

Pharmaceutical Marketing Expenditures in the District of Columbia, 2018



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

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Executive Summary

Overview

This annual report presents the size and scope of pharmaceutical marketing expenditures in the District of Columbia in 2018. Title III of the AccessRx Act of 2004 requires any “manufacturer or labeler of prescription drugs dispensed in the District that employs, directs, or utilizes marketing representatives in the District” to disclose, in an annual report to the District of Columbia Department of Health (DOH), expenses for marketing prescription drugs in the District. These expenditures include costs of direct promotion to District residents; costs of educational and informational sessions, gifts, and other marketing to healthcare professionals and entities licensed to provide care in the District; and costs associated with employees or contractors who directly or indirectly engage in these activities in the District. Data collected by AccessRx complement data from the federal Centers for Medicare and Medicaid Services (CMS) Open Payments program. Open Payments collects information on gifts from pharmaceutical companies to physicians and teaching hospitals. Appendices A and B provide additional information on reporting requirements for Open Payments and AccessRx.

In 2018, 192 pharmaceutical manufacturers and labelers submitted reports to the AccessRx Program on marketing expenditures in the District of Columbia. These organizations reported spending \$121.2 million—an increase of \$18 million over the total reported in 2017. This report presents overall pharmaceutical marketing expenditures and those accounted for by subgroups such as physicians, nurses, teaching hospitals, and various organizations. Finally, this report offers recommendations for improving the reporting and utility of the data for future years.

Key Findings

In 2018, pharmaceutical and device manufacturers reported a total of **\$121.2 million** in marketing expenditures in the District of Columbia. The expenditures are classified and analyzed in three main categories: *Gift Expenses*, *Advertising Expenses*, and *Aggregate (Detailing) Expenses*. *Gift Expenses* amounted to \$26.3 million (21.7%), *Advertising Expenses* to \$10.7 million (8.9%), and *Aggregate (Detailing) Expenses* to \$84.1 million (69.4%), of the total expenses.

Between 2017 and 2018:

- Total expenditures increased by \$18 million (17.4%), from \$103.2 million in 2017 to \$121.2 million in 2018.
- *Gift Expenses* increased slightly by approximately \$210,000, from \$26.1 million in 2017 to \$26.3 million in 2018.
- *Advertising Expenses* decreased by approximately \$870,000, from \$11.6 million in 2017 to \$10.7 million in 2018.

- *Aggregate Expenses (Detailing)* increased by \$18.6 million (28.4%), from \$65.5 million in 2017 to \$84.1 million in 2018.
- *Gifts to Individual Recipients* totaled \$16.0 million.
 - *Physicians* received \$14.0 million in gifts, accounting for 88% of all gifts received by *Individual Recipients*.
 - \$13.8 million was reported to Open Payments and \$219,789 was reported to AccessRx.
 - The 25 physicians who received the highest amount of gift values, received a total of \$5.7 million.
 - 1% of the physicians who received payments from pharmaceutical companies received half of the total value received by physicians in 2018.
 - *Advanced Practice Nurses* (nurses with independent prescribing authority) received a total of \$441,586.
 - *Physician Assistants* received a total of \$59,097.
 - *Dentists* received a total of \$247,538.
 - \$241,554 was reported for Open Payments and \$5,983 was reported to AccessRx.
 - The top dentist who received the highest amount of gift values received approximately two-thirds of the total value.
 - *Nurses* received a total of \$238,417.
 - *Pharmacists* received a total of \$49,278.
 - *Other Healthcare Providers* received a total of \$39,089.
 - *Clinical Office Staff and Other Individual Recipients* received a total of \$897,367.
- *Gifts to Non-Individual Recipients* totaled \$10.4 million.
 - *Teaching Hospitals* accounted for the largest portion with \$4.6 million in gifts.
 - The 2018 Open Payments List of *Teaching Hospitals* in DC includes: Children’s National Hospital, George Washington University, Howard University Hospital, Georgetown University Hospital, Sibley Memorial Hospital, Providence Hospital, Washington Hospital Center, and National Rehabilitation Hospital.
 - *Professional Organizations* received \$40,440.
 - *Advocacy Organizations* received \$1,122,878.
 - *Universities* received \$571,740.
 - *Clinical Organizations* received \$2,359,937.
 - *Continuing Medical Education Organizations* received \$75,500.
 - *Other Non-Individual Recipients* received \$1,579,361.

I. Summary of Pharmaceutical Marketing Expenditures

In 2018, pharmaceutical manufacturers and labelers spent \$121.2 million on marketing in the District of Columbia (DC), including gifts, advertising, and aggregate detailing expenditures, according to the organizations' reports submitted to the DC Department of Health.

The total sum is based on data from the District of Columbia's AccessRx program and the Centers for Medicare and Medicaid Services' (CMS) Open Payments program. One hundred and ninety-two pharmaceutical manufacturers and labelers reported \$85 million in marketing expenditures to the DC AccessRx program, a decrease of approximately 9% from 2017. More pharmaceutical companies reported marketing expenditures to the Open Payments program: 554 pharmaceutical manufacturers and labelers reported spending \$18.6 million on gifts to physicians and teaching hospitals in 2018. This is a slight increase (2%) from 2017 (\$18.3 million). The number of companies reporting to Open Payments and AccessRx has been increasing steadily: 554 companies reported in 2018, 542 companies reported in 2017, 498 companies reported in 2016.

Total Expenses

Marketing expenditures in 2018 reached a total of \$121.2 million; a 17% increase from 2017. The total amount includes \$26.3 million for gifts, \$10.7 for advertising, and \$84.1 for detailing. Aggregate detailing expenditures increased substantially, gifts increased slightly, and advertising decreased.

Table 1 displays the reported amounts for each category from 2006 to 2018. Gifts reported from 2006 to 2012 represent only data from AccessRx. The Open Payments program began its first data collection in August 2013; therefore, from 2013 onward, gifts represent data from the AccessRx and Open Payments programs.

Table 1: Pharmaceutical Marketing by Expenditure Type, 2006-2018

| Reporting Year | Gifts (\$) | Advertising (\$) | Aggregate Detailing (\$) | All Categories (\$) |
|----------------|------------|------------------|--------------------------|---------------------|
| 2018 | 26,331,275 | 10,733,504 | 84,137,739 | 121,202,518 |
| 2017 | 26,118,323 | 11,603,211 | 65,526,876 | 103,250,427 |
| 2016 | 24,672,754 | 11,658,176 | 62,833,677 | 99,164,608 |
| 2015 | 24,362,166 | 5,631,108 | 66,225,062 | 96,218,336 |
| 2014 | 22,562,396 | 7,903,100 | 60,671,713 | 91,137,209 |
| 2013 | 30,686,134 | 5,673,841 | 65,158,392 | 101,518,367 |
| 2012 | 30,487,486 | 5,445,732 | 61,537,192 | 97,470,410 |
| 2011 | 18,859,946 | 6,879,230 | 57,815,759 | 83,554,935 |
| 2010 | 21,010,822 | 6,791,214 | 57,551,911 | 85,353,946 |
| 2009 | 22,034,979 | 7,569,036 | 66,483,622 | 96,087,637 |
| 2008 | 27,090,335 | 8,108,052 | 101,425,020 | 136,623,408 |
| 2007 | 31,337,226 | 10,253,274 | 116,573,964 | 158,164,463 |
| 2006 | 34,440,072 | 10,890,983 | 99,889,040 | 145,220,094 |

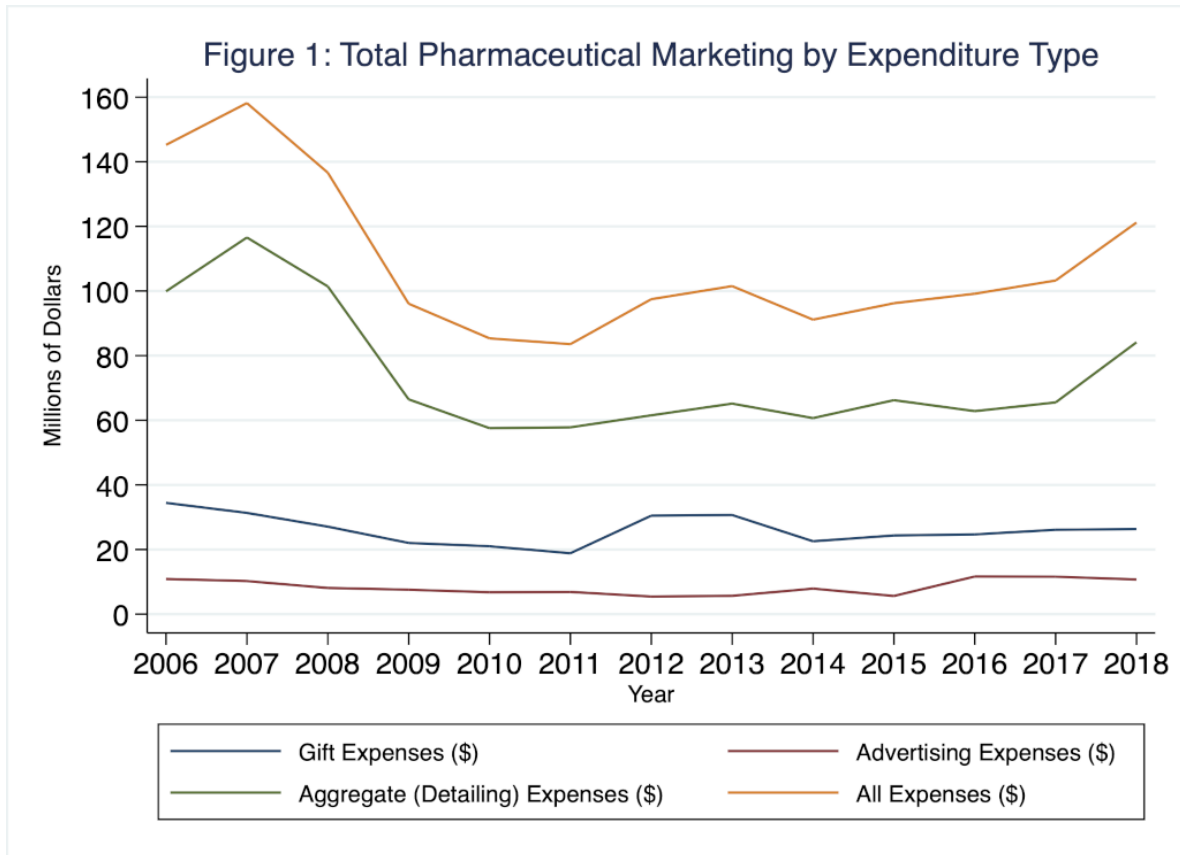
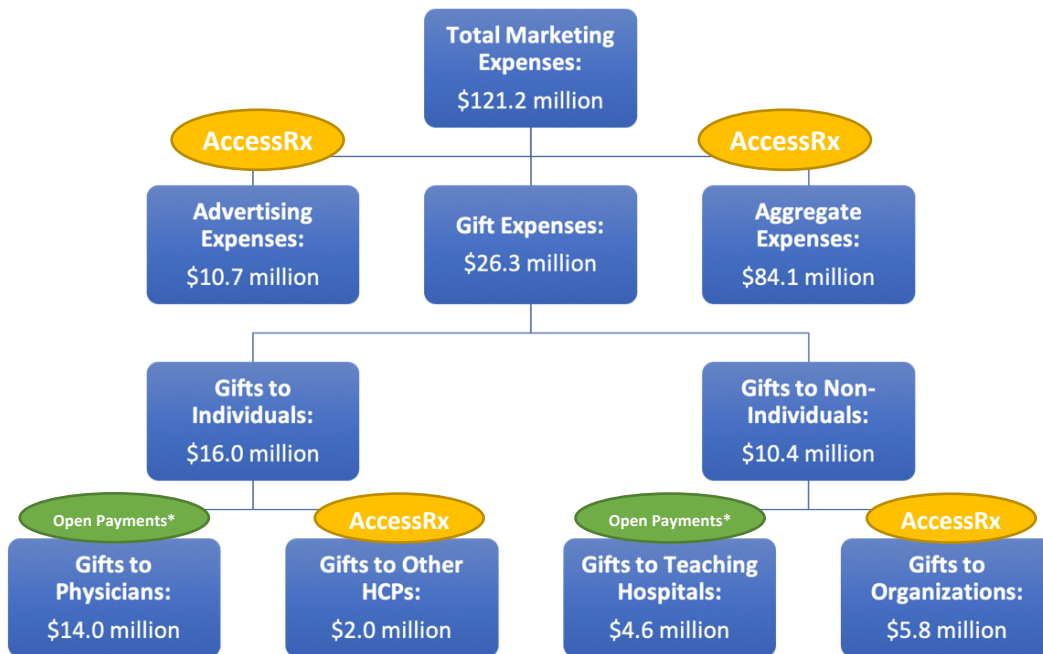


Figure 2: Summary of Pharmaceutical Marketing Expenditures



*Companies are required by federal law to report payments to physicians and teaching hospitals to Open Payments. However, under special circumstances, companies may report payments to physicians and teaching hospitals to AccessRx that are included in these totals.

