

Government of the District of Columbia
Department of Health
Health Regulation and Licensing Administration



**Impacts of Pharmaceutical Marketing on
Healthcare Services in the District of Columbia**
Reporting Changes and the Effect of Gifts on Prescribing Behavior

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I. Executive Summary

Overview

The District of Columbia's AccessRx Act requires pharmaceutical companies to file annual reports on marketing expenditures to healthcare providers. This information is compiled and analyzed by the George Washington University Milken Institute School of Public Health for the District of Columbia Department of Health (DC DOH). Two reports are generated annually: an annual comprehensive report on the aggregate, gift, and advertising marketing costs to District physicians, other health care providers, medical practices, and hospitals, and an annual "Impacts" report that investigates how marketing activities may affect healthcare services in the District of Columbia.

In 2013 (the most recent year for which data are available), 161 pharmaceutical companies reported spending a total of \$101.2 million on marketing in the District, including \$65.2 million on aggregate employee and contractor expenses, \$30.4 million on gifts and payments, and \$5.7 million on advertising (DC DOH, 2015). For this year's Impacts report, the District's 2013 pharmaceutical marketing expenditures submitted to DC's AccessRx and Center for Medicare and Medicaid Services (CMS) Open Payments for 2013 were compared and analyzed to assess the quality and quantity of reporting for physician gifts, and the impact of these gifts on prescription claims submitted to Medicare. This report discusses reporting requirements, compares companies reporting federally and to the District, reviews types and amounts of gifts given, and examines the potential impact of gifts to various medical specialties on prescribing behavior.

Key Findings

Physician gift data from AccessRx and Open Payments was combined to analyze company submissions and gifts to physicians for the full year. There were 152 unique companies reporting physician gifts to AccessRx and/or Open Payments in 2013. Of these, 101 companies (66.4%) seemed to have comprehensive reporting, by reporting to AccessRx (Jan–Jul) and to Open Payments (Aug–Dec). Although companies did not have to continue reporting physician gifts to AccessRx after Open Payments went into effect in August, many companies continued to voluntarily report physician gifts to AccessRx in addition to Open Payments. This overlap provided a unique opportunity to compare company submissions to the District and to CMS. Several reporting gaps and discrepancies were found.

- **Violations in reporting:** 7 unique companies only reported physician gifts to AccessRx from August–December, which is in violation of federal reporting requirements.
- **Discrepancies in reporting:** Only one of 66 companies (1.5%) reporting to both AccessRx and Open Payments from August–December was found to have no discrepancies. Sixty-five companies (98.5%) had discrepancies in reporting; in three cases, discrepancies were greater than \$75,000.
- **Suspicious gaps in reporting:**
 - 7 companies only reported physician gifts from January–July, but did not report gifts to either AccessRx or Open Payments from August–December. If these companies provided physician gifts after July and failed to report it, these companies are in violation of federal requirements.
 - 37 additional companies reported physician gifts from August–December, but did not report any gifts prior to August. If these companies did give physician gifts from January–July, these companies are in violation of District requirements.

A full-year analysis of physician gifts reported to AccessRx from January –July and to Open Payments from August –December was performed. Findings include:

- Physicians received \$9.1 million in gifts in 2013, with \$6.17 million reported to AccessRx (Jan–Jul) and \$3.0 million reported to Open Payments (Aug–Dec).
- When comparing AccessRx versus Open Payments, the gifts reported to AccessRx had both a higher median gift value (\$98) and higher average gift value (\$414).
- Among all physician gifts reported, *Food and Beverage* was the most frequent type of gift (58.7%) and *Monetary Payment* was the gift type that accounted for the greatest value (72.4%, or \$6.6 million)

This report is the first to combine pharmaceutical marketing reported to the District in AccessRx with federally reported marketing to Open Payments. It will be instructive to see whether and how gift patterns change as the federal Open Payments system gathers more data. Comparing AccessRx data to Open Payments data can identify shortcomings in reporting requirements and shifts in pharmaceutical-company spending patterns.

To evaluate the potential influence industry gifts may have on prescribing practices, gifts to physicians and other prescribers reported to AccessRx and Open Payments were compared with Medicare Part D records. Of 2,873 Medicare Part D prescribers, 1,123 (39.1%) received gifts in 2013 (reported in AccessRx or Open Payments), totaling \$3.9 million. Medicare claims for healthcare providers who received any gifts from pharmaceutical companies totaled \$128 million, whereas claims for healthcare providers who received no gifts totaled \$53 million. Findings include:

- Claims for prescriptions written by gift recipients were \$56 higher on average than claims for prescriptions written by non-gift recipient claims.
- Gift recipients wrote about 2 more prescriptions per beneficiary than non-gift recipients.
- Gift recipients wrote 8.4% more branded prescriptions than non-gift recipients.
- In 16 of 18 medical specialties, gift recipients engendered a higher average cost of Medicare Part D claims.
- In 13 of 18 medical specialties, gift recipients had a higher frequency of brand claims in comparison to non-gift recipients.
- In surgical specialties, general surgeons and orthopedic surgeons who received gifts had a higher average cost of Medicare Part D claims than non-gift recipients. Other surgeons who received gifts had a lower average cost of claims but a higher frequency of brand claims than non-gift recipients.
- Nurse-practitioners and physician assistants (PAs) who received gifts also had a higher average cost of Medicare Part D claims than non-gift recipients.

II. Healthcare and Pharmaceutical Marketing in the District of Columbia

Healthcare in the District

The District of Columbia is fortunate to have a vast network of healthcare resources available to residents. DC residents have high rates of health-insurance coverage, with over 90% of the District's population covered. More than half of residents (55%) are covered under private health insurance. A quarter (24%) is covered by Medicaid, and 12% are covered by Medicare (KFF, 2013). The District has 5,559 physicians (879.1 per 100,000), which is the highest number of physicians per capita in the nation. The District also has the highest rate of active patient care physicians (632.1 per 100,000) (AAMC, 2013).

Despite access to health insurance and high concentrations of healthcare providers, the District of Columbia faces many serious health concerns, and wide disparities in health care access and outcomes. Heart disease and cancer are among the leading causes of death in the District (as they are in the nation), accounting for over half of all mortality; these conditions are also some of the leading causes of hospitalizations. HIV/AIDS was the eighth leading cause of death in the District, with a mortality rate (15.4 per 100,000) higher than the national rate. A 2012 survey of the District's population found that:

- Ward 8 residents were *more likely* than residents in other wards to rate their health as fair or poor, be diagnosed with arthritis, asthma, diabetes, kidney disease, depression, COPD, or heart disease, have a history of stroke, or heart attack. They were more likely to smoke cigarettes, be obese, be physically inactive, and have high cholesterol. They were more likely to die from complications of diabetes.
- Ward 7 residents were *more likely* to die from chronic lower respiratory disease, HIV/AIDS, homicide/assault, influenza or pneumonia.
- Ward 5 residents were *more likely* to die from heart disease, cancer and stroke.
- Ward 2 residents were *less likely* than residents in other wards to die from heart disease, cancer, stroke, accidents and chronic lower respiratory disease, while residents who resided in Ward 3 were *less likely* to die from diabetes, HIV/AIDS and homicides in comparison to the District as a whole(DC DOH, 2013).

Medicare Eligible Population and Health Status

In 2010, the District had 98,512 residents over age 60, including 57,423 (58.4%) women and 41,089 (41.6%) men, a gender ratio of 71.6 males to 100 females (DCOA, 2012). The District had 81,260 total Medicare beneficiaries in 2012, 33% of which were dual-eligible – covered by both Medicare and Medicaid. Dual-eligible individuals often require more care at higher costs (KFF, 2011).

In the District, the median income for seniors 65 and older was estimated to be \$41,128 (after adjusting for inflation) compared to a national average of \$34,381 (DCOA, 2012). Medicare beneficiaries, however, were more likely to reside in Ward 7 or Ward 8 and to have a household income less than \$15,000, making the cost of medications a concern. One in fourteen (6.9%) District residents reported not taking prescribed medications within the last year due to cost. The number was higher in Wards 7 and 8; one in ten (10.1%) respondents in Ward 7 and one in seven (15.5%) respondents in Ward 8 reported not taking prescribed medication within the last year due to cost (DC DOH, 2013).

A “doughnut hole” gap in Medicare Part D coverage has left many seniors with high prescription-drug needs struggling to cover the costs of their medications. Once Part D beneficiaries’ drug costs exceed a coverage limit (which varies by plan), they are responsible for 100% of their prescription-drug costs until a catastrophic coverage amount is reached, after which the Part D program begins covering their drug costs again (The Henry J. Kaiser Family Foundation, 2010). The Affordable Care Act’s gradual closure of the Medicare Part D doughnut hole is helping to reduce financial pressures on seniors who hit these coverage ceilings. In 2012, District of Columbia Part D beneficiaries in the doughnut hole received discounts that averaged \$670 per beneficiary. It is predicted that enrollee savings will continue to increase through 2020, at which point the doughnut hole will be closed (CMS, 2013).

Prescription Drug Expenditures

Prescription drug costs affect government and private payers, as well as consumers. U.S. spending on prescription drugs totaled \$263.3 billion in 2012. Of that, 17.8% (\$46.8 billion) was paid by consumer out-of-pocket spending; 44.4% was covered by private insurance (\$117.0 billion); 25.9% was covered by Medicare (\$68.2 billion); and 7.5% was covered by Medicaid (\$19.6 billion). In 2009 (the most recent year for which data are available), the District’s Medicaid program spent \$87.4 million on pharmaceuticals. Drug classes accounting for the largest expenditures were antivirals (\$26.0 million), antipsychotics (\$16.6 million), and antiasthmatics (\$4.3 million) (CMS, 2014).

