

Pharmaceutical Marketing Expenditures in the District of Columbia in 2021



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

Prepared by
Milken Institute School of Public Health
The George Washington University
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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 2021. 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), expenditures 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.

This report presents overall pharmaceutical marketing expenditures and those accounted for by subgroups such as physicians, surgeons, nurse practitioners, and teaching hospitals. Finally, this report offers recommendations for improving the reporting and utility of the data for future years.

Key Findings

The year 2021 was the second full year in which the worldwide Covid-19 pandemic affected the United States, including the District of Columbia. The pandemic shifted the priorities of the entire health care sector.

In the second year of the pandemic, patients and providers of medical care cautiously returned to in-person visits and resumed care that is difficult to deliver remotely. Pharmaceutical manufacturers continued to allocate funds towards the research, development, and marketing of products and services related to this new infectious disease.

Stay-at-home orders and social-distancing practices were lifted intermittently, thus offering an opportunity for marketers complement virtual formats with in-person meetings and gatherings.

For these reasons, a comparison of the experience in 2021 with years prior to 2020 is not indicative of longer-term trends. While not conclusive, the experience in years 2020 and 2021 offers early indications of the way pharmaceutical marketing in the District of Columbia may be adjusting going forward.

In 2021, 246 pharmaceutical manufacturers and labelers submitted reports to the AccessRx program on pharmaceutical marketing expenditures in the District of Columbia—14 more than in 2020, representing an increase of 6%. These companies reported spending a total \$90.95 million in 2021—an increase of nearly 25% over 2020, which partially reversed the sharp decline observed in the year before.

As in prior years, detailing expenditures constituted the largest expenditure type, totaling \$63.8 million and representing 70% of all expenditures in 2021. At \$10.6 million, detailing expenditures constituted the smallest type of expenditure (11.6%) in 2021.

Notable Statistics for 2021

- Pharmaceutical marketing expenditures continued to be highly concentrated among few companies:
 - The top four manufacturers -- Gilead Sciences, Novartis, Amgen, Pfizer, and Genentech -- each reported aggregate marketing expenditures in the District of Columbia of \$5 million or more. The total marketing expenditures by these five companies accounted for nearly a quarter of all expenditures reported by the 246 submitting manufacturers.
- Individuals received more than 26,000 gifts, totaling \$10.95 million:
 - Physicians and surgeons received 65% and 10% of all gifts, respectively.
 - At a combined 80%, speaking and consulting engagements represented the largest nature-of-payment categories by value for physicians.
 - By far the largest number of gifts fell into the “food and beverage” category, accounting for 77% of all gifts to physicians in 2021, at a median value of \$20.
- Teaching hospitals received 179 gifts totaling \$8 million.
 - The highest reported value was more than \$3 million.
 - At 41%, Washington Hospital Center received the largest number of gifts.
- Nearly two thirds of all advertising expenditures targeted patients or the general public, nearly one third targeted prescribers.

I. Summary of Pharmaceutical Marketing Expenditures

Total Expenditures

In 2021, pharmaceutical manufacturers and labelers spent \$90.95 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.