Gift Expenses

Gift Expenses are payments accepted by individuals or entities licensed to provide health care in the District of Columbia. Pharmaceutical companies are required to report expenses associated with educational and informational programs and materials, food, entertainment, traveling, products, and other activities. Appendices A and B provide further details reporting requirements for AccessRx and Open Payments, respectively.

The total value of Gift Expenses reported in 2018 was \$26.3 million—an increase of less than 1% from the value reported in 2017 (\$26.1 million). 528 pharmaceutical companies submitted reports of *Gift Expenses* to Open Payments and AccessRx.

Approximately 40,000 gifts totaling \$18.6 million were reported by 531 companies to Open Payments. These gifts ranged from less than \$1 to \$700,000, with a median value of \$22. Approximately 8,000 gifts totaling \$7.7 million were reported by 130 companies to AccessRx. These gifts ranged from less than \$1 to \$1.2 million, with a median value of \$78. These amounts reflect the general pattern that most gifts are reported to be of modest value.

Table 2 displays the distribution of companies based on their reported gift expenses. More than 50 companies reported expenses totaling over \$100,000 while nearly 3 out of every 4 companies (70%) reported spending \$10,000 or less. Section II of this report further discusses gift expenses specifically, with subsections II.a. and II.b. describing the various recipients of gift payments.

Table 2: Distribution of Gift Expenses in DC, 2018

| Total Reported Value | Number of Companies | Percent of Total Companies | Total Value (\$) | Percent of Value |
|--------------------------------|---------------------|----------------------------|-------------------|------------------|
| \$1 - \$1,000 | 243 | 46.0 | 61,110 | 0.2 |
| \$1,001 - \$10,000 | 128 | 24.2 | 535,181 | 2.0 |
| \$10,001 - \$25,000 | 40 | 7.6 | 599,437 | 2.3 |
| \$25,001 - \$50,000 | 32 | 6.1 | 1,142,335 | 4.3 |
| \$50,001 - \$100,000 | 29 | 5.5 | 2,100,963 | 8.0 |
| \$100,001 - \$250,000 | 31 | 5.9 | 4,988,014 | 18.9 |
| \$250,001 - \$500,000 | 13 | 2.5 | 5,028,600 | 19.1 |
| \$500,001 - \$1,000,000 | 6 | 1.1 | 3,656,733 | 13.9 |
| More than \$1,000,000 | 6 | 1.1 | 8,218,903 | 31.2 |
| Total | 528 | 100 | 26,331,275 | 100.0 |

Advertising Expenses

Advertising Expenses include costs associated with advertising and promotional activities for prescription drugs, specific to the District of Columbia.

In 2018, 74 companies (39% of the companies that submitted data to AccessRx) reported a total of \$10.7 million in *Advertising Expenses*. This amount is approximately \$1 million less than the total amount reported in 2017. As in past reports, *Advertising Expenses* remains the category with lowest value of expenditures, accounting for 9% of the total marketing costs.

Table 3: Distribution of Advertising Expenses in DC, 2018

| Total Reported Value | Number of Companies | Percent of Total Companies | Total Value (\$) | Percent of Total Value |
|-------------------------|---------------------|----------------------------|-------------------|------------------------|
| \$1 - \$1,000 | 16 | 21.6 | 4,876 | 0.0 |
| \$1,001 - \$10,000 | 25 | 33.8 | 114,029 | 1.1 |
| \$10,001 - \$25,000 | 10 | 13.5 | 167,350 | 1.6 |
| \$25,001 - \$100,000 | 13 | 17.6 | 661,407 | 6.2 |
| \$100,001 - \$250,000 | 6 | 8.1 | 1,035,896 | 9.7 |
| \$250,001 - \$1,000,000 | 2 | 2.7 | 990,072 | 9.2 |
| More than \$1,000,000 | 2 | 2.7 | 7,759,875 | 72.3 |
| Total | 74 | 100.0 | 10,733,504 | 100.0 |

Aggregate Expenses (Detailing)

Aggregate Expenses are payments made to employees or contractors engaged in District of Columbia marketing and promotional activities, including salaries. The District is the only jurisdiction in the United States that requires reporting of these costs.

In 2018, 167 pharmaceutical companies reported spending a total of \$84.1 million in *Aggregate Expenses*, accounting for 69% of all reported marketing expenses. This total is an increase of 28% over the 2017 total.

Table 4: Distribution of Aggregate Expenses in DC, 2018

| Total Reported Value | Number of Companies | Percent of Total Companies | Total Value (\$) | Percent of Total Value |
|--------------------------------|---------------------|----------------------------|-------------------|------------------------|
| \$1 - \$25,000 | 55 | 32.9 | 602,987 | 0.7 |
| \$25,001 - \$100,000 | 41 | 24.6 | 2,105,764 | 2.5 |
| \$100,001 - \$250,000 | 26 | 15.6 | 4,009,543 | 4.8 |
| \$250,001 - \$500,000 | 16 | 9.6 | 5,215,632 | 6.2 |
| \$500,001 - \$1,000,000 | 15 | 9.0 | 10,989,464 | 13.1 |
| More than \$1,000,000 | 14 | 8.4 | 61,214,349 | 72.8 |
| Total | 167 | 100.0 | 84,137,739 | 100.0 |

The following are examples of position titles for aggregate personnel:

- Sales Representative/Specialist
- Territory Manager
- Regional Sales Director
- Medical Science Liaison
- Account Manager
- District Manager

II. Gift Expense Analysis

In 2018, pharmaceutical and device manufacturers reported spending a total of \$26.3 million for gifts in the District of Columbia. We separated *Gifts Expenses* into two primary categories for analysis: *Individual Recipients* and *Non-Individual Recipients*.

Individual Recipients are persons, including health care providers and medical and administrative staff, who received gifts or payments including cash, food, or in-kind consideration. In 2018, this group accounted for nearly 47,000 gifts, totaling nearly \$16 million. *Physicians* accounted for approximately 53% of the value of all *Gift Expenses* and 88% of the value of all gifts to *Individual Recipients*, with a total of \$14.0 million. Consistent with previous years, *Physicians* accounted for the highest number of gifts, highest value for an individual payment, and the lowest median value among all *Individuals Recipients* and among all *Gift Expenses* overall. More details for *Individual Recipients* are in section II.a. of this report.

Non-Individual Recipients include teaching hospitals, clinics, and health care delivery organizations. This group received \$10.4 million from a total of 836 gifts. More details for *Non-Individual Recipients* are in section II.b of this report.

Table 5: Distribution of Gift Expenses by Type of Recipient, 2018

| 2018 Gifts to Individual Recipients | | | | |
|--|-------------------------|--------------|---------------------------|--------------------------|
| Individual Recipient Type | Total Value (\$) | Count | Highest Value (\$) | Median Value (\$) |
| Physicians | 13,988,367 | 38,197 | 424,432 | 22 |
| Clinical Office Staff and Other Individual Recipients | 897,367 | 2,823 | 47,980 | 37 |
| Advanced Practice Nurses | 441,586 | 1,762 | 6,646 | 96 |
| Dentists | 247,538 | 1,475 | 7,000 | 32 |
| Nurses | 238,417 | 1,326 | 6,600 | 85 |
| Physician Assistants | 59,097 | 713 | 1,950 | 58 |
| Pharmacists | 49,278 | 390 | 4,000 | 104 |
| Other Healthcare Providers | 39,089 | 96 | 7,225 | 91 |
| Total | 15,960,739 | 46,782 | 424,432 | 25 |
| 2018 Gifts to Non-Individual Recipients | | | | |
| Non-Individual Recipient Type | Total Value (\$) | Count | Highest Value (\$) | Median Value (\$) |
| Teaching Hospitals | 4,620,680 | 356 | 700,000 | 2,500 |
| Clinical Organizations | 2,359,937 | 85 | 1,158,783 | 2,500 |
| Other Non-Individual Recipients | 1,579,361 | 163 | 215,000 | 136 |
| Advocacy Organizations | 1,122,878 | 46 | 320,000 | 9,792 |
| Universities | 571,740 | 75 | 175,000 | 1,750 |
| Continuing Medical Education Organizations | 75,500 | 5 | 65,000 | 2,500 |
| Professional Organizations | 40,440 | 106 | 15,000 | 105 |
| Total | 10,370,536 | 836 | 1,158,783 | 1,228 |
| Grand Total | 26,331,275 | 47,618 | | |

II.a. Payments to Individual Recipients

This section presents more detailed data on gift payments to *Individual Recipients*, including *Physicians, Advanced Practice Nurses, Physician Assistants, Dentists, Nurses, Pharmacists, Other Healthcare Providers, and Clinical Office Staff and Other Individual Recipients*. Total gifts received by *Individual Recipients* in 2018 were \$16.0 million.

The Centers for Medicare and Medicaid Services' Open Payments program requires the reporting of payments to physicians. The AccessRx program supplements Open Payments by requiring companies to report payments to other healthcare providers. Under certain circumstances, payments to physicians also do not have to be reported to Open Payments. For example, reporting to Open Payments is not required if the physician is a resident at the time of gift receipt, or the payment was made by a manufacturer with only one approved product during the 180-day grace period following FDA approval of that product. These exceptions do not apply to AccessRx, so these payments are reported to AccessRx.

Starting on the next page, we present results for each category of *Individual Recipients*.

Physicians (Open Payments and AccessRx Data)

Physicians in the District of Columbia received a total of \$14.0 million in gifts in 2018, which was 88% of the total amount of gifts reported across all *Individual Recipients*. Of this total, \$13.8 million was reported to Open Payments and \$219,789 was reported to AccessRx.

Companies reported payments to 3,538 different *Physicians* practicing in the District of Columbia in 2018. This total is about 12% higher than the number of *Physicians* who received gifts in 2017. According to the American Association of American Medical Colleges' 2019 State Physician Workforce Data Report, there were 5,950 active *Physicians* in the District in 2018.¹ These figures indicate that more than half of District *Physicians* received at least one gift in 2018.

Table 6 shows the distribution of gifts to *Physicians* according to the total value received in 2018. Over half (51%) of the total gift value went to just 1% of *Physicians* who received gifts.