Nationally, individuals with any prescription drug expenses in 2011 spent an average of \$1,522; the median expense was \$275. Low-income individuals with any prescription-drug expenses spent an average of \$1,492; the median was \$269 (AHRQ, 2011). High expenditures on prescription drugs may mean that less money is available for other important health priorities.

Pharmaceutical marketing affects prescribers’ therapeutic choices. Pharmaceutical companies spend marketing dollars differently on various specialties. Our previous report, “Focus on Gifts to Organizations and Influential Physicians,” found that between 2007 and 2012, pharmaceutical

companies provided gifts to 71 physicians in DC totaling \$100,000 each over the five year period. Internal medicine physicians and psychiatrists received the most money. Among these physicians, ten hematologists/oncologists (14.1%) received a combined total of \$3.1 million; six cardiologists (8.5%) received a combined total of \$2.1 million; six psychiatrists received a combined total of \$1.5 million, and six general internists received a combined total of \$1.5 million (DC DOH, 2014).

“ Nine of ten of the top-selling drugs nationally in 2013 were drugs commonly prescribed by internists; one, Abilify, is primarily prescribed by psychiatrists. ”

Nine of ten of the top-selling drugs nationally in 2013 were drugs commonly prescribed by internists; one, Abilify, is primarily prescribed by psychiatrists. Eight of ten of the most frequently prescribed drugs were drugs commonly prescribed by internists. The remaining two, Cymbalta and Vyvanse, are frequently prescribed by psychiatrists.

Table 1
Top 10 Drugs by Sales, July 2013–June 2014

Rank	Brand (Generic)	Primary Use	Company	Sales
1	Abilify (aripiprazole)	Schizophrenia, bipolar disorder	Otsuka Pharmaceutical	\$7,240,043,661
2	Humira (adalimumab)	Rheumatoid arthritis	Abbott Laboratories	\$6,310,742,887
3	Nexium (esomeprazole)	Ulcers or acid reflux	AstraZeneca	\$6,303,738,580
4	Crestor (rosuvastatin)	High cholesterol	AstraZeneca	\$5,672,991,435
5	Enbrel (etanercept)	Rheumatoid arthritis	Amgen	\$5,097,263,350
6	Advair Diskus (fluticasone propionate/salmeterol)	Asthma	GlaxoSmithKline	\$5,064,138,456
7	Sovaldi (sofosbuvir)	Hepatitis C	Gilead	\$4,469,558,675
8	Remicade (infliximab)	Rheumatoid arthritis	Janssen Biotech	\$4,342,356,359
9	Lantus Solostar (insulin glargine injection)	Diabetes	Sanofi-Aventis	\$3,829,943,226
10	Neulasta (pegfilgrastim)	Stimulates white blood cells in cancer patients receiving chemotherapy	Amgen	\$3,688,450,342

(Brooks, 2014)

Table 2
Top 10 Drugs by Monthly Prescriptions, July 2013–June 2014

Rank	Brand (Generic)	Use	Company	Total Prescriptions to June 2014
1	Synthroid (levothyroxine)	Hypothyroidism	AbbVie	22,664,826
2	Crestor (rosuvastatin)	High cholesterol	AstraZeneca	22,557,735
3	Nexium (esomeprazole)	Ulcers and acid reflux	AstraZeneca	18,656,464
	Ventolin HFA (albuterol)	Asthma	GlaxoSmithKline	17,556,646
5	Advair Diskus (fluticasone propionate/salmeterol)	Asthma	GlaxoSmithKline	15,003,169
6	Diovan (valsartan)	Hypertension	Novartis	11,401,503
7	Lantus Solostar (insulin glargine injection)	Diabetes	Sanofi-Aventis	10,154,739
8	Cymbalta (duloxetine)	Depression	Eli Lilly	10,065,788
9	Vyvanse (lisdexamfetamine dimesylate)	ADHD	Shire	10,019,178
10	Lyrica (pregabalin)	Neuropathic pain	Pfizer	9,684,884

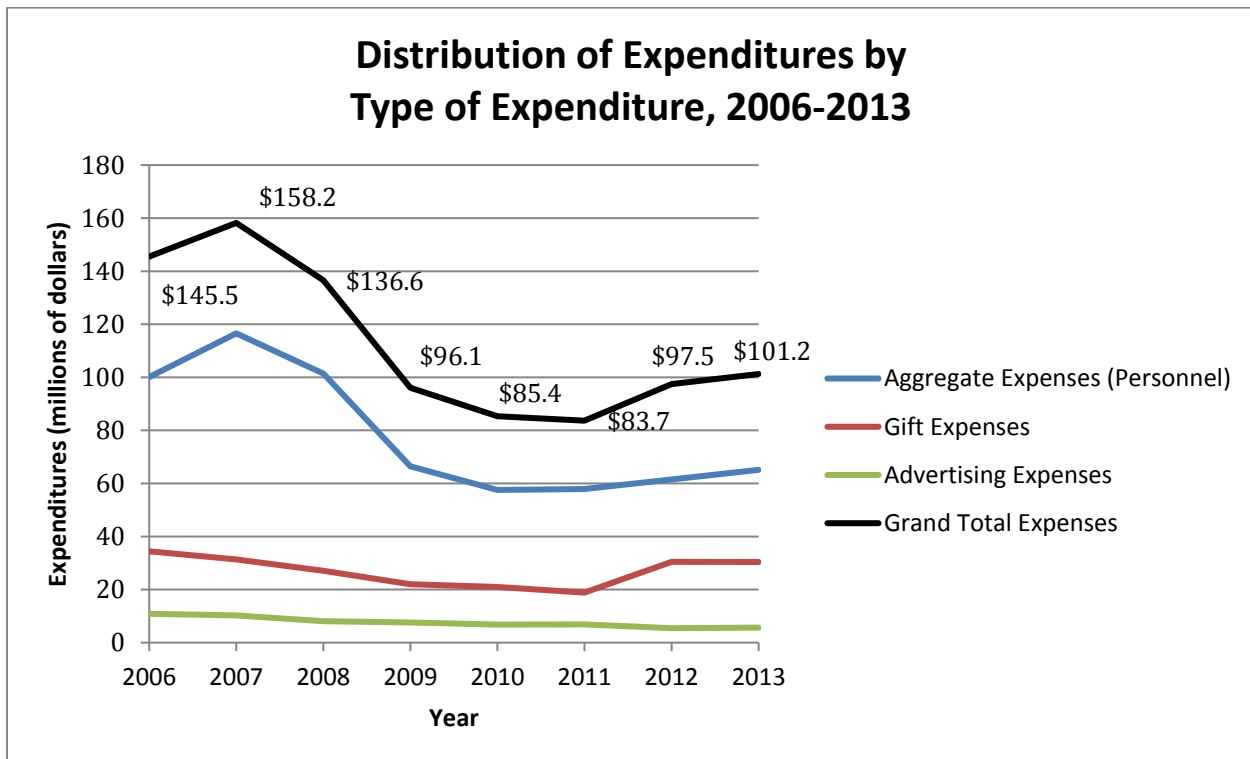
(Brooks, 2014)

Pharmaceutical Marketing in the District

Our previous report, “Pharmaceutical Marketing Expenditures in the District of Columbia, 2013,” found that 161 pharmaceutical companies reported spending \$101.2 million on marketing, including \$65.2 million on aggregate employee and contractor expenses, \$30.4 million on gifts and payments to healthcare providers and non-individual recipients, and \$5.7 million on advertising to AccessRx. As in previous years, the most frequent gift (69.7%) was food, but monetary gifts (Cash or Checks, Grants, Donations, Consultant Fees, and Honoraria) accounted for the most value (\$26.2 million, or 92.2% of the total).¹ Analysis of gifts by recipient type found:

- 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). *Food and Beverage* gifts were the most frequent gifts (69.2%) to physicians.²
- Nurses received gifts totaling \$320,532 – only 5% of what physicians received – with a median gift value of \$88. Physician Assistants received gifts totaling \$95,456 – only 1.5% of what physicians received – with a median gift value of \$73. Food gifts for nurses and physician assistants were the most frequent gifts and accounted for the greatest share of the gifts’ dollar value.

Figure 1



¹ This is the raw gift value reported to AccessRx. Gifts to physicians and medical practices given between August - December 2013 are included in this number, and gifts reported to Open Payments are not included. Subsequent sections of the report analyze cleaned data.

² Data for this section included physician gifts reported to AccessRx (Jan-Jul) and Open Payments (Aug-Dec). Open Payments data uploaded as of December 19, 2014 and was retrieved on January 12, 2015.

III. Comparing AccessRx and Open Payments

During 2013, federal reporting requirements that preempt a portion of District reporting requirements went into effect. The Patient Protection and Affordable Care Act of 2010 established the Open Payments system to establish transparency of payments by the pharmaceutical industry to physicians and teaching hospitals nationwide. Open Payments requires that gifts given by pharmaceutical companies to physicians and teaching hospitals made on or after August 1, 2013 and full years thereafter be reported to the Centers for Medicare and Medicaid Services (CMS). Therefore, pharmaceutical companies were instructed to report payments to physicians and teaching hospitals in the District from January 1–July 31, 2013 to DC’s AccessRx, and continue reporting this subset thereafter to CMS Open Payments.

