EDITOR'S CHOICE

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The Physician Payment Sunshine Act

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The final regulations from the Physician Payment Sunshine Act require that on 1 August, pharmaceutical and medical device companies start reporting to the Center for Medicare and Medicaid Services (CMS) any payments to licensed physicians or teaching hospitals, as well as any ownership and investment interests held by physicians or their immediate family. These data will be available in a publicly searchable database starting 30 September 2014.

Patients, insurers, and others will be able to search for details on payments or gifts (cash or in kind) over \$10 (£6.50; €7.50) to individual physicians and hospitals, including consulting fees, honorariums, charitable contributions (other than samples), royalties, speaker compensation for continuing medical education (CME) events, research grants, gifts, food, travel, stocks, and funds for education expenses. Payments for research will be available in a separate platform. Product samples, short term loans of equipment before purchase, discounts or rebates, educational materials for use with or by patients, and dividends from publicly traded mutual funds are excluded from the reporting requirements.¹

Some payments to physicians and industry are for consulting or research activities of scientific value that may lead to new drugs, but more often cash and in-kind gifts are offered to change physicians' prescribing patterns. Studies show that even small gifts can lead to subtle behavior changes among physicians; that is why many of us receive invitations to participate in educational activities or advisory panels that focus on specific conditions and drugs. A national physician survey found that 71% of physicians received gifts from industry in 2009.² A study in Massachusetts, a state that requires industry to disclose payments over \$50 to physicians, found that between July 2009 and December 2011, industry made 32 227 payments to 11 734 physicians worth \$76.7 million.³ Most of the payments (88%) were for services that include consulting and participation in speakers' bureaus. The number and amount of payments decreased slightly over the 30 months of the study, and it is not clear whether this was due to the reporting requirement.

The goal of the Sunshine Act is to promote greater transparency about these financial relationships. It is expected that the law will influence the behavior of physicians, pharmaceutical and medical device companies, and perhaps patients and insurers. But the impact of the reporting requirement is still unclear, and the implementation of the act raises many questions. Will patients search the database before meeting their physician? Will physicians change their behavior to avoid appearing in the database? Will identification in the database affect physicians' reputation? Is there a threshold of acceptable industry involvement? Will physicians change their perception of the advice of opinion leaders and speakers at CME events if they know the payments they receive from the sponsor? Will the act hamper constructive collaborations between physicians and industry, negatively impacting drug development? Will insurers use the information when establishing provider networks? Will any changes in physician or industry behavior lead to healthcare savings?

In an article published in the *BMJ* this week, Ed Silverman explains the implications of the Sunshine Act for physicians (doi:10.1136/bmj.f4704). He highlights the need for physicians to identify relationships that will trigger reports, clarifies the importance of monitoring the database for accuracy, and explains steps to correct any erroneous information. Reading the article I realized that each one of us will have to decide how we feel about being identified in the reporting database and act accordingly.

- 1 Agrawal Shantanu, Brennan N, Budetti P. The Sunshine Act—effects on physicians. *N Engl J Med* 2013;368:2054-7.
- 2 Campbell EG, Rao SR, DesRoches CM, Iezzoni LI, Vogeli C, Bolcic-Jankovic D, et al. Physician professionalism and changes in physician-industry relationships from 2004 to 2009. *Arch Intern Med* 2010;170:1820-6.
- 3 Kesselheim AS, Robertson Jr CT, Siri K, Batra P, Franklin JM. Distribution of industry payments to Massachusetts physicians. *N Engl J Med* 2013;368:2049-52.

Cite this as: *BMJ* 2013;347:f4764

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