Table 6: Distribution of Gifts to Physicians in DC, 2018

| Total Reported Value | Number of Physicians | Percent of Total Number | Total Value (\$) | Percent of Total Value |
|------------------------------|----------------------|-------------------------|-------------------|------------------------|
| \$1 - \$250 | 2,399 | 67.8 | 185,210 | 1.3 |
| \$251 - \$1,000 | 564 | 15.9 | 269,523 | 1.9 |
| \$1,001 - \$10,000 | 391 | 11.1 | 1,255,321 | 9.0 |
| \$10,001 - \$25,000 | 63 | 1.8 | 1,029,387 | 7.4 |
| \$25,001 - \$50,000 | 48 | 1.4 | 1,702,996 | 12.2 |
| \$50,001 - \$100,000 | 35 | 1.0 | 2,387,093 | 17.1 |
| \$100,001 - \$250,000 | 29 | 0.8 | 4,210,754 | 30.1 |
| More than \$250,000 | 9 | 0.3 | 2,948,084 | 21.1 |
| Total | 3,538 | 100.0 | 13,988,367 | 100.0 |

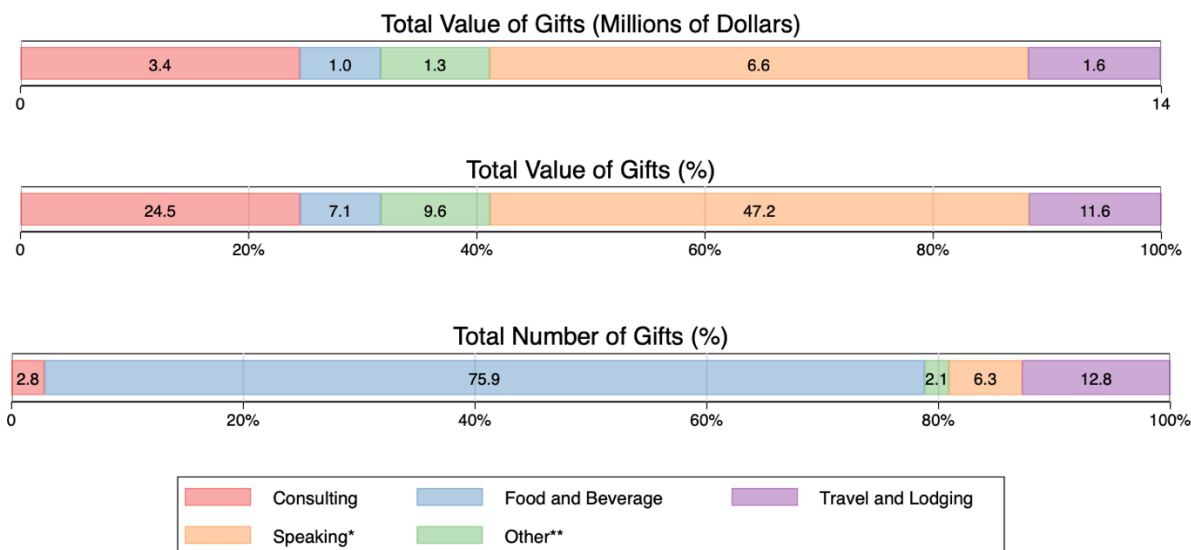
¹ 2019 State Physician Workforce Data Report. Accessed on June 22, 2020.

https://www.aamc.org/system/files/2019-12/state-physician-District_of_Columbia-2019%5B1%5D.pdf.

Consistent with past years, *Speaking* remains the category with the highest proportion of gift values, with \$6.6 million or 47% of the total gift value. The subset category, “services other than consulting, including serving as a faculty or as a speaker at a venue other than a continuing education program” accounted for approximately 89% of speaking fees.

Consulting is the second largest category representing gift value, with \$3.4 million or 25% of the total value. *Travel and Lodging* accounted for 12% of the total value, with a total value of \$1.6 million. The categories *Other* and *Food and Beverage* accounted for 10% and 7% of the total value of gifts, respectively. *Food and Beverage* was the smallest share of the total gift value at \$1 million (7%), but represented three quarters of the total number of gifts. The counts for the remaining categories were: *Travel and Lodging* (13%), *Speaking* (6%), *Consulting* (3%), and *Other* (2%).

Figure 3: Gifts to Physicians by Nature of Payment



*Payments for speaking consist of gifts reported as honoraria; compensation for services other than consulting, including serving as a faculty or as a speaker at a venue other than a continuing education program; and compensation for serving as faculty or as a speaker for a non-accredited and non-certified continuing education program.

**Other payments consist of gifts reported as education, charitable contribution, ownership or investment interest, entertainment, gift, grant, and royalty of license.

Top 25 Physicians

Open Payments provides publicly available data at <https://openpaymentsdata.cms.gov>, which allows the reporting of the names of *Physicians* who received payments. Table 7 shows the 25 *Physicians* in the District of Columbia with the highest gift values in 2018, summing to \$5.7 million. Eight of these physicians were not among the top 25 *Physicians* in 2017.

Table 7: Top 25 Physician Gift Recipients in Washington, DC

| Rank (Rank in 2017) | Physician Name | Specialty | Affiliation | Payments in DC (\$) | Number of Payments |
|---------------------|--------------------|------------------------|---|---------------------|--------------------|
| 1 (1) | Kavita Patel | Internal Medicine | Sibley Primary Care | 440,155 | 22 |
| 2 (2) | Jesse Goodman | Infectious Disease | MedStar Georgetown University Hospital | 424,432 | 1 |
| 3 (12) | Laxman Bahroo | Neurology | MedStar Georgetown University Hospital | 314,291 | 518 |
| 4 (5) | Robert Shin | Neurology | MedStar Georgetown University Hospital | 309,855 | 271 |
| 5 (9) | Paul Kim | Podiatry | MedStar Georgetown University Hospital | 308,982 | 305 |
| 6* | George Kim | Hematology & Oncology | The GW Cancer Center | 308,638 | 256 |
| 7 (4) | Fahd Amjad | Neurology | MedStar Georgetown University Hospital | 302,532 | 423 |
| 8 (7) | Maurice Nahabedian | Reconstructive Surgery | MedStar Georgetown University Hospital | 270,891 | 257 |
| 9 (10) | James Simon | Gynecology | James A. Simon MD | 268,309 | 390 |
| 10 (16) | Imadeddine Tabbara | Hematology & Oncology | The George Washington University Hospital | 230,152 | 167 |
| 11 (25) | Aline Pishvaian | Gastroenterology | MedStar Georgetown University Hospital | 226,230 | 167 |
| 12 (15) | Autumn Burnette | Allergy & Immunology | Howard University Hospital | 214,870 | 373 |
| 13* | Seyed Kalantar | Orthopaedic Surgery | MedStar Georgetown University Hospital | 203,811 | 59 |
| 14* | Scott Faucett | Sports Medicine | Scott C. Faucett MD | 202,707 | 182 |
| 15 (17) | Andrea Singer | Internal Medicine | MedStar Georgetown University Hospital | 196,200 | 356 |
| 16 (19) | Fernando Pagan | Neurology | MedStar Georgetown University Hospital | 184,299 | 241 |
| 17* | Adam Lowy | Psychiatry | Adam F. Lowy MD | 178,481 | 286 |
| 18 (18) | Andrew Shorr | Pulmonary | MedStar Washington Hospital Center | 174,302 | 121 |
| 19* | Louis Jacques | Family Medicine | Louis B. Jacques MD | 151,764 | 45 |
| 20* | Cheryl Burgess | Dermatology | Center for Dermatology and Dermatologic Surgery | 147,718 | 115 |

| | | | | | |
|----------------|---------------|-----------------------|--|---------|-----|
| 21 (20) | John Marshall | Hematology & Oncology | MedStar Georgetown University Hospital | 145,191 | 133 |
| 22 (6) | Warren Yu | Orthopaedic Surgery | The GW Medical Faculty Associates | 139,253 | 119 |
| 23* | Wayne Olan | Neuroradiology | The GW Cancer Center | 129,326 | 132 |
| 24* | Faria Amjad | Neurology | MedStar Georgetown University Hospital | 127,686 | 182 |
| 25 (11) | Paul Cooper | Orthopaedic Surgery | MedStar Georgetown University Hospital | 126,923 | 52 |

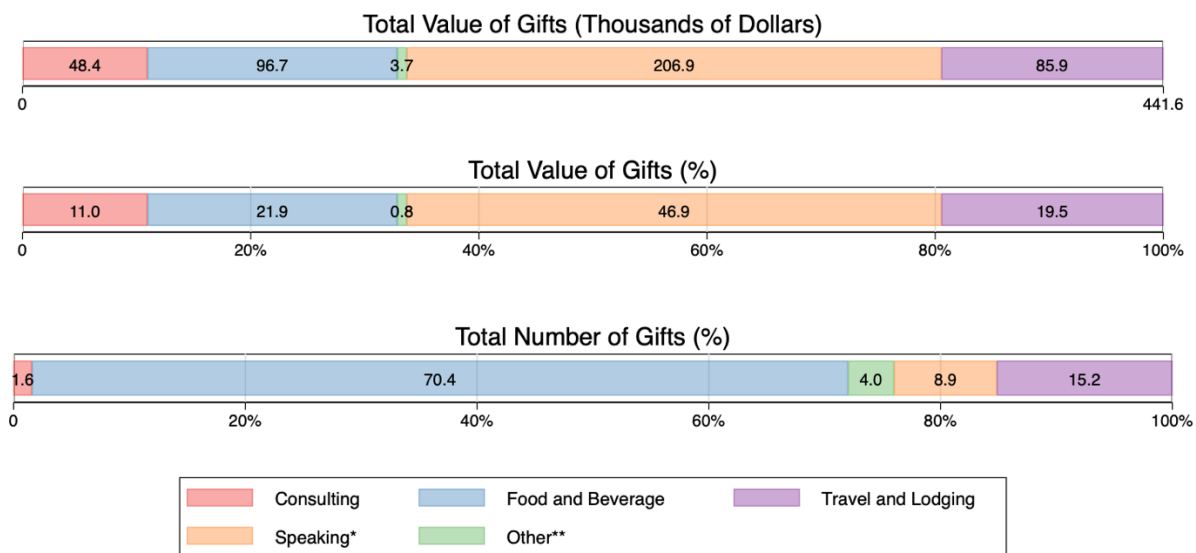
Advanced Practice Nurses (AccessRx Data)

Advanced Practice Nurses (APNs) include nurse practitioners, nurse-midwives, and nurse anesthetists; all have independent prescribing authority in the District of Columbia. In 2018, APNs received a total of \$441,585 in gifts, which is similar to the amount received in 2017 (\$441,521).

Speaking accounted for most of the total gift value for APNs, with \$206,886 (47%). *Food and Beverage* accounted for \$96,701 (22%), followed by *Travel and Lodging* with \$85,923 (20%), and *Consulting* with \$48,355 (11%). The category with the lowest value was *Other*, at less than 1% of the total gift value.

Items in the *Food and Beverage* category accounted for seven out of every ten gifts made to APNs, summing to 1,241 gifts (71%) out of the total 1760 reported gifts. *Travel and Lodging* accounted for the second-largest share of gifts (267 gifts, 15%). The remaining categories were less than 10% each of the total number of gifts received by APNs: *Speaking* (9%), *Other* (4%), and *Consulting* (2%).

Figure 4: Gifts to Advanced Practice Nurses by Nature of Payment



*Payments for speaking consist of gifts reported as honoraria; compensation for services other than consulting, including serving as a faculty or as a speaker at a venue other than a continuing education program; and compensation for serving as faculty or as a speaker for a non-accredited and non-certified continuing education program.

**Other payments consist of gifts reported as education, charitable contribution, ownership or investment interest, entertainment, gift, grant, and royalty of license.