The District’s AccessRx system and the federal Open Payments system have important similarities and differences. AccessRx has several advantages over Open Payments. Unlike Open Payments, AccessRx collects information on gifts to non-physician healthcare providers and non-teaching hospitals. In addition, AccessRx, but not Open Payments, collects information on the millions of dollars that pharmaceutical companies spend on employees and contractors engaged in marketing, known as “detailers”, in the District of Columbia (\$65.2 million in 2013). AccessRx also collects information on District-specific advertising efforts (\$5.7 million in 2013).

The primary advantage that Open Payments has over AccessRx is that the identities of physicians and teaching hospitals reported to Open Payments are made publicly available and are searchable online. Researchers can report patterns in gifts given to individual physicians and specific teaching hospitals, while consumers can learn whether their doctors receive gifts or research payments from drug companies and which drugs those companies are promoting in the process.³ Although specific information on who receives gifts is reported to AccessRx and is available in detail to the DC DOH, the AccessRx Act specifies that this information is confidential and is not a matter of public record, so information on individual healthcare providers and facilities cannot be disclosed.⁴

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.

⁴DC Department of Health. 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.

Specific differences in required reporting between the District’s AccessRx system and the federal Open Payments system include:

- **Gift Recipients:** While 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 hospitals⁵, the AccessRx system collects information on *all* healthcare providers and their staff.⁶
- **Value Cutoff:** Open Payments exempts payments valued at less than \$10 (amount indexed to inflation), provided the total gifts under \$10 do not exceed \$100 in a year. AccessRx exempts expenses of less than \$25 (not indexed to inflation) per day and per healthcare provider or entity, with no limit on the number of exempted gifts.⁷
- **Treatment of Gifts to Physician Practices:** For gifts given to the staff of physician practices, Open Payments attributes the value to the individual physicians working at the practice, while AccessRx attributes the gift to the medical practice. For example, if a company representative spends \$200 on a buffet lunch for a group practice of five physicians, the company would report the lunch to Open Payments as a \$40 gift to each of the five physicians. By contrast, the company could report such a gift to AccessRx as a \$200 gift to the group practice.
- **Categorization of Gifts:** Open Payments and AccessRx categorize some gifts differently. In Open Payments, monetary payments fall into several different categories, including consulting fees, compensation for serving as a speaker, and compensation for other services. In AccessRx, money paid is categorized as “cash or check” gifts with the primary purpose of “consulting” or “speaker fee or payment.”
- **Companies included:** Open Payments requires reporting from medical device, medical supply, and biologics companies. AccessRx requires reporting only from pharmaceutical companies.
- **Research:** Open Payments requires reporting of research payments; AccessRx does not.

Despite these differences, the two databases are complementary. AccessRx captures payments to nurse-practitioners, physician assistants, other healthcare providers, and non-teaching hospitals that are not captured by Open Payments. Also, analyzing data reported to AccessRx can play an important role in identifying promotional trends specific to the District of Columbia, and, as discussed in this report, providing an important check on discrepancies in reporting of pharmaceutical marketing expenditures.

⁵ Teaching hospitals are 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.” (CMS, 2015)

⁶ Specifically: “all persons and entities licensed to provide healthcare in the District, including healthcare 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.” (CMS, 2015)

⁷ DC Department of Health. Chapter 18 Prescription Drug Marketing Costs. <http://doh.dc.gov/sites/default/files/dc/sites/doh/publication/attachments/Chapter-18.pdf>. (DC DOH, 2010)

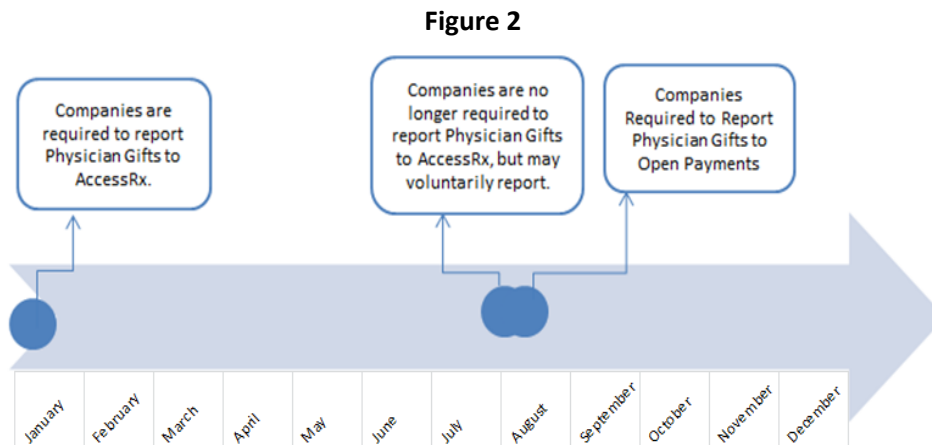
IV. Companies Reporting Gifts to Physicians

How well did companies report with new requirements?

The following analysis compares the reporting patterns of companies to AccessRx and Open Payments in 2013. With this information, DC DOH can identify how successful companies were at meeting District reporting requirements after the implementation of new federal requirements.

2013 was a unique reporting year because of the midyear implementation of the CMS Open Payments program. Open Payments required companies to report gifts to physicians and teaching hospitals beginning in August 2013. This pre-empted District requirements for reporting of the same information. As a result, companies were required to report all gifts to AccessRx between January and July. In August, companies were required to begin reporting gifts to physicians and teaching hospitals to Open Payments and continue reporting other information to the District. Some companies made the transition in August and stopped reporting physician and teaching hospital gifts to AccessRx, while others voluntarily reported expenses to the District that were only supposed to be reported federally.

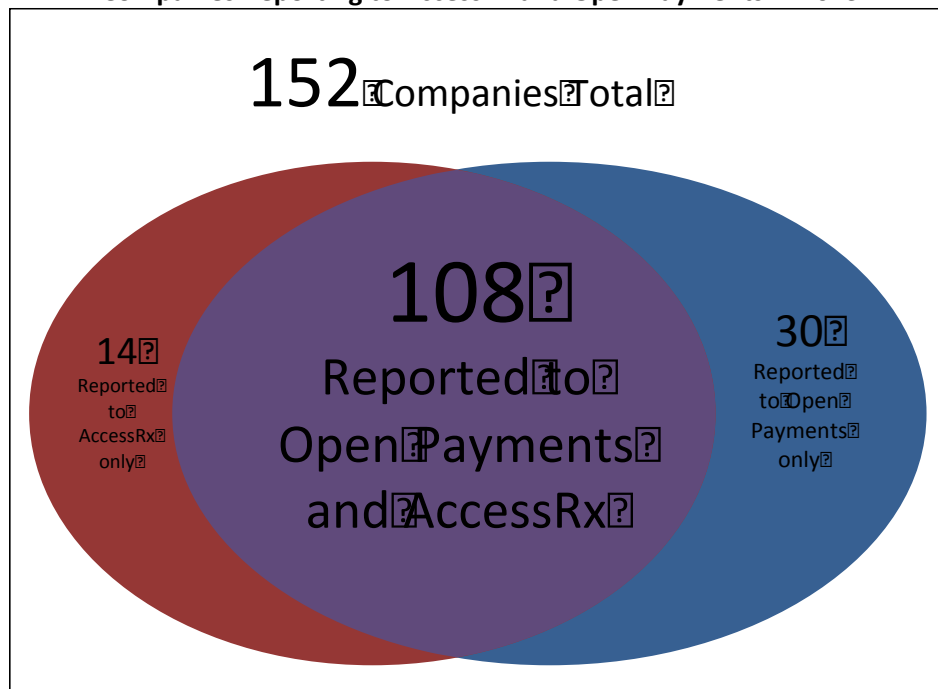
152 companies reported to AccessRx and/or Open Payments in 2013. Of these, 66 (43.4%) submitted physician gift information from August–December to both AccessRx and Open Payments. This unique overlap in reporting provided the ability to scrutinize the quality of reporting among companies and explore the implications of differences in required reporting between AccessRx and Open Payments. We detected some incomplete reporting, possibly in violation of District or federal requirements.



Overview of 2013 Reports

In 2013, 152 unique companies reported a total of \$11.1 million in physician gifts to AccessRx and/or Open Payments. Of these companies, 108 (71.1%) reported payments to both AccessRx and Open Payments in 2013. The remaining 44 companies (28.9%) reported payments to only one or the other program (See Figure 3). This includes 14 companies (9.2%) that only reported payments to AccessRx and 30 companies (19.7%) that only reported payments to Open Payments.

