

## State bans drug firm gifts to doctors

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### Disclosure of fees for consulting mandated

By Liz Kowalczyk, Globe Staff | March 12, 2009

State officials gave final approval yesterday to regulations banning pharmaceutical and medical device companies from providing gifts to physicians, limiting when companies can pay for doctors' meals, and requiring companies to publicly disclose payments to doctors over \$50 for certain types of consulting and speaking engagements.

Drug, biotechnology, and device companies, the hotel and convention industry, doctors and consumer groups had pushed for changes to the rules, but the final language is close to what the staff of the Department of Public Health proposed in December.

There are two substantive changes, however. Companies will have to disclose payments to doctors and hospitals for research designed to promote a particular product, sometimes called "seeding trials"; funding for research aimed at answering a scientific question will still not have to be disclosed.

Also, the department eliminated a provision allowing companies to provide financial assistance for medical residents and other trainees to attend conferences and education courses.

Health officials said the rules are the most comprehensive in the nation; Massachusetts is now the only state to require disclosure by device makers, as well as drug companies, and just one of two states to make disclosures public, officials said.

"We think this is a victory for consumers," said Amy Whitcomb Slemmer, executive director of Health Care For All, a Boston-based consumer advocacy group. "They will know more about the full relationship between industry and their provider."

The regulations, approved by the Public Health Council, are intended to implement a law passed last summer to restrict interactions between physicians and drug and device companies. Legislators have said the regulations are intended to control costs by reining in unnecessary prescribing of expensive drugs and to make doctors' potential conflicts of interest transparent to the public.

Any company doing business in Massachusetts must comply with the regulations.

After the Public Health Department staff proposed the regulations, objections were raised by dozens of interest groups and lawmakers. Consumer groups and some legislators wanted even stricter restrictions on the behavior of companies and their salespeople, such as requiring disclosure of all research payments.

Many companies said the proposal went too far and would discourage firms from doing business in Massachusetts. Convention and hotel executives said the rules would scare away companies from sponsoring continuing medical education courses for physicians, which bring millions of dollars into Boston.

The Public Health Department clarified that the rules allow for industry-sponsored conferences at hotels and convention centers that include meals.

Still, some industry executives are disappointed by the new rules.

"Massachusetts is now seen as the most unfriendly state in the nation toward industry," said Robert Coughlin, president of the Massachusetts Biotechnology Council. "In these tough economic times, you don't want to send a chilling message to an industry that's a growth industry."

The rules passed by a vote of 10 to 0. Three council members, all medical doctors, were not allowed to participate in the discussion or vote on the measure, in accordance with conflict-of-interest laws, because they owned stock or had some other financial interest in a drug company or other business regulated under the new rules.

The regulations will take effect July 1, and the first public reporting by companies will be due by July 1, 2010.

The information will be posted on the Public Health Department website and will be searchable by company and by healthcare provider.

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