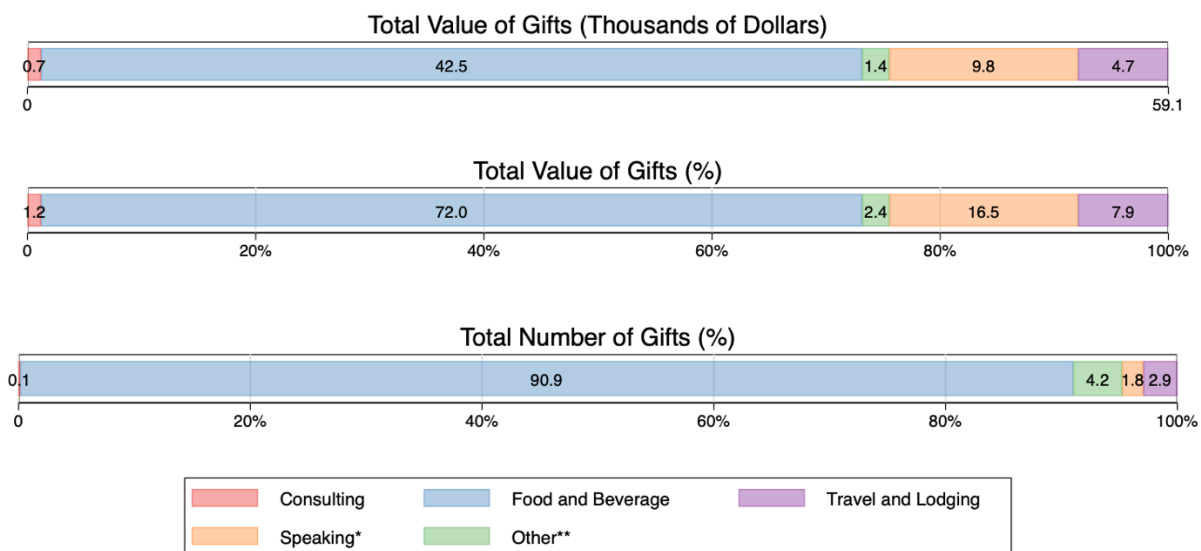
Physician Assistants (AccessRx Data)

Physician Assistants (PAs) are independent prescribers and received a total of \$59,090 in 2018. This total value is slightly lower than the total in 2017 (\$59,834).

Most gifts to *PAs* were *Food and Beverage*, which totaled \$42,540 (72%). *Speaking* accounted for the second largest share at 17% of the total gift value. Gifts for *Travel and Lodging* accounted for 8% of the gift value, and *Consulting* gifts made up the 1% of the gift value.

Food and Beverage gifts also accounted for the largest number of gifts to *PAs*, making up 91% of the total number of gifts accepted by *PAs*. Items in the *Other* category made up of 4% of the total number of gifts, followed by *Travel and Lodging* (3%) and *Speaking* (2%). *Consulting* made up less than 1% of the total number of gifts.

Figure 5: Gifts to Physician Assistants by Nature of Payment



*Payments for speaking consist of gifts reported as honoraria; compensation for services other than consulting, including serving as a faculty or as a speaker at a venue other than a continuing education program; and compensation for serving as faculty or as a speaker for a non-accredited and non-certified continuing education program.

**Other payments consist of gifts reported as education, charitable contribution, ownership or investment interest, entertainment, gift, grant, and royalty of license.

Dentists (Open Payments and AccessRx Data)

In 2018, 1,475 unique gift payments to *Dentists* were reported. The total value of gifts reported to *Dentists* through Open Payments was \$241,555 and another \$5,983 was reported to AccessRx, for a grand total of \$247,538.

Top 10 Dentists

Table 8 presents the top 10 *Dentists* who accepted the highest total value of gifts in 2018, provided by Open Payments.

Table 8: Top 10 Dentist Gift Recipients in Washington, DC

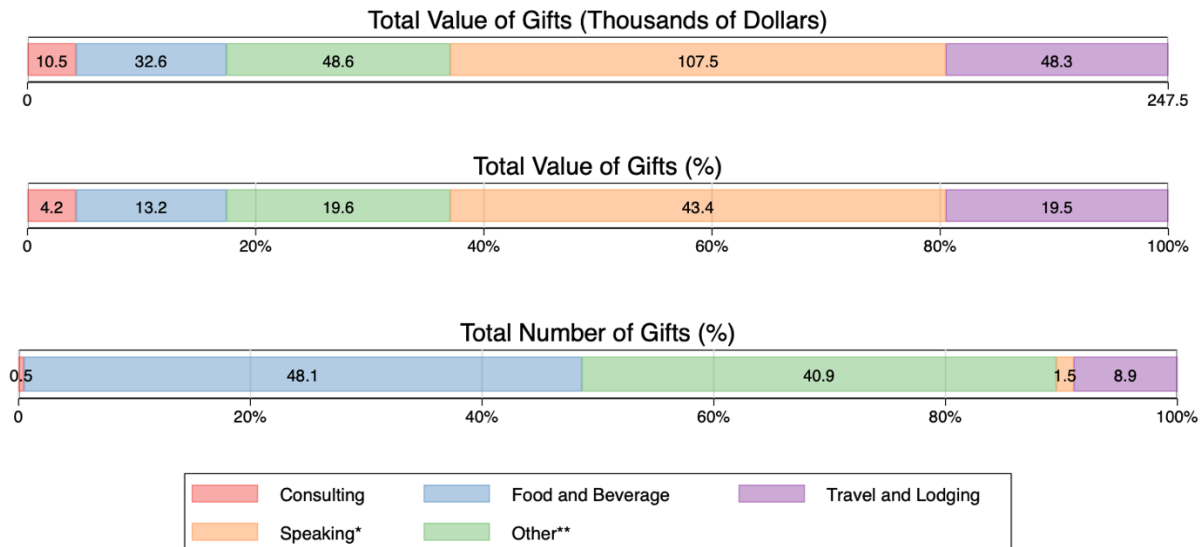
| Rank (Rank in 2017) | Dentist Name | Specialty | Affiliation | Payments in DC (\$) | Number of Payments |
|---------------------------|-------------------|------------------|---|------------------------|--------------------------|
| 1 (2) | Brian Gray | General Practice | Giannini & Gray Dental Partners | 121,258 | 59 |
| 2* | Samuel Lievano | General Practice | Always Smile DC | 13,741 | 102 |
| 3* | Keith Progebin | Prosthodontics | Keith Progebin, DDS | 12,606 | 47 |
| 4 (4) | Hamid Shafie | Prosthodontics | Washington Hospital Center Department of Oral and Maxillofacial Surgery | 7,962 | 6 |
| 5* | Langston Smith | Endodontics | Langston Smith, DDS | 6,399 | 19 |
| 6 (7) | Thanos Kristallis | Prosthodontics | Washington Metro Center Dental | 4,147 | 22 |
| 7 (6) | Thomas Sokoly | General Practice | Sokoly Dental | 3,653 | 8 |
| 8 (1) | Wayne Hickory | Orthodontics | Embassy Row Orthodontics | 3,117 | 10 |
| 9 (9) | Scott Hetz | Endodontics | Advanced Endodontic Associates | 2,878 | 23 |
| 10 (8) | Faisal Mir | General Practice | Smile Dental | 2,867 | 31 |

* Did not appear in list of Top 10 Dentist Gift Recipients in 2017

Speaking was the category with the highest portion of the total gift values for *Dentists*, with a total of \$107,500 (43%). *Other* and *Travel and Lodging* categories both accounted for 20% of the total gifts. *Food and Beverage* gifts accounted for \$32,643 (13%). Consulting represented the least amount out of the total value of gifts, with \$10,512 (4.2%)

Food and Beverage represented almost half (48% of the total number of gifts given to *Dentists*. *Other* gifts accounted for 41% of the total number, followed by *Travel and Lodging* (9%), *Speaking* (2%), and *Consulting* (1%).

Figure 6: Gifts to Dentists by Nature of Payment



*Payments for speaking consist of gifts reported as honoraria; compensation for services other than consulting, including serving as a faculty or as a speaker at a venue other than a continuing education program; and compensation for serving as faculty or as a speaker for a non-accredited and non-certified continuing education program.

**Other payments consist of gifts reported as education, charitable contribution, ownership or investment interest, entertainment, gift, grant, and royalty of license.

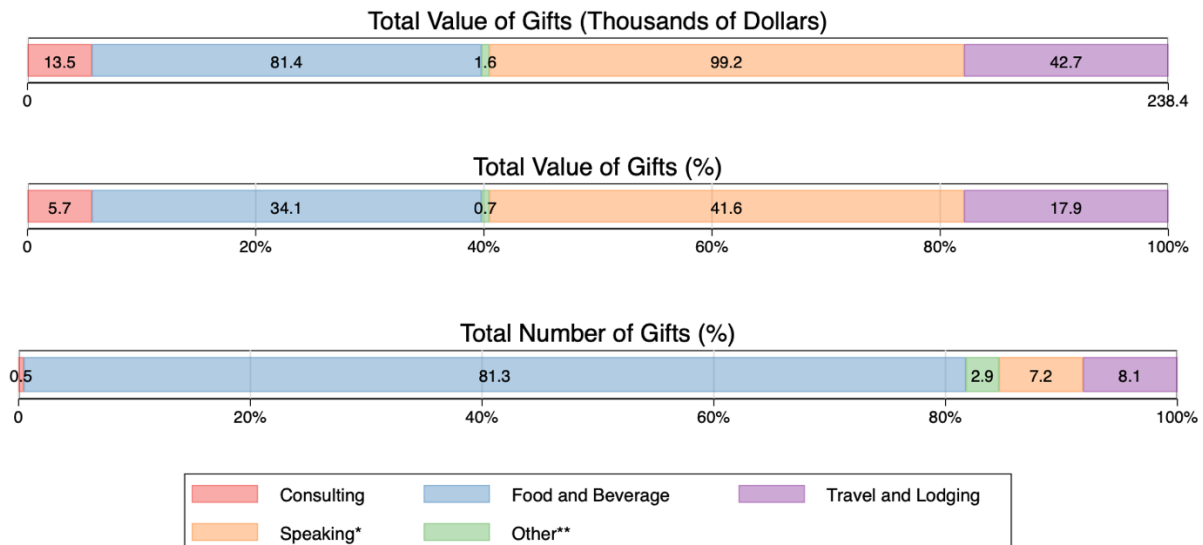
Nurses (AccessRx Data)

In 2018, companies reported making 1,326 gifts to *Nurses* valued at a total of \$238,417.

Speaking gifts made up the largest proportion of the total gift value, at \$99,202 (42%). *Food and Beverage* gifts were the next largest category at \$81,398 (34%), followed by *Travel and Lodging* at \$42,709 (18%). *Consulting* made up 6% of the total value of gifts to *Nurses* with \$13,472, and *Other* made up less than 1% total with \$1,636.

Food and Beverage represented 81% of the total number of gifts, followed by *Travel and Lodging* (8%), *Speaking* (7%), *Other* (3%), and *Consulting* (1%).

Figure 7: Gifts to Nurses by Nature of Payment



*Payments for speaking consist of gifts reported as honoraria; compensation for services other than consulting, including serving as a faculty or as a speaker at a venue other than a continuing education program; and compensation for serving as faculty or as a speaker for a non-accredited and non-certified continuing education program.

**Other payments consist of gifts reported as education, charitable contribution, ownership or investment interest, entertainment, gift, grant, and royalty of license.