Figure 3
Companies Reporting to AccessRx and Open Payments in 2013



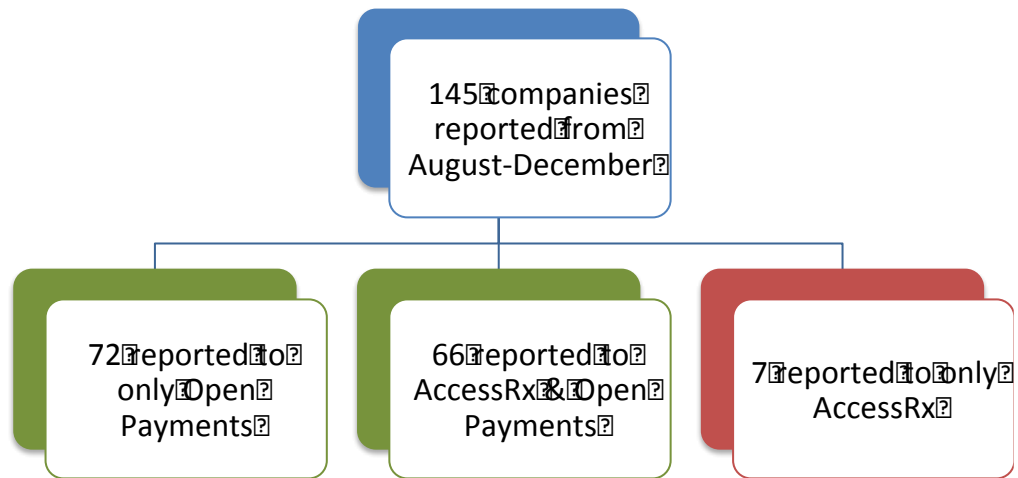
Transitioning to the Open Payments System

Surprisingly, after Open Payments went into effect in August, many companies voluntarily continued to report physician gifts to AccessRx in addition to Open Payments. Between August and December, 145 companies reported in total to either Open Payments or voluntarily to AccessRx.

Of the 145 companies that reported from August–December, 7 companies (4.8%) reported only to AccessRx, failing to report to Open Payments (See Figure 4). These companies are *not* in compliance with the federal requirements that mandate this information be submitted to Open Payments.

The remaining 138 companies (95.2%) reported to Open Payments, in compliance with federal requirements (See Figure 4). Of these 138 companies, there was an overlap of 66 companies that reported to both AccessRx (voluntary) and Open Payments (required). This overlap provides the District with the unique ability to compare company submissions between the two sets of data.

Figure 4
Reporting to Open Payments and AccessRx from August–December



Discrepancies in Reporting

The 66 companies that reported to both AccessRx and Open Payments were analyzed in more depth to evaluate discrepancies in reporting. Unexpectedly, companies reported different gift amounts to the two programs from August–December. This comparison found discrepancies totaled over \$1.5 million, which included \$801,610 that was underreported to Open Payments.

“ ... discrepancies totaled over \$1.5 million, which included \$801,610 that was underreported to Open Payments. ”

Of the 66 companies that reported August–December payments to both AccessRx and Open Payments (See Figure 5):

- 32 companies reported a higher total gift amount to Open Payments than AccessRx; the difference was \$778,198.
- 33 companies reported a higher gift amount to AccessRx than Open Payments; the difference was \$787,201.
- Only one company reported the same amount in physician gifts to AccessRx and Open Payments.

In addition, 7 companies only reported physician gifts to AccessRx, not Open Payments; the difference was \$14,409 underreported to Open Payments.

Figure 5

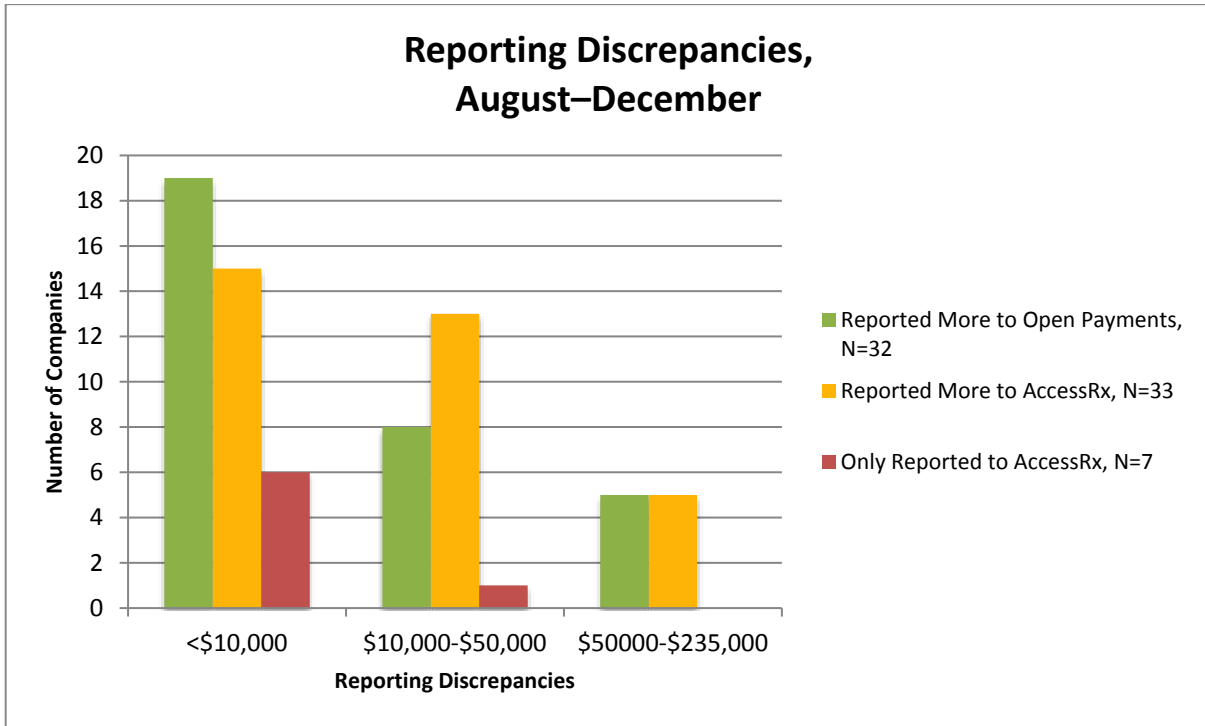


Figure 5 displays the 72 companies that showed reporting discrepancies between August-December (65 reporting to both plus the 7 only reporting to AccessRx). Of these companies:

- 40 companies (61.5%) had reporting discrepancies <\$10,000.
- 22 companies (33.8%) had reporting discrepancies between \$10,000-\$50,000.
- 10 companies (15.4%) had reporting discrepancies between \$50,001-\$235,000.

Since reporting of physician gifts to AccessRx was voluntary from August–December, higher reported payments to Open Payments are to be expected. Another factor that would make gift totals in Open Payments higher is that gifts over \$10 must be reported, while in AccessRx gifts greater than \$25 must be reported.

However, voluntary reporting does not explain why some companies reported higher physician gift amounts to AccessRx than to Open Payments (\$801,610 total underreported). This may indicate non-compliance with federal reporting requirements.

For this reason, we focused further inquiry on companies who reported substantially greater gift amounts to physicians in AccessRx than in Open Payments. Three companies underreported to Open Payments by more than \$75,000. These payments were evaluated in detail to provide insights on the source of discrepancies between the databases in terms of gift value, number of gifts, and the number of physician recipients. Reporting discrepancies did not appear to be a result of the differences in the reporting requirements, as the 3 companies showed inconsistencies in the average value of gifts reported, the number of physician recipients, the names of physician recipients, and the value of gifts associated with each physician (See Table 3).

- **Company A** reported \$159,000 more in physician gifts to AccessRx than Open Payments. Payments to about 200 physicians were reported to Open Payments, while nearly 500 physicians were reported to AccessRx. There was an overlap of only 170 physicians reported to both databases. The average gift value reported to Open Payments was \$450, while the average gift value reported to AccessRx was over \$500. On average, the individual physician gift payments of recipients included in both databases were \$138 higher in AccessRx compared to Open Payments.
- **Company B** reported \$88,000 more in physician gifts to AccessRx than Open Payments. While payments to more than 250 physicians were reported to both AccessRx and Open Payments, only 43 physician names were common to both databases. The average value of physician gifts reported to AccessRx was \$1,623, compared to an average of \$556 in Open Payments – a threefold difference. Reported payments to physicians who appeared in both databases were fairly consistent, differing on average by less than \$40.
- **Company C** reported \$78,000 more in physician gifts to AccessRx than Open Payments. Payments to fewer than 100 physicians were reported to Open Payments, while payments to about 300 physician recipients were reported to AccessRx. The average gift value reported to AccessRx was about \$55, while the average gift value reported to Open Payments was \$271. On average, AccessRx gifts were \$230 higher than Open Payments for physicians reported to both databases.

Table 3
Companies Under-reporting to Open Payments by More Than \$75,000

Company Name	Difference in Gift Value	Difference in Number of Gifts	Difference in Number of Physician Recipients
Company A	\$159,463	587	299
Company B	\$87,556	-32*	-23*
Company C	\$78,002	598	222

*Negative numbers indicate instances where a greater number of gifts were reported to Open Payments.

The large discrepancies observed between reporting systems have several possible explanations. During the first year of implementation, companies may have experienced confusion regarding the transition and the new reporting responsibilities. Discrepancies may also be the result of delays in releasing data in Open Payments. Pharmaceutical companies can submit data corrections at any time, but CMS provides gift recipients a window of time to review and contest information before it is made public; these data are thus temporarily unavailable on the Open Payments website. It is also possible that the public display of information changed the reporting habits of pharmaceutical companies. The confidential nature of data reported to AccessRx may have reduced the motivation for companies to scrutinize data before submission. It is possible that the public availability of Open Payments data drove companies to alter or withhold data to avoid public attention.

Reporting Gaps & Recommendations

Gaps in reporting became apparent when looking at information reported over the year in AccessRx and Open Payments. While not all instances definitively involve misreporting, this information provides some indication of inconsistencies and holes in reporting that should be investigated.

From January–July, 114 companies reported physician gifts to AccessRx (See Figure 6). Of these, 7 companies (6.1%) failed to report any physician gifts in August–December. If these companies provided any gifts to physicians during this time, these companies are in violation of federal reporting requirements.

