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Congressional Testimony

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Chairman Baucus, Senator Grassley and members of the Committee, I am honored to testify today. My name is Eric Campbell. I am an Associate Professor of Medicine at the Institute for Health Policy at Massachusetts General Hospital and Harvard Medical School. However, my statements do not necessarily represent the opinions of the institutions in which I work.

My remarks today are related to physician-industry relationships. A physician-industry relationship exists whenever a physician accepts anything from a pharmaceutical or device company such as dinners at fancy restaurants, pens, drug samples, lunches, trips and paid consultancies. These relationships are believed to create a tendency towards increased use of specific procedures and high cost drugs, sometimes with marginal benefits to patients. These relationships create hidden incentives to use procedures unnecessarily, thus potentially increasing costs and threatening quality of care. Also, some forms of industry relationships can threaten the quality of the scientific literature which in turn undermines the entire concept of evidence-based medicine and quality of care.

In the next few minutes I will to address four key topics.

1. **Physician-industry relationships are highly prevalent.**
2. **Physician-industry relationships can have both negative and positive effects.**
3. **Disclosure of industry relationships are highly variable.**
4. **Increased disclosure of industry relationships is advisable.**

Let me briefly address each of these topics.

First, **physician-industry relationships are highly prevalent.** A study published in the *New England Journal of Medicine* in 2007 found that among practicing physicians 94% had at least one industry relationship. These ranged from accepting food and beverages, gifts, drug samples and payments of various kinds. This study also found that 35% received reimbursements for travel and more than 25% received consulting payments.

In terms of their impact, physician-industry relationships can have negative and positive effects. Research has shown that certain types of relationships between physician researchers and industry facilitate the development of new drugs and medical devices. Many of the drugs and medical devices currently available to patients today would not exist had it not been for close relationships between physician researchers and industry.

At the same time, physician-industry relationships can have negative effects. For example, physicians who accept gifts from companies are more likely than those who do not accept gifts to prescribe company products. Gifts may also result in physicians prescribing higher priced, brand name drugs instead of cheaper, equally effective

alternatives. This practice likely results in substantial increases in the costs of health care. Free drug samples may further reinforce this behavior and stimulate the off label use of medications—a behavior which often raises issues concerns about patient safety. Also, several leaders in medicine have suggested that industry support of academic research has led to substantial bias in the research literature which is the yardstick by which we measure evidence based practice and thus, quality of care.

Presently the disclosure of industry relationships is highly variable. The most extensive systems of disclosure are in medical schools and teaching hospitals. However, the vast majority of physicians do not practice in these settings. Thus, there is no comprehensive data regarding the nature and extent of relationships between community based physicians and industry.

Several states have laws that require companies to disclose gifts and payments to physicians. However, these state-based systems are limited in number and there is concern regarding the quality of the data these systems produce.

Finally, increased disclosure of industry relationships is advisable. Without comprehensive data on physician-industry relationships, it is not possible to assess the overall impact these have on the cost and quality of care. Clearly, a comprehensive database that is linkable to claims and prescribing records would be a valuable asset for research and policy making.

For example, consider the use radiological services. Physicians vary in the extent to which they use expensive imaging equipment like MRIs. There are many possible explanations for why this variation exists. One explanation is that physicians who order MRIs at extremely high rates do so because the have an ownership position or other financial interest in a local imaging facility. Similar studies could be conducted related to the use of expensive surgical procedures and high cost medicines.

In conclusion, I believe physician-industry relationships are ubiquitous in medicine. Because of the incomplete disclosure of relationships there is a limited ability to scientifically study their overall impact on the care patients receive. This knowledge would be beneficial when considering which types of industry relationships should be allowed to continue at current levels, which should be constrained and which should be eliminated. Failure to address these issues could overlook an important mechanism to controlling health care costs and improving the quality of care.

Thank you.