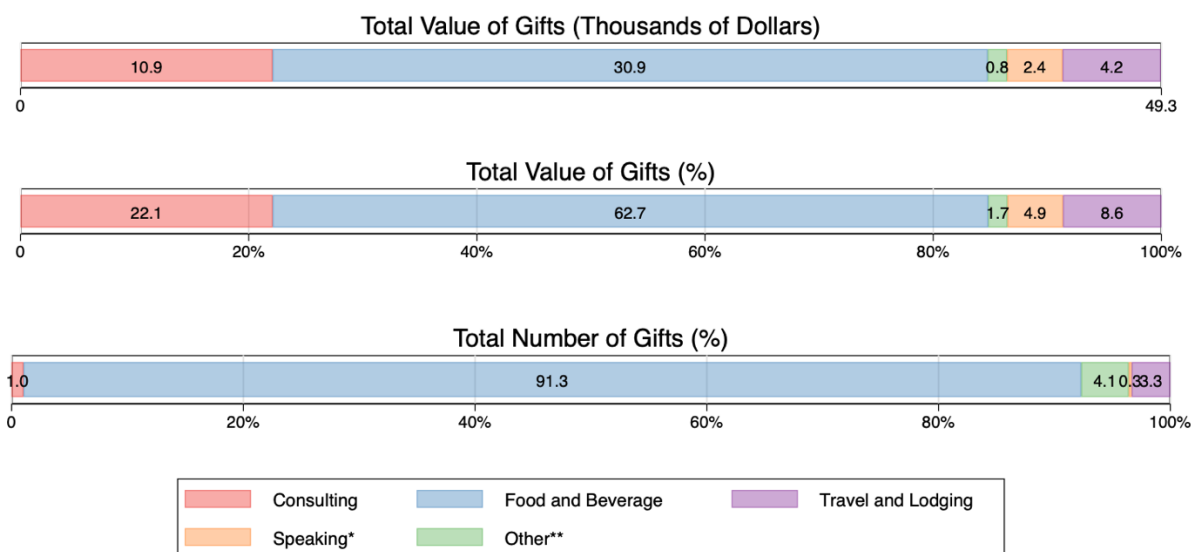
Pharmacists (AccessRx Data)

Pharmacists received a total of \$49,278 in gifts in 2018. Pharmaceutical companies reported 390 unique gifts to *Pharmacists*.

Food and Beverage gifts accounted for most gifts, both in terms of total value and number. *Pharmacists* received 346 *Food and Beverage* gifts totaling \$30,907 (63% of the total). The next highest category was *Consulting*, which represented \$10,890 (22%). *Travel and Lodging* gifts totaled \$4,247 (9%), *Speaking* gifts totaled \$2,400 (5%), and *Other* gifts totaled \$834 (2%).

More than nine out of every ten reported gifts to *Pharmacists* (91%) fell into the *Food and Beverage* category. *Other* gifts were 4% of the total number of gifts, followed by *Travel and Lodging* (3%), *Consulting* (1%), and *Speaking* (1%).

Figure 8: Gifts to Pharmacists by Nature of Payment



*Payments for speaking consist of gifts reported as honoraria; compensation for services other than consulting, including serving as a faculty or as a speaker at a venue other than a continuing education program; and compensation for serving as faculty or as a speaker for a non-accredited and non-certified continuing education program.

**Other payments consist of gifts reported as education, charitable contribution, ownership or investment interest, entertainment, gift, grant, and royalty of license.

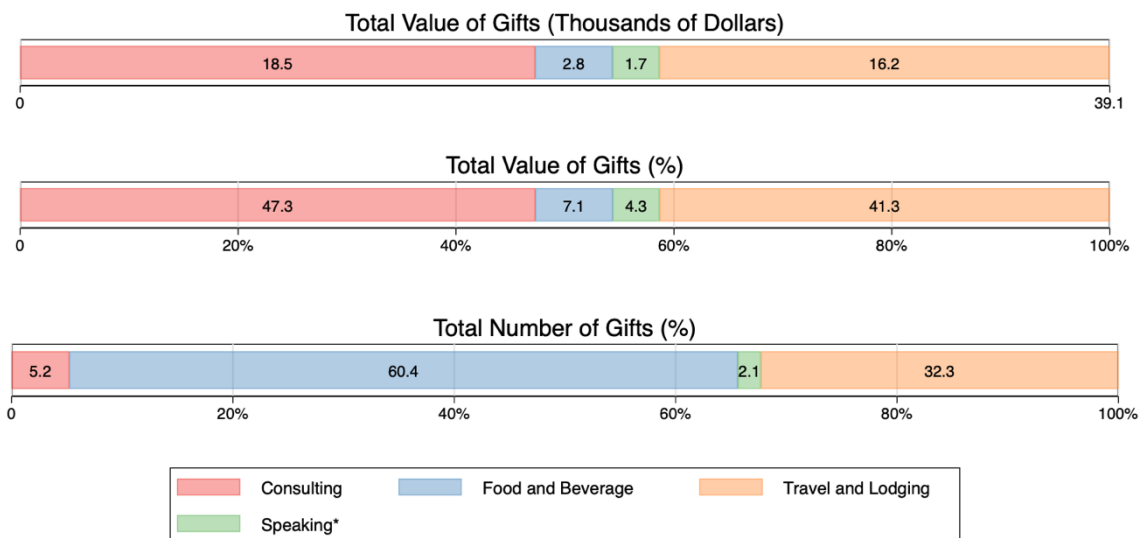
Other Healthcare Providers (AccessRx Data)

Other Healthcare Providers include healthcare professionals not covered by the recipient types discussed above. In 2018, these healthcare providers included social workers and psychologists. Ninety-six gifts were reported to *Other Healthcare Providers*, totaling \$39,089.

Consulting gifts made up the majority of the total gift value at \$18,480 (47%), but this amount was comprised of only 5 unique gifts. *Travel and Lodging* gifts totaled \$16,235 (41%).

Items in the *Food and Beverage* category made up the majority of the gifts at 60% of the total. *Travel and Lodging* represented 32% of the total, followed by *Consulting* at 5% of the total. *Speaking* had the least number of gifts, accounting for 2% of total gifts.

**Figure 9: Gifts to Other Healthcare Providers
by Nature of Payment**



*Payments for speaking consist of gifts reported as honoraria; compensation for services other than consulting, including serving as a faculty or as a speaker at a venue other than a continuing education program; and compensation for serving as faculty or as a speaker for a non-accredited and non-certified continuing education program.

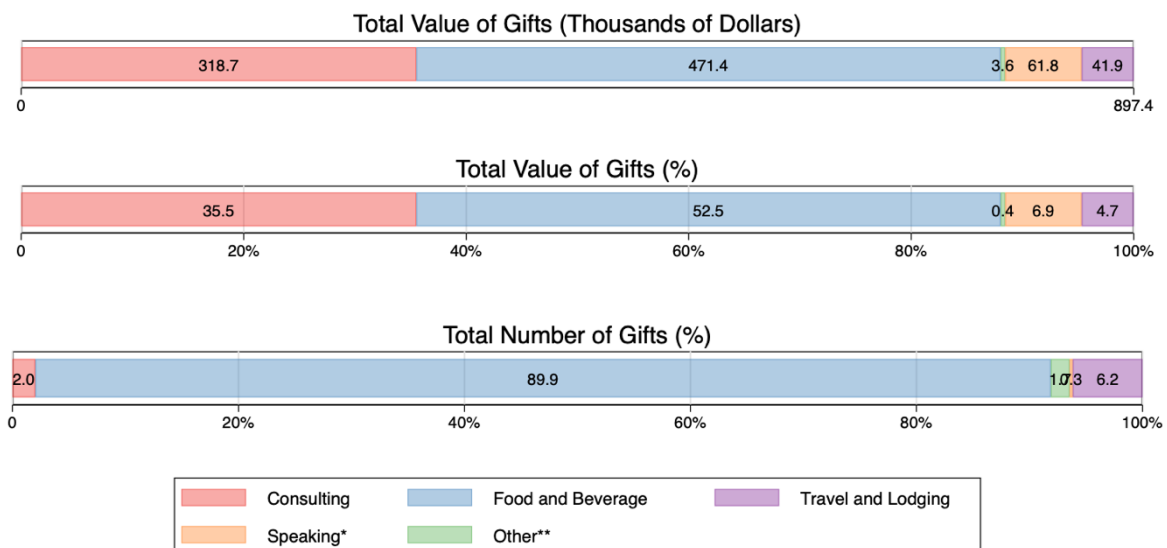
Clinical Office Staff and Other Individual Recipients (AccessRx Data)

Clinical Office Staff and Other Individual Recipients include medical and administrative staff and persons who do not fall into any of the other recipient types discussed above. These individuals received 2,823 gifts totaling \$897,367 in 2018.

Food and Beverage accounted for the largest proportion of the value, accounting for \$471,376 (53%) of the total. *Consulting* gifts represented \$318,705 (36%) of the total value. The remaining categories include *Speaking* (7%), *Travel and Lodging* (5%), and *Other* (less than 1%).

Food and Beverage also accounted for the largest share of the number of gifts, representing 90% of the total. *Travel and Lodging* accounted for 6% of the total number, *Consulting* gifts were 2% of the total number of gifts, followed by *Other* gifts (2%), and *Speaking* (less than 1%).

Figure 10: Clinical Office Staff and Other Individual Recipients by Nature of Payment



*Payments for speaking consist of gifts reported as honoraria; compensation for services other than consulting, including serving as a faculty or as a speaker at a venue other than a continuing education program; and compensation for serving as faculty or as a speaker for a non-accredited and non-certified continuing education program.

IIb. Payments to Non-Individual Recipients

Companies report payments to *Teaching Hospitals* through Open Payments. The AccessRx program collects information on gifts to various additional organizations, such as *Professional Organizations, Advocacy Organizations, Clinical Organizations, Continuing Medical Education Organizations, and Other Non-Individual Recipients*. These *Non-Individual Recipients* received a total of \$9.5 million in 2018.

As with *Physicians*, if a company does not report a payment to a *Teaching Hospital* through Open Payments due to a special circumstance, the payment is meant to be reported to AccessRx.

Starting on the next page, we present results for each type of *Non-Individual Recipient*.

Teaching Hospitals (Open Payments and AccessRx Data)

The 2018 Open Payments List of Teaching Hospitals includes nine DC teaching hospitals:

1. Children's National Hospital
2. George Washington University
3. Howard University Hospital
4. Georgetown University Hospital
5. Sibley Memorial Hospital
6. Providence Hospital
7. Washington Hospital Center
8. National Rehabilitation Hospital
9. St. Elizabeth's Hospital

Pharmaceutical companies did not report gift payments to St. Elizabeth's Hospital in 2018. The other eight *Teaching Hospitals* received 356 gifts totaling \$4.6 million. Compared to 2017, *Teaching Hospitals* received approximately 27% fewer gifts in 2018.

Washington Hospital Center received the vast majority (82%) of the total value, with \$3.8 million from 154 gifts. Georgetown University Hospital received the second largest value, with \$418,611 million from 52 gifts. Howard University Hospital received \$140,593, George Washington University Hospital received \$134,558, Children's National Hospital received \$84,005, and Sibley Memorial Hospital received \$56,138. Gifts to Providence Hospital and National Rehabilitation Hospital made up less than 1% of the total value, with \$2,971 and \$2,800, respectively.