From August–December, 145 companies reported physician gifts (See Figure 6); 101 of the companies (69.7%) reported payments to AccessRx January–July and Open Payments August–December, which indicates ideal reporting with companies appropriately reported to both systems. Thirty companies (20.7%) reported gifts to Open Payments, but failed to report any physician gifts to AccessRx from January–July. In addition, 7 companies (4.8%) reported to both AccessRx and Open Payments from August–December and did not report any payments before August. If these companies gave gifts to physicians between January–July, these companies are in violation of District reporting requirements.

Some companies did not report to Open Payments from August–December, but did report to AccessRx. These 7 companies blatantly violated the federal requirements to report physician gifts to Open Payments. (These companies are also discussed in the previous section on “Transitioning to the Open Payments System.”) These inconsistencies suggest not only a violation of federal reporting requirements, but also some confusion regarding District reporting requirements.

This analysis reveals several distinct groups of companies that showed violations and inconsistencies that should be examined further. We recommend that DC DOH follow up with the several groups of companies that are listed below to ensure compliance with the District requirements.

- **Violations in reporting:** 7 unique companies only reported physician gifts to AccessRx from August–December, which is in violation of federal reporting requirements.
- **Discrepancies in reporting:** Only one of 66 companies (1.5%) reporting to both AccessRx and Open Payments from August–December was found to have no discrepancies. Sixty-five companies (98.5%) had discrepancies in reporting; in three cases, these discrepancies were greater than \$75,000.
- **Suspicious gaps in reporting:**
 - 7 companies only reported physician gifts from January–July, but did not report gifts to either AccessRx or Open Payments from August–December. If these companies provided physician gifts after July and failed to report it, these companies are in violation of federal requirements.
 - 37 additional companies reported physician gifts from August–December, but did not report any gifts prior to August. If these companies did give physician gifts from January–July, these companies are in violation of District requirements.

Figure 6
Company Reporting Patterns

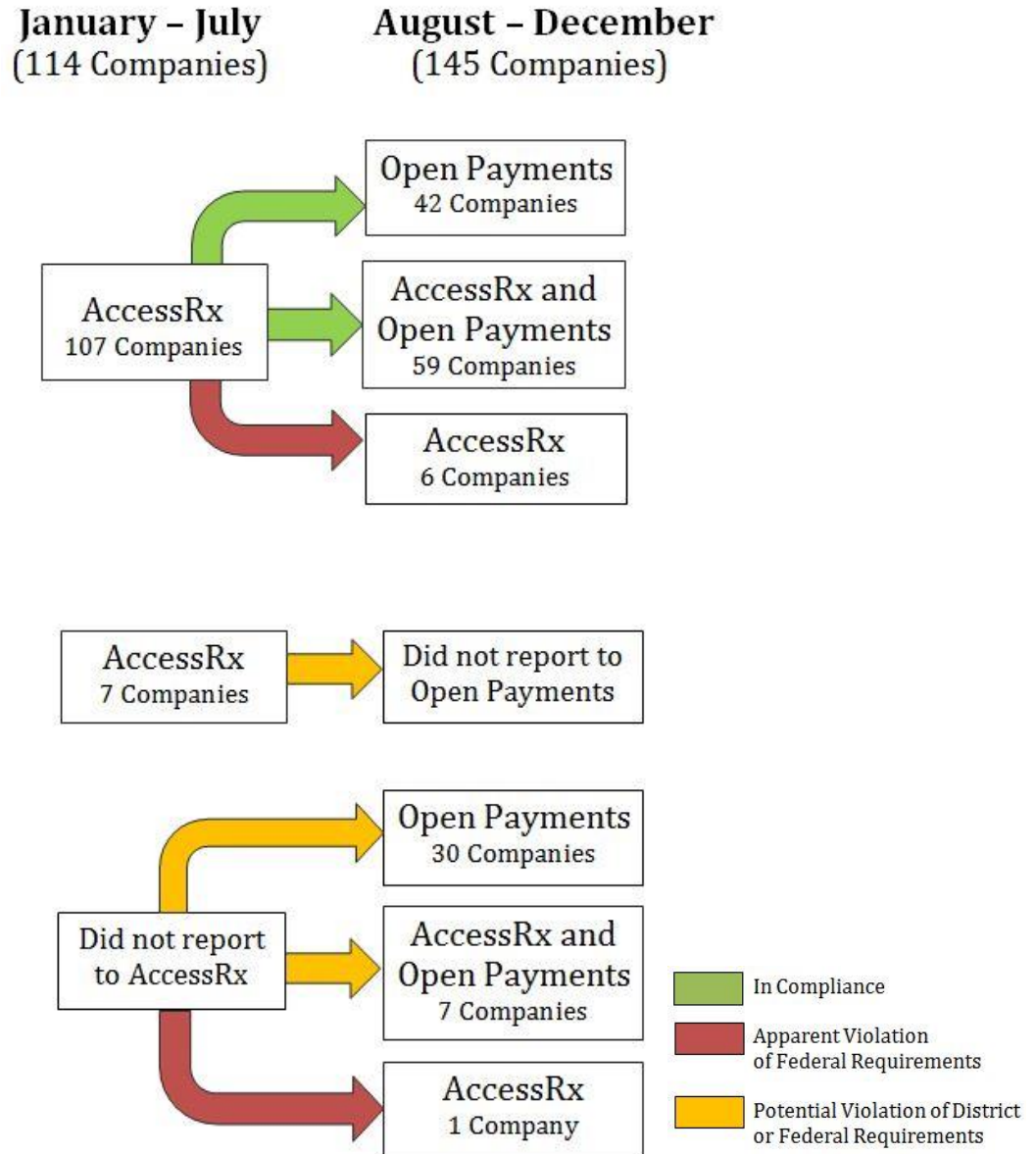


Figure 6 shows the reporting patterns of all companies reporting physician gifts in 2013. Of these:

- 101 reported appropriately to both AccessRx and Open Payments. (Green)
- 7 violated federal reporting requirements by reporting gifts to physicians from August – December to AccessRx and not Open Payments. (Red)
- 7 only reported gifts from January – July raising concerns that the full year of gifts were not disclosed appropriately. (Yellow)
- 37 only reported gifts from August – December raising concerns that the full year of gifts were not disclosed appropriately. (Yellow)

V. Gifts to Physicians

After excluding duplicated data, we found that District physicians received \$9.1 million in gifts in 2013, with \$6.17 million reported from January–July to AccessRx and \$3.0 reported from August–December to Open Payments.

When comparing the source of data, AccessRx versus Open Payments, *Monetary Payments* made up the greatest value of gifts in AccessRx and Open Payments. When looking at frequency of gifts, *Food and Beverage* were the most common gifts in AccessRx, whereas *Travel and Lodging* were the most common gifts in Open Payments. Gifts ranged from less than one dollar to \$25,000 in both AccessRx and Open Payments (Table 4).

The gifts reported to AccessRx had both a higher median gift value (\$98) and higher average gift value (\$414). This is unexpected, as there should be similar reporting of gifts to physicians in both AccessRx and Open Payments.

These differences in payment values and types are worth ongoing monitoring to assess changes in gift patterns, differences between District and national reporting, and discrepancies between AccessRx and Open Payments. Further analysis should occur as physician and teaching hospital payments continue to be made public through Open Payments.

Table 4
AccessRx and Open Payments 2013 Gifts to Physicians

Recipient Type	Total Amount Received	Average Gift Value (Range)	Average Value of Gifts per Month	Average Frequency of Gifts per Month
AccessRx (Jan–Jul)	\$6,177,414	\$414 (<\$1-25,000)	\$882,488	2,130
Open Payments (Aug–Dec)	\$2,970,933	\$252 (<\$1-25,000)	\$594,187	2,497

In 2013, physicians received about \$9.1 million in gifts. Single payments to individuals ranged from less than dollar to \$25,000.

Gifts by Payment Type

Among all physician gifts reported to AccessRx (Jan–Jul) and Open Payments (Aug–Dec), *Food and Beverage* was the most frequent type of gift, constituting 58.7% of gifts. Relatively smaller numbers of gifts were in the form of *Monetary Payments* (18.0%), *Travel and Lodging* (16.3%), and *Other* (7.0%). *Monetary Payments* made up the greatest proportion of total gift value with \$6.6 million, or 72.4% of the total. The remaining one-fourth of gift value was accounted for by *Food and Beverage* (\$1.2 million, or 13.5%), *Travel and Lodging* (\$1.0 million, or 11.5%), and *Other* (\$244,644, or 2.7%).