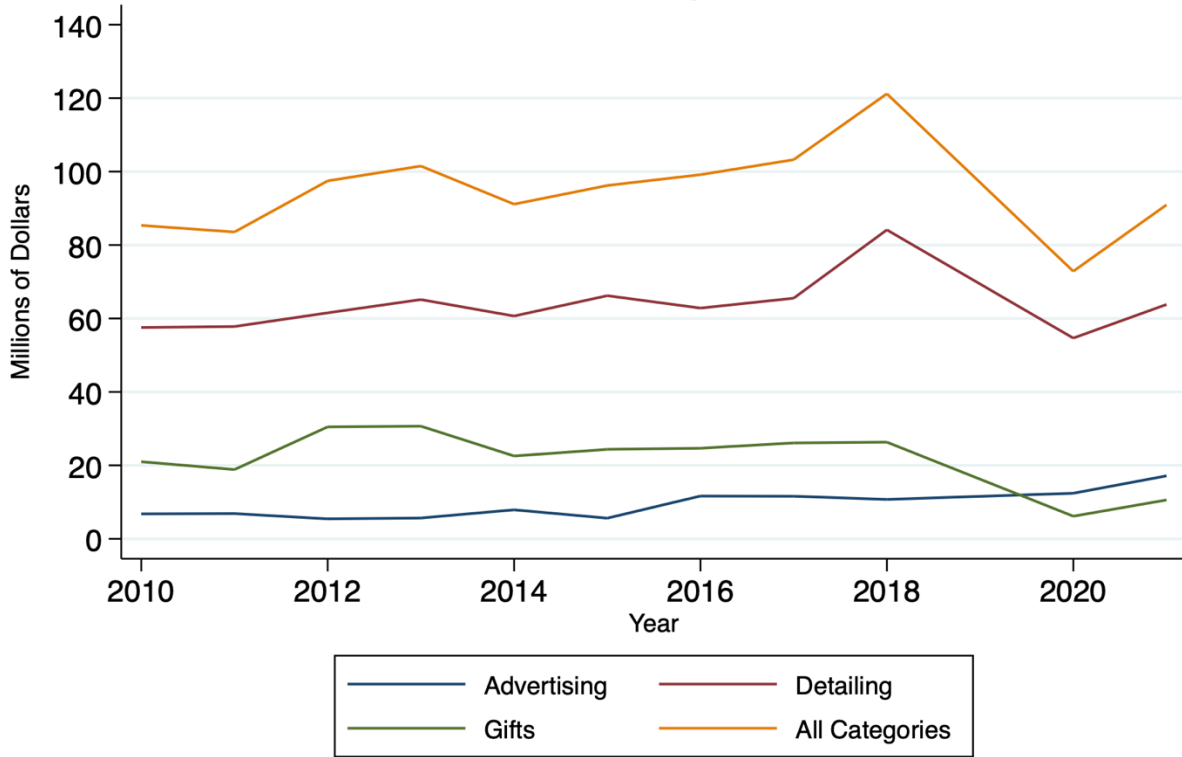
Two hundred and forty-six pharmaceutical manufacturers and labelers submitted reports to the District's AccessRx program for the reporting year 2021, an increase of 6% from 2020.

Table 1 displays the reported amounts for each category from 2010 to 2021. After a sharp decline in 2020, especially in the "detailing" and "gifts" categories, expenditures rebounded in 2021, albeit to smaller levels than recorded for the periods before the Covid-19 epidemic. Detailing comprised the largest category, accounting for 70% of all marketing expenditures. In 2021, detailing expenditures grew by 17%. Measured by total value, expenditures classified as "advertising" overtook expenditures classified as "gifts" in the two most recent reporting years (Figure 1). Advertising expenditures grew by 38%, while gift expenditures grew by 72% in 2021.

Table 1. Pharmaceutical Marketing by Expenditure Category, 2010-2021

Year	Advertising (\$)	Detailing (\$)	Gifts (\$)	All Categories (\$)
2010	6,791,214	57,551,911	21,010,822	85,353,946
2011	6,879,230	57,815,759	18,859,946	83,554,935
2012	5,445,732	61,537,192	30,487,486	97,470,410
2013	5,673,841	65,158,392	30,686,134	101,518,367
2014	7,903,100	60,671,713	22,562,396	91,137,209
2015	5,631,108	66,225,062	24,362,166	96,218,336
2016	11,658,176	62,833,677	24,672,754	99,164,608
2017	11,603,211	65,526,876	26,118,323	103,250,427
2018	10,733,504	84,137,739	26,331,275	121,202,518
2020	12,411,725	54,658,190	6,163,511	72,856,517
2021	17,153,556	63,823,581	10,585,384	90,954,316

Figure 1. Total Pharmaceutical Marketing by Expenditure Category, 2010-2021



One quarter of submitting organizations reported total expenditures of nearly \$13,000 or less. The median total expenditure per company was \$58,438, nearly \$10,000 more than in 2020. Average expenditures per company were \$369,733 in 2021, more than \$55,000 or about 18% more than in 2020.

The 20 Manufacturers Reporting the Largest Marketing Totals

The top twenty manufacturers by total marketing expenditures in 2021 are shown in Table 2. The top four manufacturers, Gilead Sciences, Novartis, Amgen, and Pfizer, each reported aggregate marketing expenditures in the District of Columbia of more than \$5 million, followed by Genentech, Bristol Myers Squibb, Merck & Co, and AbbVie each reporting at least \$3 million.

The total marketing expenditures by the top five manufacturers accounted for 23.6% of all reported expenditures by all 246 submitting manufacturers.

The total marketing expenditures by the top twenty manufacturers accounted for 68.6% of all reported expenditures by all 246 submitting manufacturers.