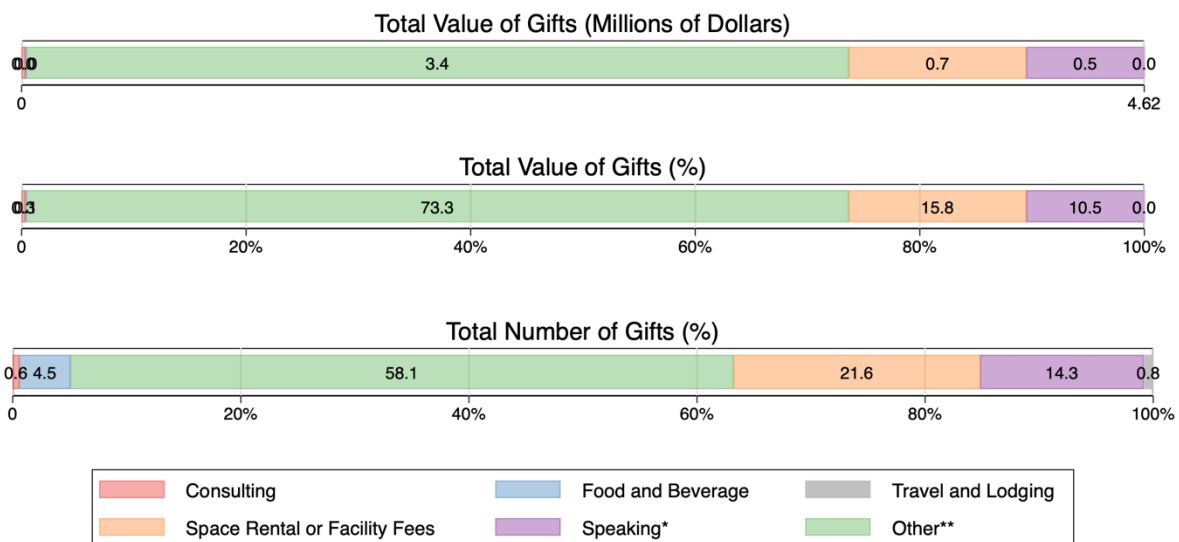
Table 9: Gifts to Teaching Hospitals in Washington, DC

| Teaching Hospital | Total Value (\$) | Frequency | Median Gift Value (\$) |
|---------------------------------------|------------------|------------|------------------------|
| Washington Hospital Center | 3,781,004 | 154 | 5,000 |
| Georgetown University Hospital | 418,611 | 52 | 3,298 |
| Howard University Hospital | 140,593 | 33 | 1,999 |
| George Washington University Hospital | 134,558 | 67 | 537 |
| Children's National Hospital | 84,005 | 31 | 30 |
| Sibley Memorial Hospital | 56,138 | 9 | 1,780 |
| Providence Hospital | 2,971 | 7 | 155 |
| National Rehabilitation Hospital | 2,800 | 3 | 1,000 |
| Total | 4,620,680 | 356 | 2,500 |

Almost three-quarters of *Teaching Hospital* gifts were categorized as *Other* (\$3.4 million or 73%). Out of these gifts, most were in the form of grants (\$2.2 million), gifts (\$206,783), and education (\$902,369). The remaining categories comprised much smaller proportions of the total value, including *Space Rental and Facility Fees* (\$730,949 or 16%) and *Speaking* (\$485,342 or 11%). *Consulting*, *Food and Beverage*, *Travel and Lodging* made up less than 1% of the total value. The totals are \$15,500, \$3,341 and \$439, respectively.

Items in the *Other* gift category were the most common type of payment (58%). *Space Rental or Facility Fees* was the next most common category at 22% of the total, followed by *Speaking* (14%), *Food and Beverage* (5%), *Travel and Lodging* (1%), and *Consulting* (1%).

Figure 11: Gifts to Teaching Hospitals by Nature of Payment



*Payments for speaking consist of gifts reported as honoraria; compensation for services other than consulting, including serving as a faculty or as a speaker at a venue other than a continuing education program; and compensation for serving as faculty or as a speaker for a non-accredited and non-certified continuing education program.

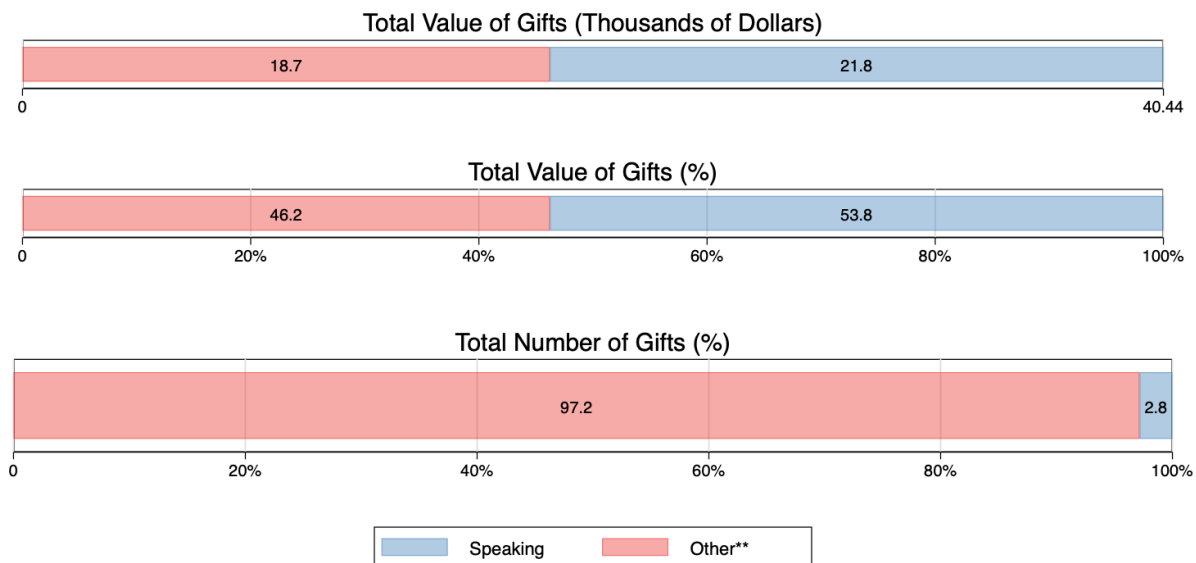
**Other payments consist of gifts reported as education, charitable contribution, ownership or investment interest, entertainment, gift, grant, and royalty of license.

Professional Organizations (AccessRx Data)

Professional Organizations include healthcare provider professional organizations, medical specialty organizations, national organizations, and local chapters.

In 2018, 106 gifts to *Professional Organizations* totaled \$40,440. This year, only two categories were reported. 46% of the total gifts were categorized as *Other* and the remaining 54% were categorized as gifts for *Speaking*. Only three out of 106 gifts were *Speaking* gifts. The remaining 103 gifts were categorized as *Other*.

Figure 12: Gifts to Professional Organizations by Nature of Payment



*Payments for speaking consist of gifts reported as honoraria; compensation for services other than consulting, including serving as a faculty or as a speaker at a venue other than a continuing education program; and compensation for serving as faculty or as a speaker for a non-accredited and non-certified continuing education program.

**Other payments consist of gifts reported as education, charitable contribution, ownership or investment interest, entertainment, gift, grant, and royalty of license.

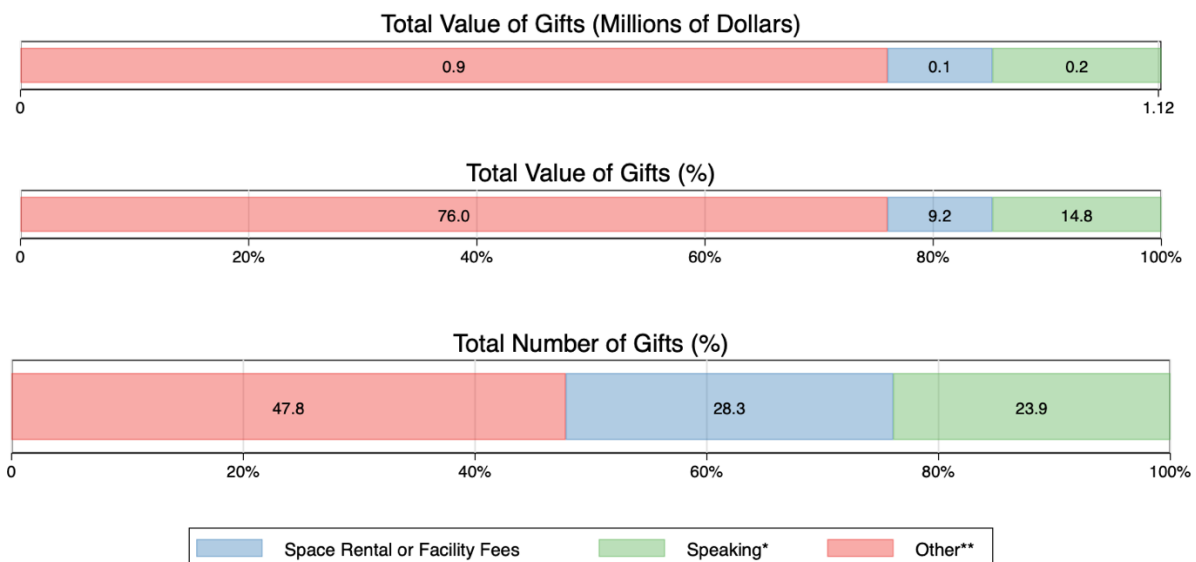
Advocacy Organizations (AccessRx Data)

Advocacy Organizations include disease-specific advocacy organizations, community-based organizations, and research organizations.

In 2018, *Advocacy Organizations* received \$1.1 million from a total of 46 gift payments. Over three-quarters (76%) of the total gift value to *Advocacy Organizations* fell into the *Other* category, making it the category with the highest total gift value for the third consecutive year. *Speaking* and *Space Rental or Facility Fees* accounted for 15% and 9% of the total value of gifts, respectively.

In terms of the total number of gifts, 49% was accounted by *Other*, followed by 28% for *Space Rental and Facility Fees* and 24% for *Speaking*.

Figure 13: Gifts to Advocacy Organizations by Nature of Payment



*Payments for speaking consist of gifts reported as honoraria; compensation for services other than consulting, including serving as a faculty or as a speaker at a venue other than a continuing education program; and compensation for serving as faculty or as a speaker for a non-accredited and non-certified continuing education program.

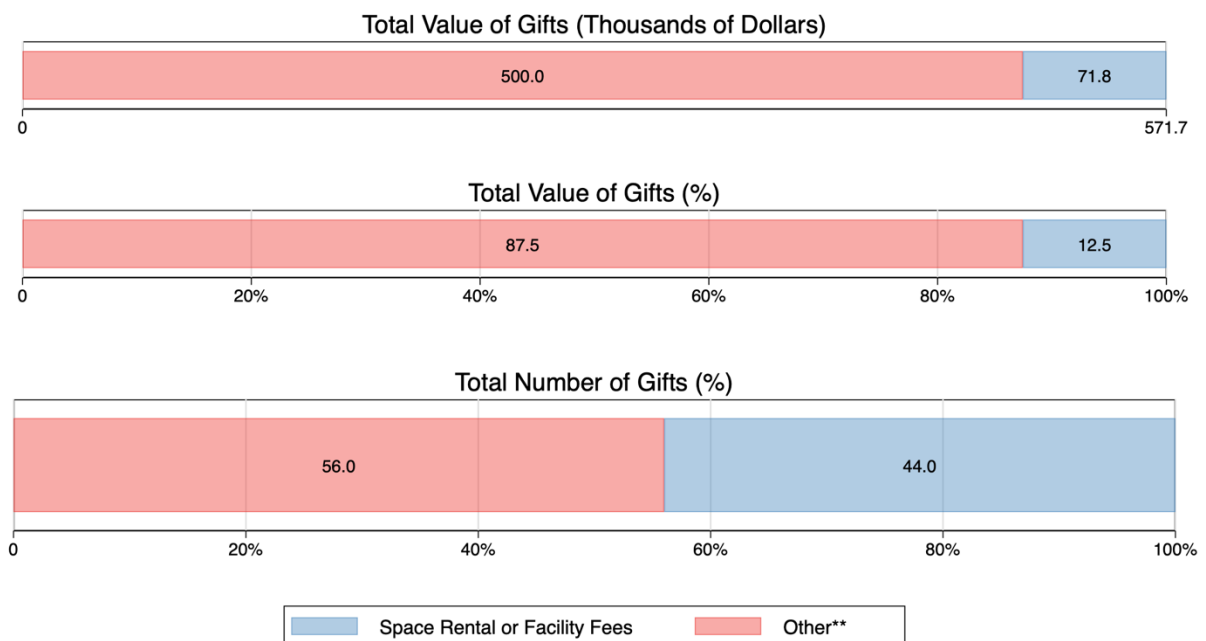
**Other payments consist of gifts reported as education, charitable contribution, ownership or investment interest, entertainment, gift, grant, and royalty of license.

Universities (AccessRx Data)

Universities accepted 75 gift payments totaling \$571,740 in 2018.