2013 Gifts to Physician Recipients by Nature of Payment
Figure 7 Figure 8

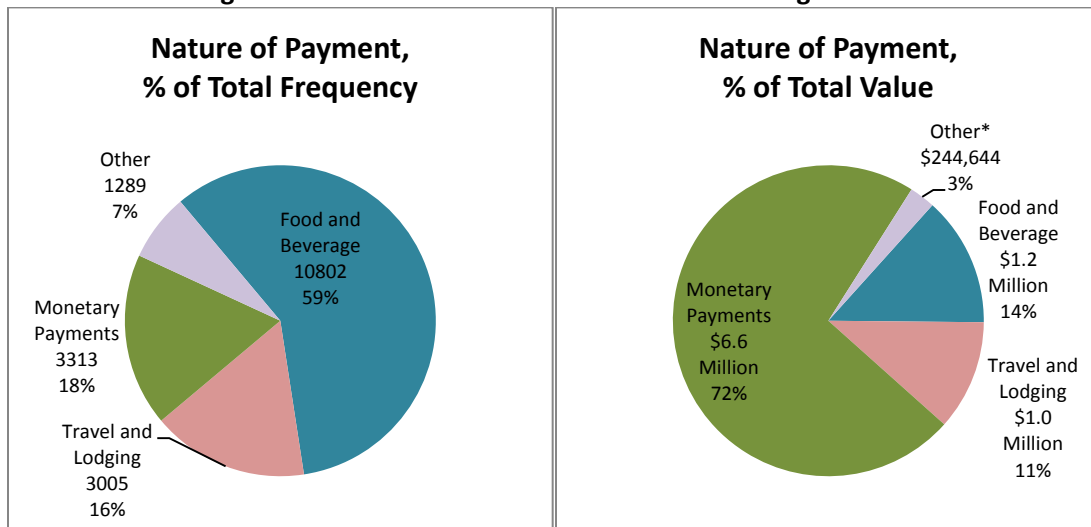
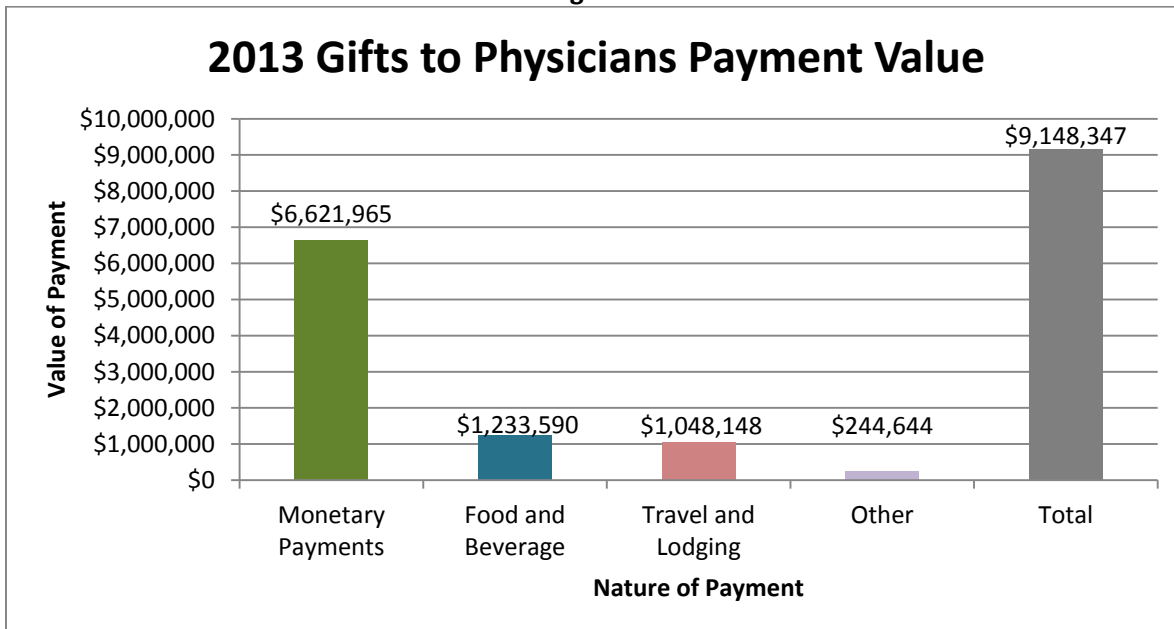


Figure 9



The majority of gifts were in the form of *Food and Beverage* (58.7%) (Figure 8), while *Monetary Payments* accounted for the greatest value (\$6.6 million, or 72.4%) (Figure 8, Figure 9).

The picture is somewhat different when considering the 25 physicians who received the highest total gift value. For these physicians, *Monetary Payments*, constituting 44.2% of gifts, were the most frequent type of gift, followed by *Other* (24.6), *Travel and Lodging* (16.2%), and *Food and Beverage* (15.0%). *Monetary Payments* made up the greatest proportion of total gift value with \$3.1 million, or 85.6% of the total. The remaining gift value was accounted for by *Travel and Lodging* (\$259,531, or 7.2%), *Other* (\$209,594, or 5.8%), and *Food and Beverage* (\$47,563, or 1.3%).

“*Monetary Payments* made up the greatest proportion of total gift value with \$3.1 million, or 85.6% of the total.”

2013 Gifts to Top 25 Physician Recipients

Figure 10

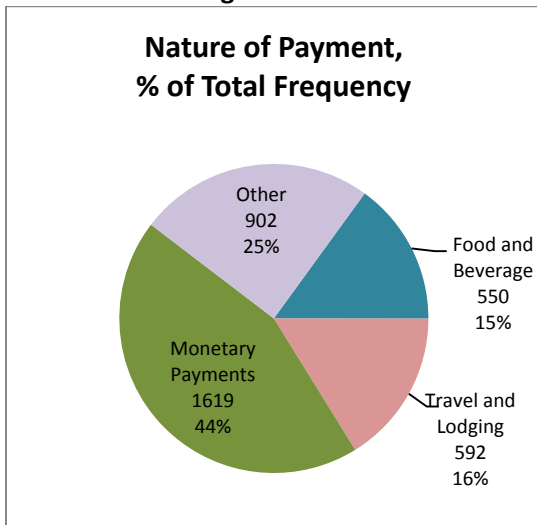


Figure 11

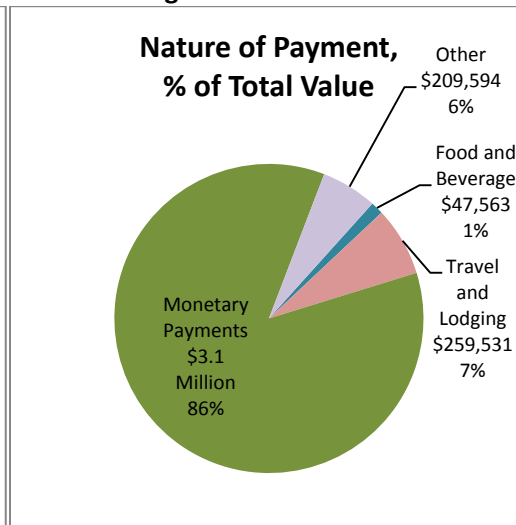
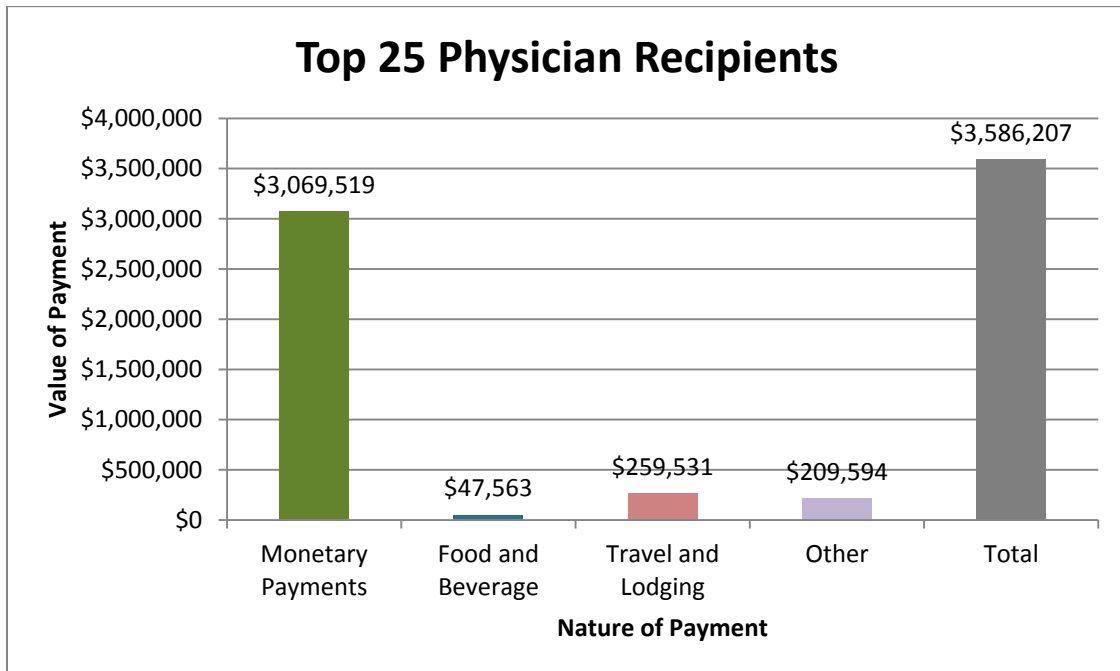


Figure 12



Monetary Payments accounted for the greatest number of payments (44.2%) (Figure 11), as well as the greatest proportion of gift value (\$3.1 million, or 85.6%) (Figure 11, Figure 12).

VI. Gifts to Medicare Part D Prescribers

Do gifts from pharmaceutical companies affect prescribing choices?

Pharmaceutical company promotion focuses on expensive branded drugs (Spurling, 2010), but the extent to which gifts affect individual prescribing behavior is debated. In April 2015, CMS released Medicare Part D prescriber information for 2013, providing public access to information on individual physicians, including prescriber information on brand and generic prescription drug claims

In an effort to determine whether prescribers who accepted pharmaceutical company gifts differed from those who did not accept gifts, we compared Medicare Part D prescribers to physician gift data reported to AccessRx and Open Payments. There was a statistically significant difference in the number of Medicare claims, the average cost of claims, and the percentage of branded drugs prescribed between gift and non-gift recipients. This analysis helps to elucidate the potential impact of pharmaceutical marketing on prescribing behavior. This data was analyzed as a whole and by medical specialty.

