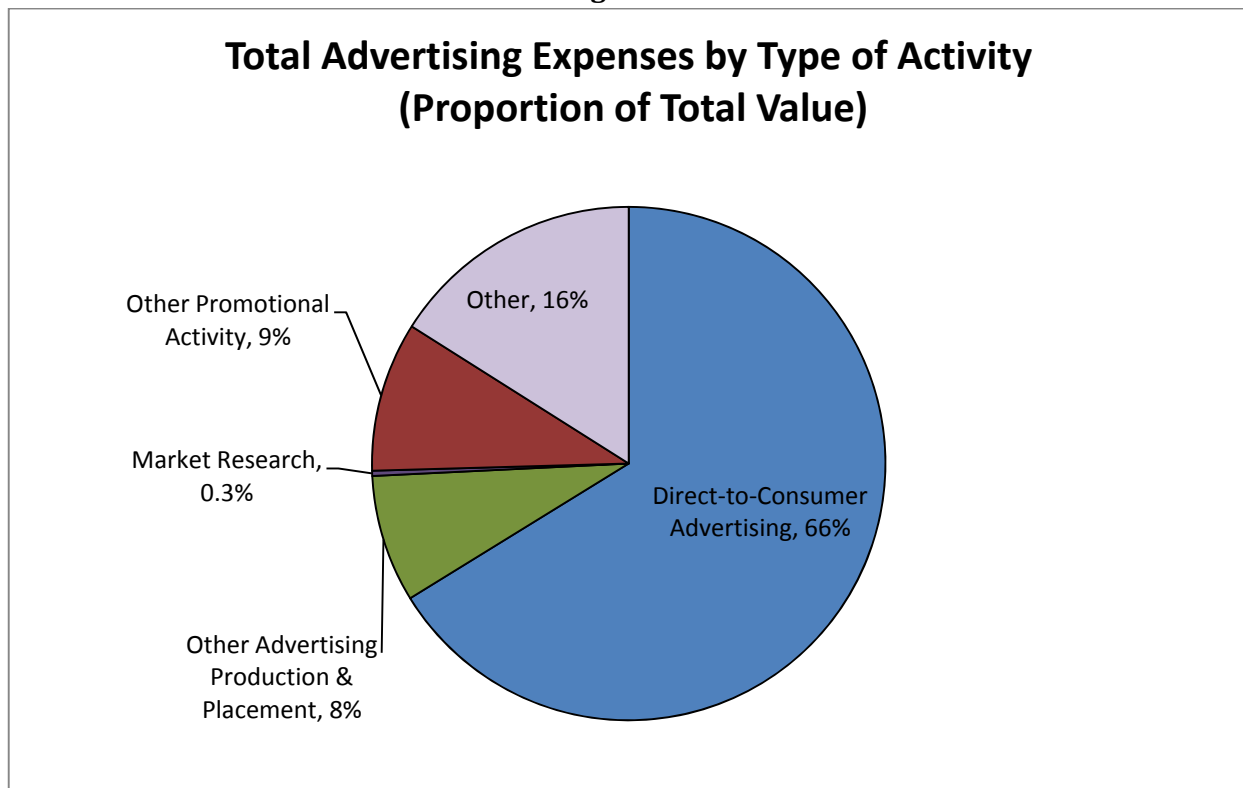
When examining only gifts given to recipients other than physicians, medical practices, and teaching hospitals (i.e., the only recipients whose gifts will remain reportable to AccessRx), *Other Prescriber/Other Healthcare Provider* becomes the *Recipient Type* receiving the greatest number of gifts from both subgroups, while *Organizations* receive the greatest share of gift value. This analysis offers a picture of what reported gift expenditure patterns might look like in future reports, when all gifts to physicians and teaching hospitals will be reported to the federal Open Payments system rather than to the AccessRx system.

VIII. Advertising Expenses

Of the 161 companies that submitted reports on 2013 marketing expenditures, 68 reported expenditures in the Advertising category, totaling \$5.7 million. An analysis of *Activity Type* responses found that the majority of expenditures fell into five categories: *Direct-to-consumer Advertising*, *Other Advertising Production & Placement*, *Market Research*, *Other Promotional Activity*, and *Other*.