Other gifts accounted for 88% of the total value of gifts and 56% of the total number of gifts. These gifts included grants (\$460,490), other gifts (\$25,000), education (\$13,500), and charitable contributions (\$1,000). The remaining 13% of the total value of gifts and 44% of total number of gifts was accounted for by *Space Rental of Facility Fees* (\$71,750).

Figure 14: Gifts to Universities by Nature of Payment



**Other payments consist of gifts reported as education, charitable contribution, ownership or investment interest, entertainment, gift, grant, and royalty of license.

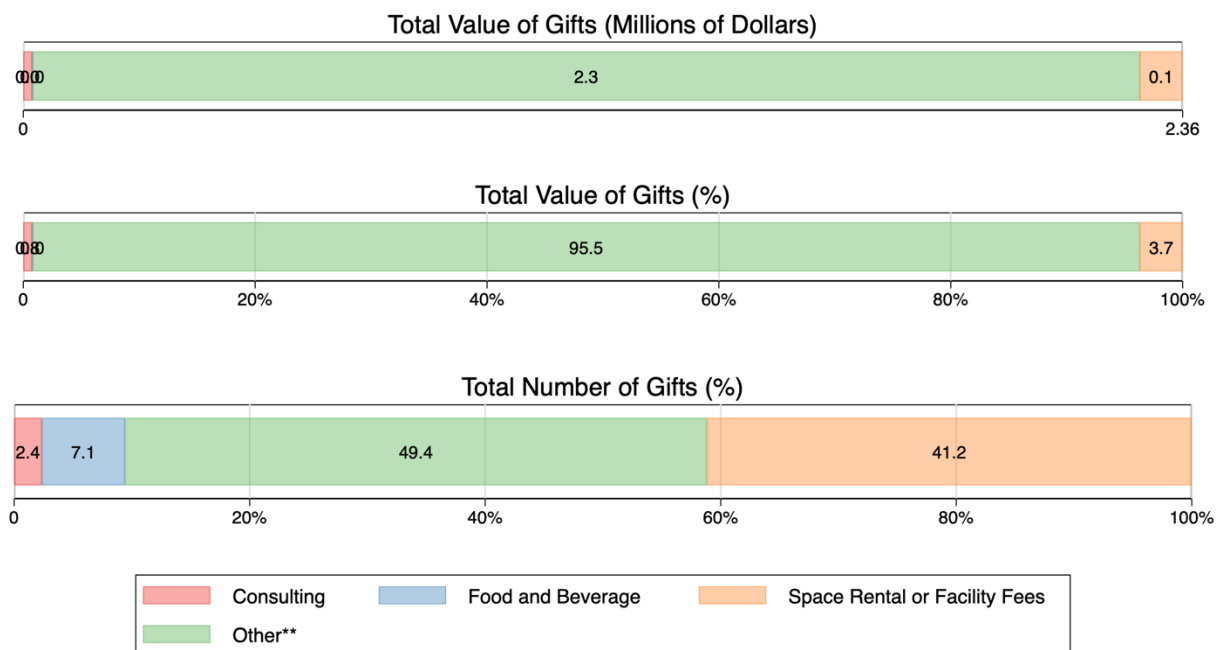
Clinical Organizations (AccessRx Data)

Clinical Organizations include establishments that provide medical treatment, such as non-teaching hospitals, clinics, and private practices.

In 2018, gifts to *Clinical Organizations* totaled \$2.4 million. A large proportion of the total value of gifts fell into the *Other* category. Of these, *Grants* accounted for \$2 million. *Space Rental or Facility Fees* represented 4% or \$86,893. *Consulting* and *Food and Beverage* accounted for less than 1% of the total value of gifts.

Gifts in the *Other* category accounted for approximately half (49%). *Space Rental and Facility Fees* accounted for 41%, followed by *Food and Beverage* (7%), and *Consulting* (2%).

Figure 15: Gifts to Clinical Organizations by Nature of Payment



**Other payments consist of gifts reported as education, charitable contribution, ownership or investment interest, entertainment, gift, grant, and royalty of license.

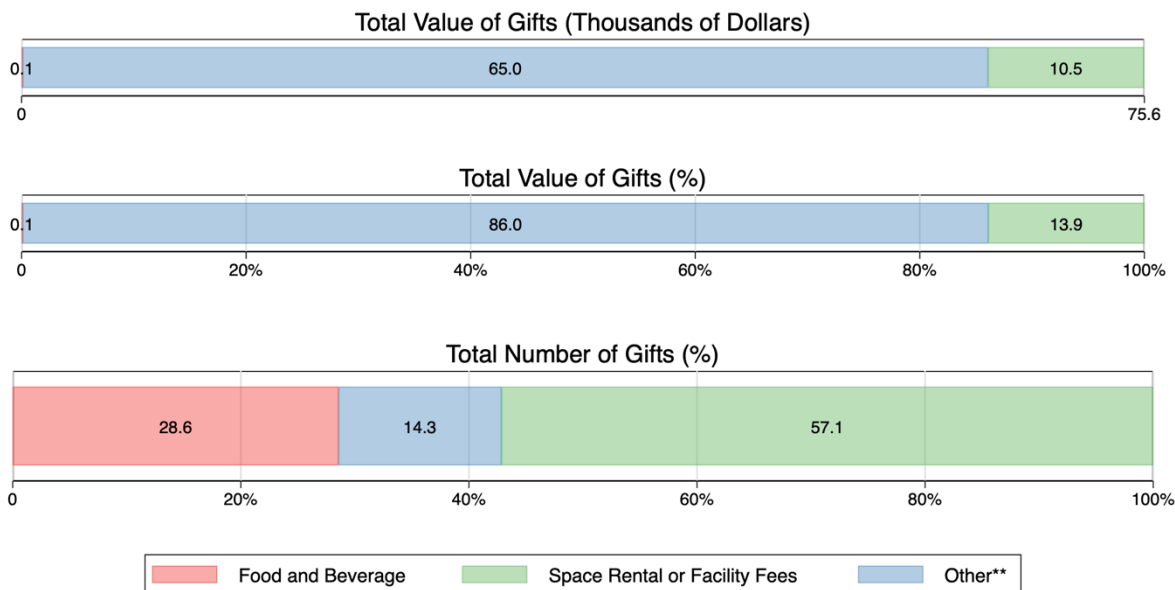
Continuing Medical Education Organizations (AccessRx Data)

Continuing Medical Education Organizations received a total of \$75,577 in seven gift payments in 2018.

The *Other* category consisted of one gift, a grant of \$65,000. This gift made up 86% of the total gift value. *Space Rental and Facility Fees* accounted for 14% and *Food and Beverage* made up less than 1% of the total gift value.

Four gifts in the *Space Rental of Facility Fees* category, two gifts in the *Food and Beverage* category, and one gift in the *Other* category were reported in 2018.

Figure 16: Gifts to Continuing Medical Education Organizations by Nature of Payment



**Other payments consist of gifts reported as education, charitable contribution, ownership or investment interest, entertainment, gift, grant, and royalty of license.

Other Non-Individual Recipients (AccessRx Data)

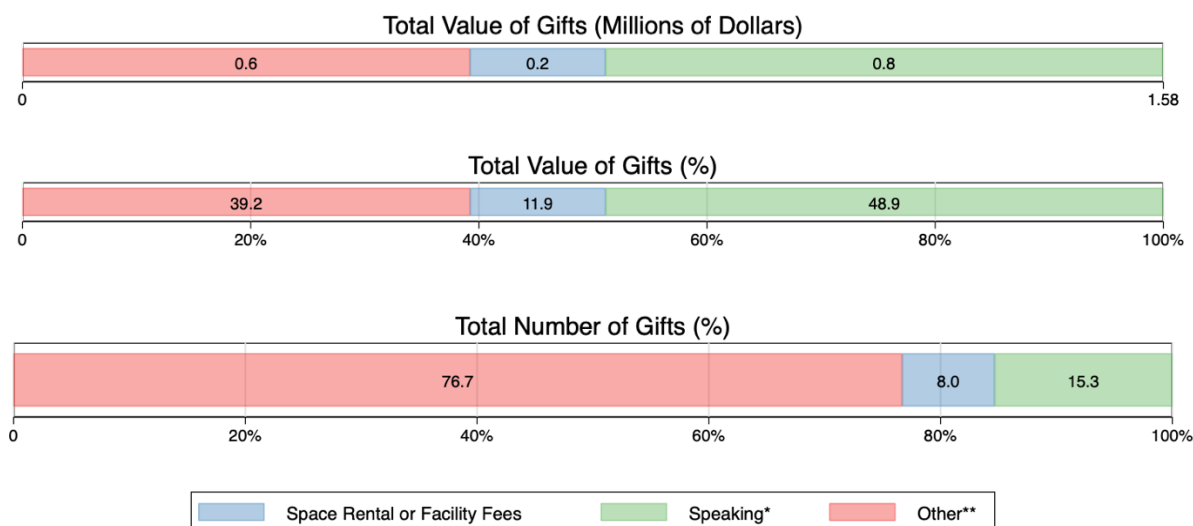
Other Non-Individual Recipients include institutional recipients that were not previously discussed in this report. These recipients include, but are not limited to, advisory board suppliers, limited liability companies, and promotional suppliers.

In 2018, *Other Non-Individual Recipients* received 163 gifts, totaling \$1,579,361.

Speaking represented approximately half (49%) of the total value of gifts, followed by *Other* (39%), and *Space Rental or Facility Fees* (12%).

Over three-quarters (77%) of the total number of gifts were represented by *Other* gifts. *Speaking* accounted for 15% and *Space Rental or Facility Fees* accounted for 8%.

Figure 17: Gifts to Other Non-Individual Recipients by Nature of Payment



*Payments for speaking consist of gifts reported as honoraria; compensation for services other than consulting, including serving as a faculty or as a speaker at a venue other than a continuing education program; and compensation for serving as faculty or as a speaker for a non-accredited and non-certified continuing education program.

**Other payments consist of gifts reported as education, charitable contribution, ownership or investment interest, entertainment, gift, grant, and royalty of license.

III. Advertising Expenses Analysis

Pharmaceutical companies are required to report their *Advertising Expenses* specific to the District of Columbia. However, reporting instructions do not clarify how companies should calculate the expenses. It is unknown whether companies reported the actual cost of advertising in DC or calculated a percentage based on national advertising spending.

Activity Type

Of the 192 companies that reported marketing expenditures to AccessRx in 2018, 75 reported *Advertising Expenses* totaling \$10.7 million. Companies reported expenses based on *Activity Type* with the majority of expenses classified into five categories: *Direct-to-Consumer Advertising*, *Other Advertising Production and Placement*, *Other Promotional Activity*, *Market Research*, and *Other*.

As shown in Figure 18, *Direct-to-Consumer Advertising* was the category with the highest value, representing 90% of all advertising in 2018.