We also analyzed the effect of payments to nurse-practitioners, physician assistants, and podiatrists.⁸ DC may be the only jurisdiction with the ability to evaluate prescriber data in this way, because the AccessRx Act requires annual reporting of gifts to both physician and non-physician healthcare providers.

Of 2,873 Medicare Part D prescribers, 1,123 (39.1%) received gifts in 2013 (reported in AccessRx or Open Payments), totaling \$3.9 million. Medicare claims for healthcare providers who received any gifts from pharmaceutical companies totaled \$128 million, whereas claims for healthcare providers who received no gifts totaled \$53 million.

“ Gift recipients wrote more expensive prescriptions: Claims for prescriptions written by gift recipients were \$506 higher on average than claims for prescriptions written by non-gift recipients. . . . gift recipients wrote 8% more branded prescriptions than non-gift recipients.”

Gift recipients wrote more expensive prescriptions: Claims for prescriptions written by gift recipients were \$506 higher on average than claims for prescriptions written by non-gift recipient. Gift recipients also wrote 2.32 more prescriptions per beneficiary than non-gift recipients. The percentage of branded versus generic claims also differed; gift recipients wrote 78.84% more branded prescriptions than non-gift recipients. These differences in prescribing patterns were statistically significant.⁹

⁸ Healthcare providers in specialties with a sample size of five or less subjects were excluded from this analysis. (Data for this section includes AccessRx submissions from January 1 – July 31, 2013 and the Open Payments data from August 1 – December 31, 2013.)

⁹ Results were statistically significant (P<.05).

Table 5
2013 Medicare Prescribers by Gift Status

Recipient Type	Number of Medicare Part D Prescribers	Gift Amount	Total Cost of Claims
Gift Recipients	1123	\$3,937,826	\$127,892,836
Non-Gift Recipients	1750	\$0	\$52,589,791

Table 6
2013 Medicare Prescribers by Gift Status

Recipient Type	Total Number of Claims	Average Cost of Claims	Average Number of Claims Per Prescriber	Average Number of Claims Per Beneficiary	Percent Brand Claims
Gift Recipients	1,001,891	\$ 135 42	892	8.8	3320.53 %
Non-Gift Recipients	681,438	\$85	389	6.5	2511.79 %

It is possible that physicians who write more prescriptions – or more branded prescriptions – are targeted to receive gifts from the pharmaceutical industry. It is also possible, and perhaps more likely, that receiving gifts prompts more expensive branded prescriptions.

It is interesting that prescribers who receive gifts are writing more prescriptions per beneficiary – on average, 8.8 claims per patient for gift recipients versus 6.5 claims per patient for non-gift recipients.¹⁰ It is possible that gift recipients write more prescriptions because they see sicker patients, although that seems unlikely. It is also possible that prescribers who do not receive gifts are more conservative about avoiding polypharmacy.

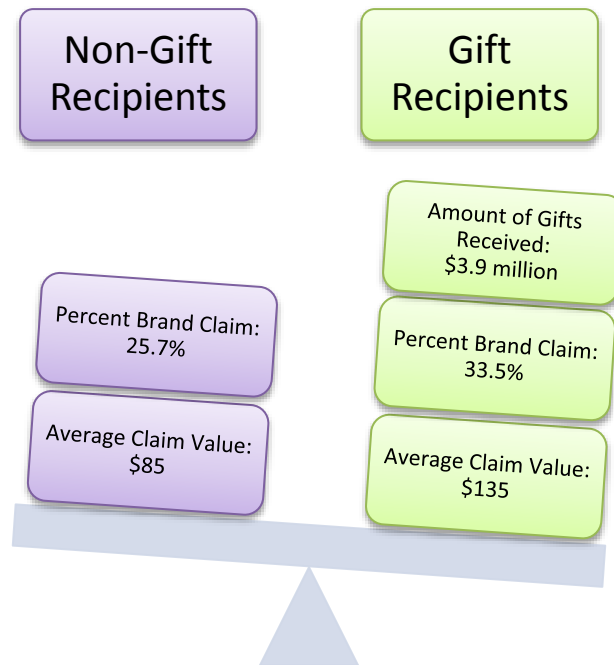
“ The total cost of gifts to prescribers was \$3.9 million, and the difference in total cost of claims between gift recipients and non-gift recipients was \$75.3 million. ”

¹⁰ Prescribers were excluded if no beneficiary number was provided. Beneficiary counts fewer than 11 are not displayed in the data. https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Medicare-Provider-Charge-Data/Downloads/Prescriber_Methods.pdf

The total cost of gifts to prescribers was \$3.9 million, and the difference in total cost of claims between gift recipients and non-gift recipients was \$75.3 million (not adjusted for differences in numbers of patients seen). The question of whether pharmaceutical industry gifts to Medicare Part D prescribers contributed higher average cost of claims and higher percentage of branded claims for gift recipients must be addressed.

It is reasonable to assume that prescribers who are prescribing more drugs and more expensive drugs to Medicare patients are prescribing similarly for patients with other insurances, including Medicaid. A previous AccessRx report analyzed gifts to Medicaid psychiatrists in the District and found that while Medicaid psychiatrists in DC accounted for about a quarter (27%) of psychiatrists who receive at least \$1000 from major antipsychotic manufacturers, Medicaid psychiatrists received two thirds (66%) of the monetary share of gifts. In 2008, the most recent year for which data are available, the national average percentage of Medicaid beneficiaries receiving antipsychotics in DC was 9.8% – almost twice as high as the average percentage for all states (5.4%) (Borkowski et al, 2012). The question of whether gifts to prescribers contribute to increased use of targeted drugs must be addressed.

Figure 13



Comparing Gift and Non-Gift Recipients by Specialty

While there was a difference between prescribing between gift and non-gift recipients as a whole, there are also variations among specialties. We analyzed specialties separately to determine any differences in gifting and prescribing.

In 16 of 18 specialties, gift recipients had a higher average cost of claims. These specialties included *Internal Medicine, Endocrinology, Gastroenterology, Nephrology, Pulmonology, Dermatology, Emergency Medicine, Family Medicine, Neurology, Obstetrics and Gynecology, Ophthalmology, Pediatrics, Psychiatry, Radiation Oncology, Urology, and Diagnostic Radiology*. Together, these specialties received gifts with a combined total of \$3.3 million.

In 13 of these specialties, gift recipients also had a higher frequency of brand claims in comparison to non-gift recipients. These specialties included *Internal Medicine, Cardiology, Endocrinology, Nephrology, Dermatology, Emergency Medicine, Family Medicine, Neurology, Obstetrics and Gynecology, Ophthalmology, Pediatrics, Psychiatry, and Urology*. These specialties received gifts totaling of \$3.0 million.

In 3 specialties (*Gastroenterology, Pulmonary Disease, and Diagnostic Radiology*), gift recipients had a higher average cost of claims but a lower frequency of brand claims in comparison to non-gift recipients. Combined, these specialties received \$608,963 in gifts. In one specialty (*Radiation Oncology*), gift recipients had a similar average cost of claims and frequency of brand claims in comparison to non-gift recipients. Finally, in one specialty (*Infectious Disease*) gift recipients had a lower average cost of claims and a lower frequency of brand claims in comparison to non-gift recipients.

Table 7
2013 Medicare Prescribing Practices of Physicians

Specialty	Gift Recipient Status	Amount of Total Gifts	Number of Total Gifts	Number of Physicians	Average Number of Total Claims/Physician	Average Cost of Total Claims	% Frequency of Brand Claims
Internal Medicine N=681	Gift Recipients	\$724,176	3969	258	1673	\$ 12107	3225.8%
	No Gifts	\$0	–	423	698	\$ 8867	26.618.1%
Cardiology N=90	Gift Recipients	\$395,722	1153	60	1455	\$ 6871	26.70.8%
	No Gifts	\$0	–	30	503	\$ 7980	2814.0%
Endocrinology N=28	Gift Recipients	\$245,667	663	18	1240	\$ 18753	43.90.7%
	No Gifts	\$0	–	10	237	\$ 1463	52.540.3%
Gastroenterology N=50	Gift Recipients	\$193,138	576	36	513	\$ 276158	40.025.5%
	No Gifts	\$0	–	14	94	\$ 17709	40.332.0%