Direct-to-Consumer Advertising accounted for \$3.8 million in reported spending, or 66.2% of all *Advertising Expenses*. Expenditures classified as *Other Promotional Activities* accounted for \$533,767, or 9.4% of the total; *Other Advertising Production & Placement* totaled \$454,601, or 8.0% of the advertising spending; and *Market Research* totaled \$9,046, or 0.3%. Expenditures in the *Other* category, which totaled \$908,699, or 16.0% of the total, included descriptions such as "direct promotion," "display," and "patient education."

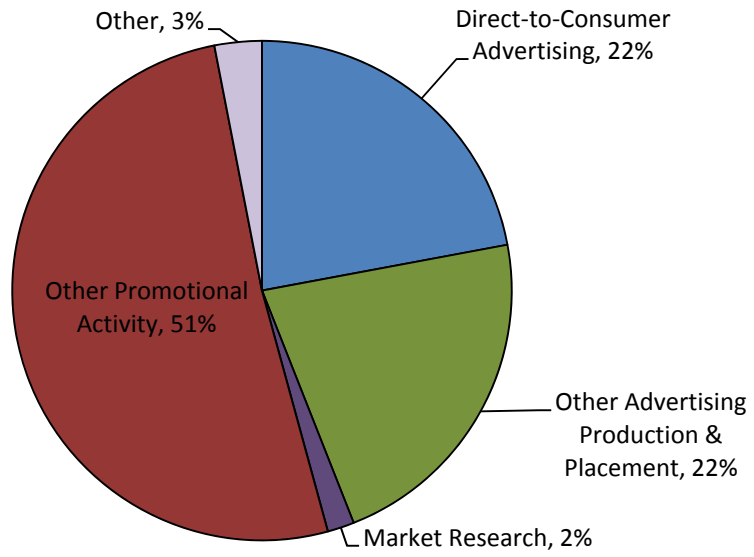
Figure 23



The picture is somewhat different when considering the frequency of different types of *Advertising Expenses*. Expenditures classified as *Other Promotional Activity* account for approximately half (51.2%) of reported expenditures. *Direct-to-Consumer Advertising* and *Other Advertising Production & Placement* each account for slightly more than one-fifth of the expenditure items (22.1% and 22.0%, respectively). The remaining gifts fell into *Market Research* (1.7%) and *Other* (3.1%)

Figure 24

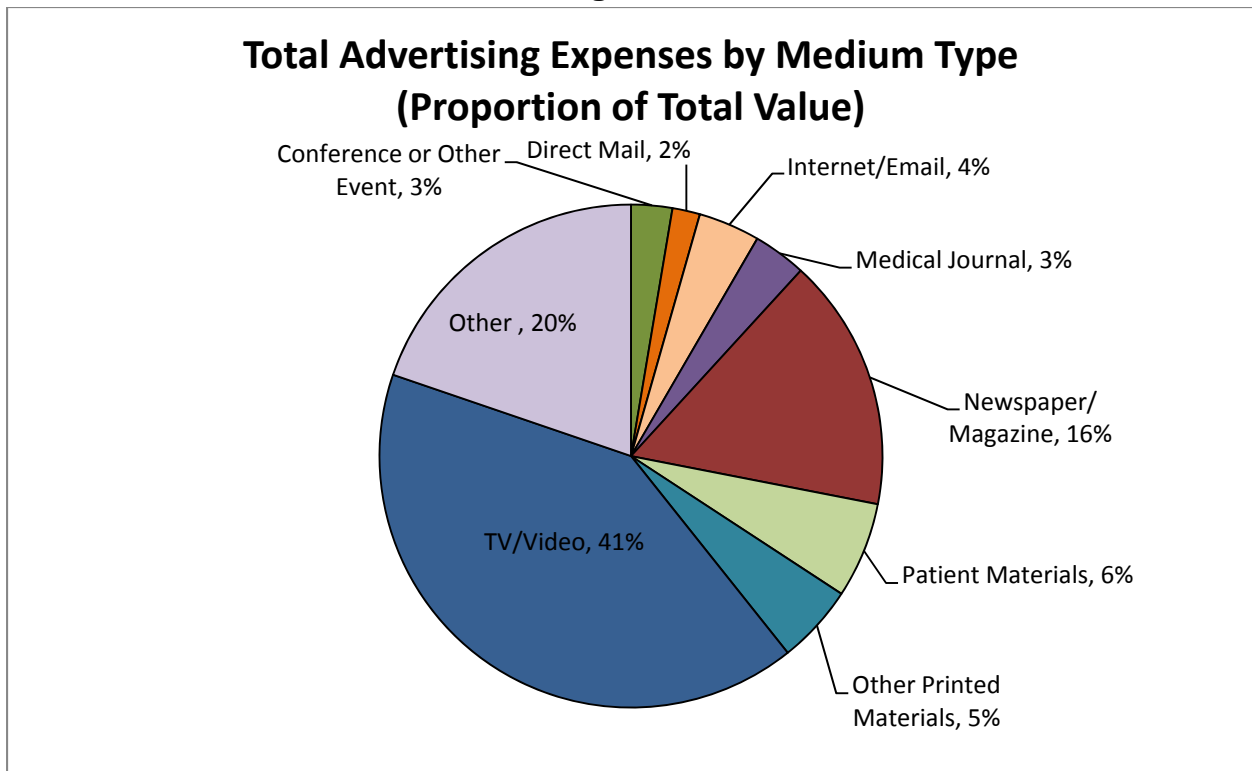
Total Advertising Expenses by Type of Activity (Frequency of Expenditures)