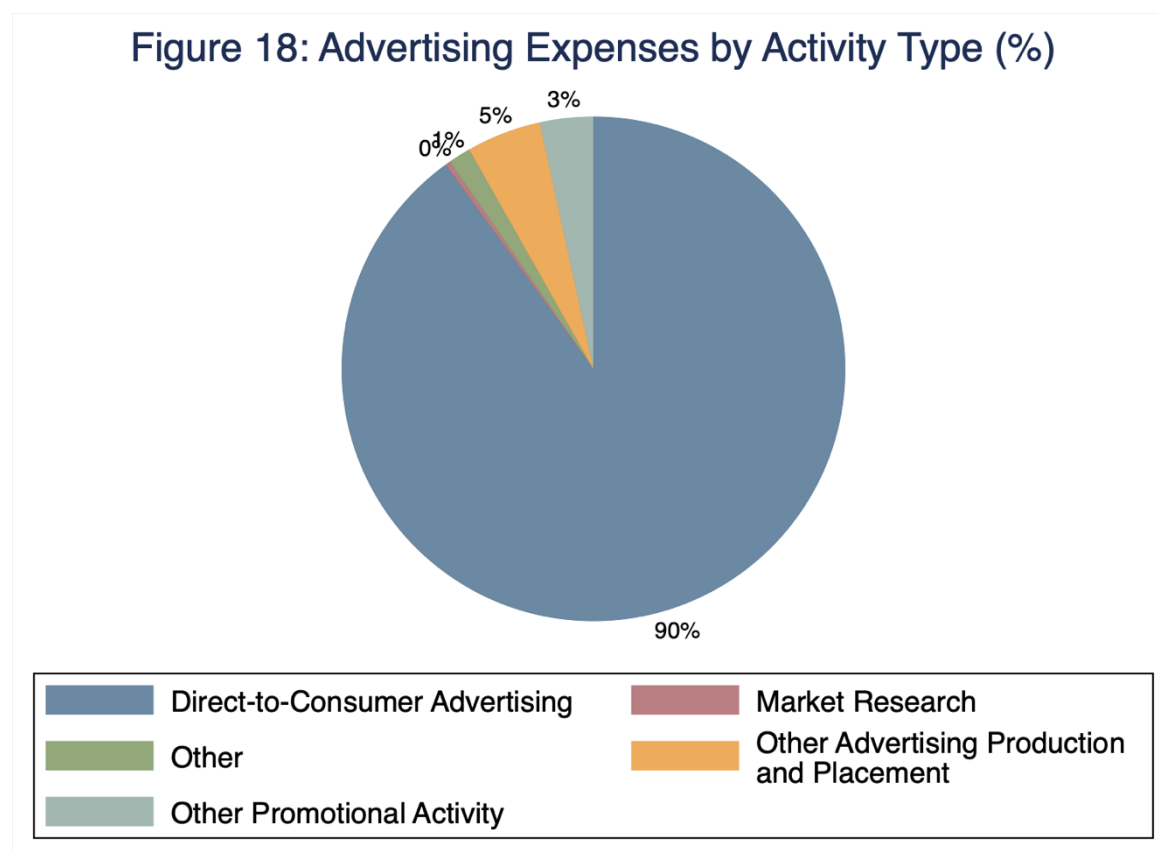


Table 10: Advertising Expenses by Activity Type

| Type of Activity | Cost of Activity (\$) | Cost of Activity (%) |
|--|-----------------------|----------------------|
| Direct-to-Consumer Advertising | 9,661,452 | 90.0 |
| Other Advertising Production and Placement | 513,921 | 4.8 |
| Other Promotional Activity | 367,690 | 3.4 |
| Other | 155,086 | 1.4 |
| Market Research | 35,354 | 0.3 |
| Total | 10,733,504 | 100.0 |

Media Type

Advertising Expenses were classified into nine media type categories: *Television, Internet, Patient and Other Printed Materials, Newspaper and Magazine, Conference and Other Event, Radio, Medical Journal, Direct Mail, and Other.*

A majority (63%) of the payments for *Advertising Expenses* fell under *Television*, which accounted for \$6.8 million.

Figure 19: Advertising Expenses by Media Type (%)

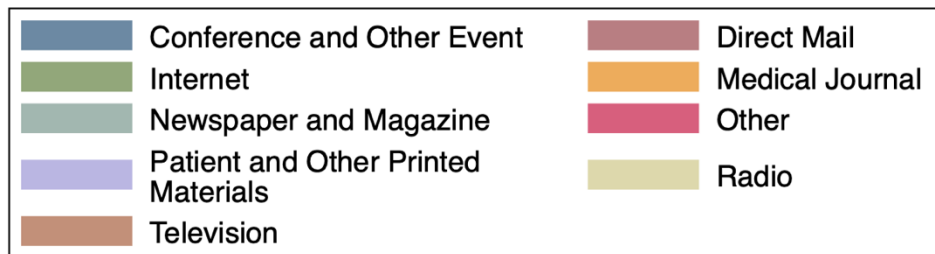
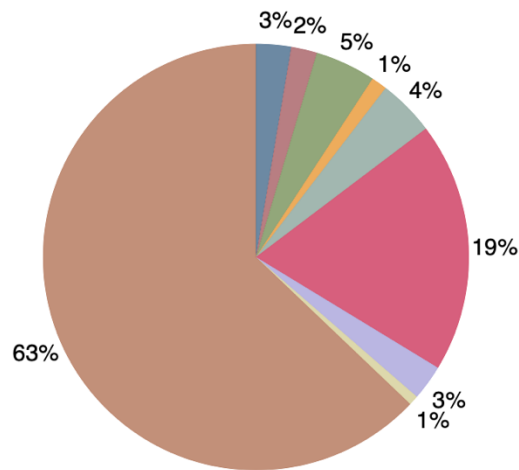


Table 11: Advertising Expenses by Medium Type

| Type of Media | Cost of Activity (\$) | Cost of Activity (%) |
|-------------------------------------|-----------------------|----------------------|
| Television | 6,750,184 | 62.9 |
| Other | 2,037,428 | 19.0 |
| Internet | 494,518 | 4.6 |
| Newspaper and Magazine | 459,941 | 4.3 |
| Patient and Other Printed Materials | 287,705 | 2.7 |
| Conference and Other Event | 285,638 | 2.7 |
| Direct Mail | 210,419 | 2.0 |
| Medical Journal | 128,392 | 1.2 |
| Radio | 79,280 | 0.7 |
| Total | 10,733,504 | 100.0 |

IV. Recommendations for AccessRx

Based on the analysis of the 2018 data, we offer the following recommended changes to AccessRx policies and practices. The goals of these recommendations are to reinforce the original objectives of the AccessRx program and to make AccessRx data more consistent with federal Open Payments data.

1. Improve data reporting instructions to improve the quality of data collected by AccessRx from pharmaceutical companies.

Pharmaceutical companies are given detailed reporting instructions and a list of Frequently Asked Questions (FAQs) when filing marketing expenditure reports. Yet, the team of researchers who prepared this report encountered gaps and inconsistencies in reporting, which in turn limit the validity and reliability of the inference that can be drawn from the data. Some recurring errors included: gift expenditures that were reported to Open Payments; gifts to medical or office staff reported as gifts to individual physicians; including the physician share in the total value allocated to the physician's office; reporting categories inconsistently.

Reporting instructions could be simplified and clarified to enhance the contributing organizations' ability and willingness to report their data accurately and completely.

2. Consider transitioning to an online reporting platform.

As recommended in previous years, transitioning AccessRx to an online platform would facilitate data collection, cleaning, and analysis processes. The online system would limit and standardize responses. Furthermore, it will make it easier for companies to deliver complete and comprehensive reports, reducing errors and reducing the need for the AccessRx team to contact companies.

3. Improve compliance and communication among pharmaceutical companies.

If errors or inconsistencies are encountered during the data collection and cleaning process, we must contact the company to gain clarification and resolve issues. The AccessRx Act requires companies to provide contact information for a single individual who is considered responsible for the submission and must be a member of senior management or other high-level official within the pharmaceutical company. We run into a number of issues when contacting companies such as late responses or non-responsiveness, incorrect point of contact, and multiple referrals within the company or to external consultants. Delays in obtaining correct information may result in delays in data analysis. Communication protocols or standards should be put in place to ensure that accurate and complete data are collected and analyzed in an efficient manner.

4. Make searchable summary statistics based on the AccessRx data publicly available, analogous to the Open Payments data base.

Open Payments provides publicly available data on gifts to physicians and teaching hospitals. AccessRx data are confidential, and only the reports produced using the data are available to the public. Only the District of Columbia Department of Health and the individuals preparing the report have access to the information, as stipulated by the AccessRx Act of 2004. Making summary statistics based on the AccessRx data available to the public, perhaps via a searchable online portal, would allow patients and providers to retrieve data pertinent to them faster and more easily, thus allowing both to make better informed decisions.

5. Require the submission of product-level information for gift expenses reported to AccessRx, analogous to the Open Payments requirement.

Open Payments requires pharmaceutical companies to report the marketed name of the drug, device, biological, or medical supply that is associated with the payment listed. This information is beneficial because it allows patients, policymakers, researchers, and the general public to gain insight into how much pharmaceutical companies are spending on marketing for specific drugs or products within the District of Columbia and across the United States. AccessRx currently does not require this level of detail for the information it collects. By requiring companies to report the marketed product or products associated with payments to AccessRx, the District of Columbia Department of Health can provide DC residents, policymakers, and other stakeholders noted above with more information about the relationships between pharmaceutical companies and healthcare providers.

6. Require device manufacturers to report to AccessRx, consistent with Open Payments requirements.

Open Payments, but not AccessRx, requires reporting by device manufacturers. AccessRx requires reporting by any “manufacturer or labeler of prescription drugs dispensed in the District that employs, directs, or utilizes marketing representatives in the District” and a total of 192 companies submitted to AccessRx in 2018. By comparison, Open Payments requires the reporting by “manufacturers of drugs, devices, biologicals, or medical supplies” and a total of 528 companies reported to Open Payments in 2018. Data collected from device manufacturers and marketers will allow for a more comprehensive understanding of marketing expenditure trends in the District. Moreover, this addition would enable AccessRx to be more consistent with Open Payments, which strengthens the evidence base and resulting policy implications provided by the two data collection efforts.

Appendix A: AccessRx Requirements

Title III of the AccessRx Act of 2004² 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.

² District of Columbia Official Code. AccessRx Act of 2004. Accessed June 22, 2020.
<http://doh.dc.gov/sites/default/files/dc/sites/doh/publication/attachments/AccessRx-Act-of-2004.pdf>.

(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).

Appendix B: Open Payments Requirements

The Patient Protection and Affordable Care Act of 2010 established the Open Payments system through the Centers for Medicare and Medicaid Services. The regulation was promulgated on February 8, 2013, requiring data collection beginning on August 1, 2013. 42 CFR Parts 402 and 403 requires³ “applicable manufacturers of drugs, devices, biologicals, or medical supplies covered by Medicare Medicaid or the Children’s Health Insurance Program (CHIP) to report annually to the Secretary [of the Department of Health and Human Services] certain payments or transfers of value provided to physicians or teaching hospitals...”

(a) General rule:

(1) Direct and indirect payments or other transfers of value provided by a manufacturer to a covered recipient during the preceding calendar year, and direct and indirect payments or other transfers of value provided to a third party at the request of or designated by the applicable manufacturer on behalf of a covered recipient during the preceding calendar year, must be reported by the applicable manufacturer to CMS on an annual basis.

(b) Covered Products:

(1) Any drug, device, biological, or medical supply that is eligible for payment by Medicare, Medicaid, or CHIP either individually or as a part of a bundled payment (such as the inpatient prospective payment system), and requires a prescription to be dispensed (for drugs and biologicals) or requires premarket approval by, or premarket notification to, the U.S. Food and Drug Administration (for devices, including medical supplies that are devices).

(c) Recipients for whom gifts must be reported:

(1) Physicians, which include those with credentials of Doctor of Medicine, Doctor of Osteopathy, Doctor of Dentistry, Doctor of Dental Surgery, Doctor of Podiatry, Doctor of Optometry, or Doctor of Chiropractic Medicine.

(2) Teaching Hospitals that received payment for Medicare direct graduate medical education (GME), inpatient hospital prospective payment system (IPPS) indirect medical education (IME), or psychiatric hospitals IME programs during the last calendar year.

(c) Limitations. Certain limitations on reporting apply in the following circumstances:

(1) \$10, indexed to inflation, provided total payments to a recipient less than \$100 a year.

(2) Applicable manufacturers that had less than 10 percent gross revenue during the fiscal year preceding the reporting year from covered products are only required to report payments or other transfers of value related to covered products, not all products.

(3) Drug samples intended exclusively for distribution to patients are excluded from the reporting requirements (see rule for more)

³Federal Register. 42 CFR Parts 402 and 403. Accessed June 22, 2020.
<https://www.gpo.gov/fdsys/pkg/FR-2013-02-08/pdf/2013-02572.pdf>.