Infectious Disease N=38	Gift Recipients	\$74,798	279	22	1181	\$660597	6359.7%
	No Gifts	\$0	-	16	426	\$67838	69.86.5%
Nephrology N=53	Gift Recipients	\$101,563	286	34	1752	\$1653	30.528.4%
	No Gifts	\$0	-	19	514	\$1385	26.418.4%
Pulmonary Disease N=37	Gift Recipients	\$415,416	932	25	758	\$278188	60.241.2%
	No Gifts	\$0	-	12	181	\$153	64.847.2%
Dermatology N=50	Gift Recipients	\$66,734	434	35	293	\$13705	26.19.3%
	No Gifts	\$0	-	15	247	\$7899	20.67.9%
Emergency Medicine N=179	Gift Recipients	\$179,102	127	31	150	\$3173	18.720.8%
	No Gifts	\$0	-	148	99	\$243	17.97.2%
Family Medicine, Family Practice N=174	Gift Recipients	\$22,794	369	48	2147	\$7665	25.82.2%
	No Gifts	\$0	-	126	989	\$560	20.417.3%
Neurology N=66	Gift Recipients	\$668,109	1169	42	626	\$3001	30.524.9%
	No Gifts	\$0	-	24	355	\$21366	25.01.7%
Obstetrics/ Gynecology N=144	Gift Recipients	\$318,639	850	67	91	\$12016	44.025.6%
	No Gifts	\$0	-	77	51	\$8073	41.420.3%
Ophthalmology N=75	Gift Recipients	\$23,637	382	53	671	\$97	56.11.1%
	No Gifts	\$0	-	22	201	\$6551	45.827.2%
Pediatric Medicine N=72	Gift Recipients	\$3,246	38	17	60	\$88114	25.931.6%
	No Gifts	\$0	-	55	75	\$13987	28.211.5%
Psychiatric Specialties* N=305	Gift Recipients	\$246,680	1433	111	651	\$10928	20.916.9%
	No Gifts	\$0	-	194	203	\$1006	20.814.5%
Radiation Oncology N=16	Gift Recipients	\$18,820	37	5	100	\$515	0.0%
	No Gifts	\$0	-	11	43	\$550	0.0%
Urology N=43	Gift Recipients	\$28,085	296	26	496	\$11203	28.610.0%
	No Gifts	\$0	-	17	233	\$6972	18.17.2%
Diagnostic Radiology N=19	Gift Recipients	\$408	15	5	40	\$9766	69.1.5%
	No Gifts	\$0	-	14	26	\$6755	40.118.4%

*Psychiatry, Psychiatry & Neurology, Neuropsychiatry, Geriatric Psychiatry

Surgical Specialties

Surgical specialties included *General Surgery, Orthopedic Surgery, and Other Surgery*. *General Surgeons* received gifts totaling \$106,707, and had a higher average cost of claims (\$~~8168~~ vs. \$~~455~~) and higher frequency of brand claims (~~2017.6%~~ vs. ~~19.29%~~) in comparison to non-gift recipients.¹¹

Orthopedic Surgeons received gifts totaling \$35,880, and had a higher average cost of claims (\$~~4651~~ vs. \$~~368~~), but a similar frequency of brand claims (~~192.6%~~ vs. ~~142.96%~~) in comparison to non-gift recipients.

Other surgeons (including cardiac, colorectal, maxillofacial, oral and maxillofacial, plastic and reconstructive, neurological, thoracic and vascular surgeons) received gifts totaling \$4,057, and had a lower average cost of claims (\$~~7254~~ vs. \$~~5762~~), but higher frequency of brand claims (~~21.510.6%~~ vs. ~~18.67.9%~~) in comparison to non-gift recipients.

Table 8
2013 Medicare Prescribing Practices of Surgical Specialties

Specialty	Gift Recipient Status	Amount of Total Gifts	Number of Total Gifts	Number of Physicians	Average Number of Total Claims/Physician	Average Cost of Total Claims	% Frequency of Brand Claims
General Surgery N=81	Gift Recipients	\$106,707	162	34	374	\$ 8168	20.617.5%
	No Gifts		–	47	46	\$ 4555	19.20.1%
Orthopedic Surgery N=69	Gift Recipients	\$35,880	113	26	206	\$ 4651	19.62.6%
	No Gifts		–	43	145	\$ 368	14.92.6%
Other Surgery* N=69	Gift Recipients	\$4,057	90	27	85	\$ 7254	21.510.6%
	No Gifts		–	42	50	\$ 5762	18.67.9%

*Cardiac, Colorectal, Maxillofacial, Oral and Maxillofacial, Plastic and Reconstructive, Plastic, Neurological, Thoracic and Vascular Surgery

¹¹ Surgeons use both devices and drugs. Open Payments, but not AccessRx collect information on devices. We excluded device companies and this analysis is limited to prescription drug manufacturers.

Nurse Practitioners, Physician Assistants, and Podiatrists

Nurse Practitioners, Physician Assistants, and Podiatrists were also analyzed. Nurse Practitioners received gifts totaling \$32,683, and had a higher average cost of claims (\$~~13780~~ vs. \$~~9386~~) and higher frequency of branded claims (~~28.818.3%~~ vs. ~~25.516.9%~~) in comparison to non-gift recipients.

Physician Assistants received gifts totaling \$20,551, and also had a higher average cost of claims (\$~~143213~~ vs. \$~~5463~~) and higher frequency of branded claims (~~35.20.2%~~ vs. ~~20.717.0%~~) in comparison to non-gift recipients.

In contrast, Podiatrists, who received gifts totaling \$11,213, had a similar average cost of claims (\$~~5143~~ vs. \$~~473~~) and a slightly higher frequency of branded claims (~~17.08.3%~~ vs. ~~11.06.5%~~) in comparison to non-gift recipients.

Table 9
2013 Medicare Prescribing Practices of Nurse Practitioners, Physician Assistants, and Podiatrists

Specialty	Gift Recipient Status	Amount of Total Gifts	Number of Total Gifts	Number of Providers	Average Number of Total Claims/ Provider	Average Cost of Total Claims	% Frequency of Brand Claims
Nurse Practitioner N=310	Gift Recipients	\$32,683	197	68	324	\$ 13780	28.818.3%
	No Gifts	\$0	–	242	364	\$ 9386	25.516.9%
Physician Assistant N=182	Gift Recipients	\$20,551	248	56	333	\$ 143213	35.20.2%
	No Gifts		–	126	285	\$ 5463	20.717.0%
Podiatry N=42	Gift Recipients	\$11,213	94	19	201	\$ 5143	17.08.3%
	No Gifts		–	23	184	\$ 473	11.06.5%

This analysis of Medicare Part D prescribers provides information about how industry gifts may be influencing prescribing practices. Among most specialties, gift recipients had a higher frequency of claims per beneficiary, higher frequency of branded claims, and a higher cost per claim. Healthcare providers, on average, prescribe a greater number and more costly prescriptions when they are receiving gifts from the pharmaceutical industry. This suggests that industry influence is increasing the cost of healthcare a consumer receives and may have implications regarding decreased quality of care associated with overtreatment.

VII. Recommendations

To address the impact of pharmaceutical marketing on health and healthcare in the District of Columbia with the introduction of Open Payments, we have the following five recommendations.

1. Continue to collect AccessRx information, while utilizing Open Payments data to complement analysis of pharmaceutical marketing in the District.

AccessRx provides the District unique information to explore pharmaceutical marketing practices, including a full year's worth of data on gifts to physicians and teaching hospitals in 2013. With a growing national focus on healthcare transparency, the District's analysis of gift trends to physicians, physician assistants, nurses and other healthcare prescribers provides information unparalleled by any other state. Open Payments data should continue to be used to complement AccessRx data to provide information about pharmaceutical marketing in the District, analyze changing trends, and assess the impact on healthcare.

2. Improve transparency to better align with federal requirements.

With data on gifts to physicians and teaching hospitals now publicly available in the Open Payments system, it would be appropriate to also make the information collected from AccessRx publicly available. Currently, the data submitted by companies to AccessRx each year is compiled for use solely by DC DOH and details are kept confidential. In order to better align with Open Payments and provide information about the full range of pharmaceutical marketing in the District, information should be made publicly available. This would also facilitate comparative analyses of the two databases and improve transparency on conflicts of interest in healthcare.

3. Address discrepancies in AccessRx and Open Payments data reported.

We recommend that the DC DOH use information about reporting violations and discrepancies between AccessRx and Open Payments data to appropriately follow up with companies and CMS. As discussed in Section III, 7 companies reported physician gifts only to AccessRx between August and December in apparent violation of the Open Payments requirements, and we recommend these companies be reported to CMS. In addition, some companies reported only to Open Payments, which may indicate non-compliance with District reporting that requires follow-up. Our analysis on the reporting patterns of companies found, at minimum, confusion among companies and reporting violations. We recommend the DC DOH address the following reporting issues:

- **Violations in reporting:** 7 unique companies only reported physician gifts to AccessRx from August–December, which is in violation of federal reporting requirements.
- **Discrepancies in reporting:** 65 companies had discrepancies in reported gifts from August–December between AccessRx and Open Payments; in three cases, discrepancies were greater than \$75,000.

- **Suspicious gaps in reporting:**
 - 7 companies only reported physician gifts from January–July, but did not report gifts to either AccessRx or Open Payments from August–December. If these companies provided physician gifts after July and failed to report it, these companies are in violation of federal requirements.
 - 37 additional companies reported physician gifts from August–December, but did not report any gifts prior to August. If these companies did give physician gifts from January–July, these companies are in violation of District requirements.

4. Evaluate the impacts of pharmaceutical marketing on prescribing practice.

Our findings that industry gifts to Medicare Part D prescribers correlate with increases in prescription costs and rates may indicate the need for ongoing evaluation. We recommend continued research on the influence of pharmaceutical marketing on prescribing that may affect the quality and affordability of patient care.

5. Educate prescribers about the impact of pharmaceutical marketing on prescribing practices.

Information from this report on the potential influence of gifts on Medicare Part D prescribers would be valuable to share with healthcare providers in DC. This information, as well as content from past reports, can help prescribers understand how the pharmaceutical industry can influence patient care. We recommend disseminating this information in various formats that could include letters to healthcare providers on the amount of gifts reported in their name, informational fact sheets on AccessRx report findings, and instructions on how to access Open Payments data.

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