Table 2. Top 20 Manufacturers by Total Marketing Expenditures, 2021

Rank	Manufacturer	Total Marketing Expenditures (\$)
1	Gilead Sciences	7,230,538
2	Novartis	5,725,973
3	Amgen	5,721,218
4	Pfizer	5,014,997
5	Genentech	4,999,562
6	Bristol Myers Squibb	4,029,134
7	Merck	3,939,561
8	AbbVie	3,435,553
9	AstraZeneca	2,992,556
10	Viiv Healthcare	2,947,386
11	Novo Nordisk	2,830,023
12	Takeda	1,940,671
13	Genzyme	1,855,403
14	Bayer	1,741,103
15	GlaxoSmithKline	1,588,396
16	Janssen	1,408,800
17	Biogen	1,383,146
18	Allergan	1,245,182
19	Ascendis	1,207,685
20	Janssen	1,127,348
	Total	62,364,233

Advertising Expenditures

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

As shown in Table 1, the total value of advertising expenditures reported by the 246 pharmaceutical manufacturers and labelers that submitted reports via the AccessRx program in 2021 was \$17,153,556.

More than half of the manufacturers did not report any advertising expenditures in 2021 (Table 3). For 21.5% of manufacturers that reported any advertising expenditures, the total value per company did not exceed \$10,000. These companies accounted for less than 1% of all advertising expenditures. Advertising expenditures were highly concentrated: Four companies accounted for nearly 61% of all advertising expenditures, and 5% accounted for 82% of the total value.

Table 3. Distribution of Advertising Expenditures, 2021

Total Reported Value per Company	Number	Percent	Value (\$)	Percent
None Reported	132	53.7	0	0.0
\$1 - \$1,000	18	7.3	6,225	0.0
\$1,001 - \$10,000	35	14.2	133,104	0.8
\$10,001 - \$25,000	16	6.5	252,417	1.5
\$25,001 - \$50,000	14	5.7	549,360	3.2
\$50,001 - \$100,000	9	3.7	665,660	3.9
\$100,001 - \$250,000	9	3.7	1,533,464	8.9
\$250,001 - \$500,000	7	2.8	2,033,151	11.9
\$500,001 - \$1,000,000	2	0.8	1,576,889	9.2
More than \$1,000,000	4	1.6	10,403,287	60.6
Total	246	100.0	17,153,556	100.0

Detailing Expenditures

Aggregate expenditures 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.

The following are examples of position titles for aggregate-expenditure personnel:

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

In 2021, 228 pharmaceutical manufacturers and labelers reported detailing expenditures of at least \$1, yielding a total of \$63.8 million (Table 4). Detailing expenditures were similarly concentrated as advertising expenditures: 32% of companies reported totals under \$25,000 and as a group accounted for just over 1% of the total value. By contrast, the 6% largest spenders accounted for 61% of the total value, and the 17% largest spenders accounted for 83%.

Table 4. Distribution of Detailing Expenditures, 2021

Total Reported Value per Company	Number	Percent	Value (\$)	Percent
None Reported	18	7.3	0	0.0
\$1 - \$1,000	8	3.3	4,403	0.0
\$1,001 - \$10,000	38	15.4	208,852	0.3
\$10,001 - \$25,000	32	13.0	495,693	0.8
\$25,001 - \$50,000	29	11.8	1,007,084	1.6
\$50,001 - \$100,000	43	17.5	3,125,581	4.9
\$100,001 - \$250,000	37	15.0	5,945,137	9.3
\$250,001 - \$500,000	13	5.3	4,514,513	7.1
\$500,001 - \$1,000,000	13	5.3	9,322,593	14.6
More than \$1,000,000	15	6.1	39,199,724	61.4
Total	246	100.0	63,823,581	100.0

Gift Expenditures

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

As shown in Table 1, the total value of gift expenditures reported by the 246 pharmaceutical manufacturers and labelers that submitted reports via the AccessRx program in 2021 was \$10,585,384.

116, or 47% of, did not report any gift expenditures (Table 5). 22% of manufacturers reported gift expenditures between \$1 and no more than \$1,000. Nearly 7% of manufacturers reported gift expenditure totals of at least \$100,000. These 17 companies accounted for 90% of all gift expenditures reported in 2021.