Advertising *Medium Type* responses were grouped into nine categories: *Conference or Other Event*, *Direct Mail*, *Internet/Email*, *Medical Journal*, *Newspaper/Magazine*, *Patient Materials*, *Other Printed Materials*, *TV/Video*, and *Other*.

Expenditures for *TV/Video* totaled \$2.3 million, or 40.9% of the advertising sum. *Newspaper/Magazine* advertising accounted for another \$922,633, or 16.3% of the total. *Other* expenditures amounted to \$1.1 million, or 19.8% of the total; these included expenditures that companies identified with multiple different medium names, such as "TV, Radio, Print," as well as those with descriptions such as "promotional materials" or "promotions." Because items identified as *Radio* or *Telephone* expenditures each totaled less than 1% of the advertising total, these were included in the *Other* category. Other categories that each accounted for less than 10% of the total include *Patient Materials* (\$349,022, or 6.2%); *Other Printed Materials* (\$287,580, or 5.1%); and *Internet/Email* (\$244,466, or 4.0%).

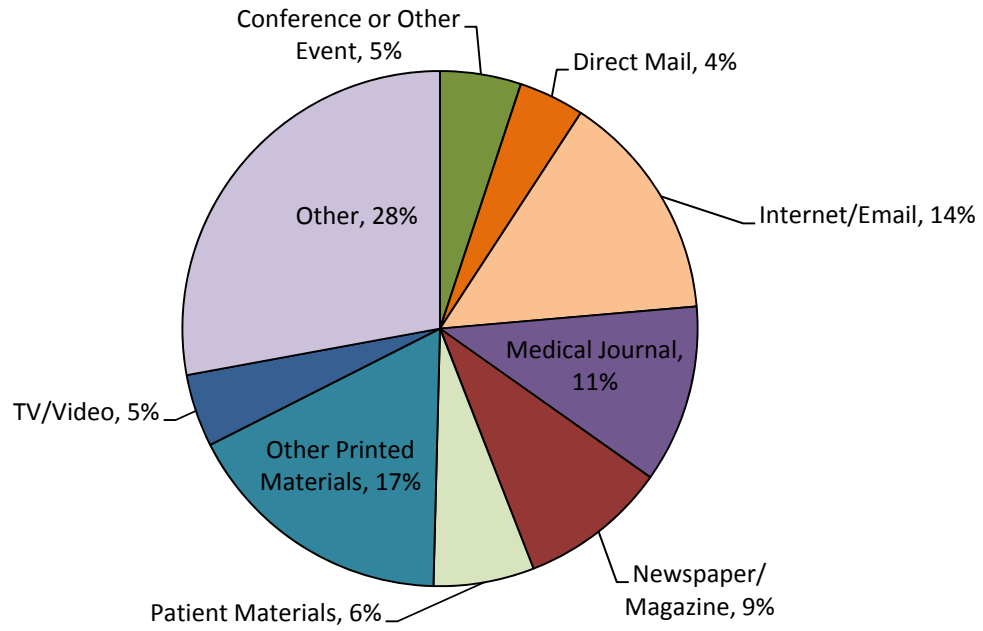
Figure 25



When considering the frequency of expenditures rather than proportion of value, the picture changes. *TV/Video* expenditures represent only 4.6% of the advertising items reported. More than one-fourth of the items (27.9%) fall into the *Other* category. *Other Printed Materials* account for 17.1% of expenditures; *Internet/Email* items account for 14.4% of the count. Another 11.2% of expenditures fall into the *Medical Journal* category. Other *Medium Types* that each account for less than 10% of the total count include *Newspaper/Magazine* (9.3%), *Patient Materials* (6.3%), and *Conference or Other Event* (5.1%).

Figure 26

Total Advertising Expenses by Medium Type (Frequency of Expenditures)



IX. Overview of Company Submissions

Method of Submission

For the 2013 reporting period, pharmaceutical companies disclosed marketing expenses using the Excel worksheet provided by the District Department of Health website.

Trade Secret Declaration

Chapter 18 of Title 22 of the DCMR, "Prescription Drug Marketing Costs," defines a trade secret as follows:

Trade secret – information, including a formula, pattern, compilation, program, device, method, technique, or process, that:

- (A) Derives actual or potential independent economic value, from not being generally known to, and not being readily ascertainable by, proper means by another who can obtain economic value from its disclosure or use; and
- (B) Is the subject of reasonable efforts to maintain its secrecy⁵

Of the 161 companies that submitted 2013 expenditure reports, a minority, 17.4%, declared their reports as trade secrets, whereas the majority, 82.6%, did not declare their reports as trade secrets. This is a minimal decrease in trade-secret declarations from 2012 reports, in which 17.7% declared their reports as trade secrets. Companies reporting 2013 gift expenditure above the median were three times more likely to designate their reports as trade secrets than those below the median.

Quality of Submissions

The quality of company submission was evaluated based on overall completeness and compliance with disclosure requirements. Submissions were classified as follows:

- *Complete*: All required information was provided
- *Almost Complete*: Most required information was provided
- *Incomplete*: Required information was missing
- *N/A*: No marketing expenses were reported

Using this general categorization, 86.3% of all companies provided complete submission, similarly to 2012 (87.1%). These reports included all required information required (e.g., date of payment, full names and credential of recipient, type of recipient, nature of payment, primary purpose of payment, and value of payment). This rating does not account for the appropriateness of responses (i.e., whether the company used the accepted terms for each category), but merely for whether the required fields are completed.

⁵ §1899.1 of Chapter 18 of Title 22 of the DCMR

Another 5.0% of companies provided almost-complete submissions. These reports contained most of the information required, but were missing information, such as recipient details or dates. The number of submissions in this category was similar to 2012, when 5.4% of companies had almost-complete submissions.

Lastly, 3.7% of companies provided incomplete submission; this was a slightly increased percentage from 2012, when it was 2.7%. Some important required information was absent from these company submissions, the most common being only providing a total of all gifts without a detailed breakdown of individual gifts.

To note, eight companies provided complete submissions despite indicating having \$0 in reported marketing expenditure in the District in 2013.

As in previous years, submissions did not contain sufficient information to fully determine whether companies were using Generally Accepted Accounting Principles, but we found no indications that companies were failing to use them.

X. Recommendations

Based on this analysis of 2013 data and knowledge of the federal Open Payments system, we make the following recommendations. These would strengthen the implementation of the original goals of AccessRx, and would make the statute more consistent with federal law and the Open Payments reporting system. Most of the suggested changes would likely require amending the AccessRx Act.

1. Make all reports submitted pursuant to the AccessRx Act publicly available

With data on gifts to physicians and teaching hospitals now publicly available from the Open Payments system, it would be appropriate to also make the information collected in the AccessRx system publicly available. Currently, the database containing AccessRx data is developed each year for use solely by the Department of Health, but the AccessRx Act requires that it remain confidential. In the interest of informed healthcare decision making, patients should have access to information about marketing efforts that may be related to their health conditions. This would also facilitate comparative analyses of the two databases.

2. Require “product marketed” information for gift expenses

The District does not require that reports of gift expenses specify which product is being marketed, but the Open Payments system does. Requesting “product marketed” information for gift expenses reported to the AccessRx system would help researchers calculate how much companies spend on marketing specific drugs, and reports of this information could also help patients make more informed decisions about their healthcare, such as selecting a generic version of a drug or asking questions of a provider who suggests a new medication.

3. Require more detailed reporting of aggregate costs

Although “aggregate expenses” (expenditures on employees and contractors engaged in promotional activities) account for by far the largest share of total expenditures (\$65.2 million, or 64.4% of all reported 2013 expenditures), we have little information about how companies spend this money. Requiring reporting of additional information – for example, salaries of employees engaged in marketing, or total full-time equivalents (FTEs) devoted to marketing in the District – would allow the District to gain a better understanding of how these large sums are being spent.

4. Improve compliance with instructions

To insure that the District receives reports that conform to the requirements of AccessRx and accurately reflect spending patterns, strategies to improve reporting accuracy could be put in place. Prompt responses from the District of Columbia Department of Health to companies that submit incomplete or incorrect information should include a request that corrected information be sent. Ideally, companies

that submit incomplete or inaccurate information would receive follow-up communication within 30 days of their initial submission. Alternatively, the need for follow-up could be reduced if the AccessRx reporting system could be configured to accept only reports that conform to the instructions, with only acceptable responses used in each category and all required fields completed.

Appendix: AccessRx Requirements

Title III of the AccessRx Act of 2004 requires that any “manufacturer or labeler of prescription drugs dispensed in the District that employs, directs, or utilizes marketing representatives in the District” annually report marketing costs for prescription drugs in the District. §48-833.03 describes the content of the annual report:

(a) Except as provided in subsection (b) of this section, the annual report filed pursuant to § 48-853.02 shall include the following information as it pertains to marketing activities conducted within the District in a form that provides the value, nature, purpose, and recipient of the expense:

(1) All expenses associated with advertising, marketing, and direct promotion of prescription drugs through radio, television, magazines, newspapers, direct mail, and telephone communications as they pertain to District residents;

(2) With regard to all persons and entities licensed to provide health care in the District, including health care professionals and persons employed by them in the District, carriers licensed under Title 31, health plans and benefits managers, pharmacies, hospitals, nursing facilities, clinics, and other entities licensed to provide health care in the District, the following information:

(A) All expenses associated with educational or informational programs, materials, and seminars, and remuneration for promoting or participating in educational or informational sessions, regardless of whether the manufacturer or labeler provides the educational or informational sessions or materials;

(B) All expenses associated with food, entertainment, gifts valued at more than \$ 25, and anything provided to a health care professional for less than market value;

(C) All expenses associated with trips and travel; and

(D) All expenses associated with product samples, except for samples that will be distributed free of charge to patients; and

(3) The aggregate cost of all employees or contractors of the manufacturer or labeler who directly or indirectly engage in the advertising or promotional activities listed in paragraphs (1) and (2) of this subsection, including all forms of payment to those employees. The cost reported under this paragraph shall reflect only that portion of payment to employees or contractors that pertains to activities within the District or to recipients of the advertising or promotional activities who are residents of or are employed in the District.

(b) The following marketing expenses are not subject to the requirements of this subchapter:

(1) Expenses of \$25 or less;

(2) Reasonable compensation and reimbursement for expenses in connection with a bona fide clinical trial of a new vaccine, therapy, or treatment; and

(3) Scholarships and reimbursement of expenses for attending a significant educational, scientific, or policy-making conference or seminar of a national, regional, or specialty medical or other professional association if the recipient of the scholarship is chosen by the association sponsoring the conference or seminar.

The manufacturer or labeler must file the report by July 1st of each year, in the form and manner provided by the Department of Health. §48-833.04 describes the report that the Department must then provide to the City Council:

By November 30th of each year, the Department shall provide an annual report, providing information in aggregate form, on prescription drug marketing expenses to the Council and the Corporation Counsel. By January 1, 2005, and every 2 years thereafter, the Department shall provide a report to the Council and the Corporation Counsel, providing information in aggregate form, containing an analysis of the data submitted to the Department, including the scope of prescription drug marketing activities and expenses and their effect on the cost, utilization, and delivery of health care services, and any recommendations with regard to marketing activities of prescription drug manufacturers and labelers.

§48-833.04 addresses confidentiality:

Notwithstanding any provision of law to the contrary, information submitted to the Department pursuant to this subchapter is confidential and is not a public record. Data compiled in aggregate form by the Department for the purposes of reporting required by this subchapter is a public record as long as it does not reveal trade information that is protected by District, state, or federal law.

Chapter 18 of Title 22 of the District of Columbia Municipal Regulation specifies which information must be included in annual reports in each of the three categories (advertising expenses, marketing expenses, aggregate costs).