Table 5. Distribution of Gift Expenditures, 2021 (AccessRx Data)

Total Reported Value per Company	Number	Percent	Value (\$)	Percent
None Reported	116	47.2	0	0.0
\$1 - \$1,000	55	22.4	20,706	0.2
\$1,001 - \$10,000	28	11.4	119,823	1.1
\$10,001 - \$25,000	17	6.9	257,643	2.4
\$25,001 - \$50,000	6	2.4	193,896	1.8
\$50,001 - \$100,000	7	2.8	449,085	4.2
\$100,001 - \$250,000	5	2.0	698,706	6.6
\$250,001 - \$500,000	6	2.4	1,976,662	18.7
\$500,001 - \$1,000,000	5	2.0	2,764,301	26.1
More than \$1,000,000	1	0.4	4,104,561	38.8
Total	246	100.0	10,585,384	100.0

In the Open Payments data, 537 pharmaceutical manufacturers reported at least one gift expenditure in 2021, yielding a total of \$18.96 million (Table 6). The four largest spenders in this category accounted for 40% of the total value. More than half of the manufacturers reported gift expenditures that did not exceed \$1,000. These 281 manufacturers accounted for less than half a percent of the total value.

It is unclear why the total based on the Open Payments data is nearly twice as large as the total based on the AccessRx data. The Open Payments program is federal and perhaps more likely to be audited than the AccessRx program. Section II of this report identifies the groups of gift recipients

Table 6. Distribution of Gift Expenditures, 2021 (Open Payments Data)

Total Reported Value per Company	Number	Percent	Value (\$)	Percent
\$1 - \$1,000	281	52.3	80,548	0.4
\$1,001 - \$10,000	124	23.1	453,780	2.4
\$10,001 - \$25,000	38	7.1	662,511	3.5
\$25,001 - \$50,000	24	4.5	855,789	4.5
\$50,001 - \$100,000	35	6.5	2,556,743	13.5
\$100,001 - \$250,000	22	4.1	3,568,495	18.8
\$250,001 - \$500,000	8	1.5	2,701,910	14.2
\$500,001 - \$1,000,000	1	0.2	538,991	2.8
More than \$1,000,000	4	0.7	7,544,491	39.8
Total	537	100.0	18,963,258	100.0

II. Gift Expenditures

As noted, in 2021 pharmaceutical manufacturers and labelers reported gift expenditures totaling \$18.96 million in the District of Columbia.

Noteworthy groups of individual recipients were physicians, surgeons, nurse practitioners, dentists, physician assistants, podiatrists, as well as ophthalmologists and optometrists, who received gifts or payments including cash, food, or in-kind consideration. In 2021, this group received 26,434 separately identified items, totaling \$10.95 million—about the same level as in 2021. Physicians received 65% of all gifts. Surgeons and nurse practitioners received 10% and 12%, respectively. Consistent with previous years, a physician also was the individual recipient of the gift with the highest declared value, while the median value of gifts was highest for surgeons, followed by dentists.

The Open Payments data also include information on gifts received by teaching hospitals. This group received 179 gifts totaling \$8 million, or 42% of the value of all gifts reported in 2021. The highest reported value was more than \$3 million. This single expenditure item accounted for nearly 40% of the total value of gifts received by all teaching hospitals in 2021. The median value was \$5,000.

Table 7. Distribution of Gift Expenditures by Recipient Group, 2021

Recipient Group	Count	Total Value (\$)	Highest Value (\$)	Median Value (\$)
Physicians	17,273	8,500,794	942,963	22
Surgeons	2,619	1,876,926	219,986	41
Nurse Practitioners	3,163	303,580	5,000	20
Dentists	934	155,479	5,005	34
Physician Assistants	1,511	45,772	2,200	18
Podiatrists	304	41,762	2,000	23
Ophthalmologists or Optometrists	630	29,065	4,225	20
Teaching Hospitals	179	8,009,861	3,124,000	5,000
Total	26,613	18,963,238	3,124,000	22

II.a. Individual Recipients

This section presents more detailed data on gifts made to individual recipients, including physicians, surgeons, nurse practitioners, dentists, physician assistants, podiatrists, as well as ophthalmologists and optometrists. Total gifts received by individuals were \$10.95 million in 2021.

The Centers for Medicare and Medicaid Services' Open Payments program requires the reporting of payments to physicians. 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.

Starting on the next page, we present results for each individual-recipient group.

Physicians

Physicians in the District of Columbia received a total of \$8.5 million in gifts in 2021, representing 78% of the total value reported for all individual recipients.

Manufacturers reported payments to 1,693 different physicians practicing in the District of Columbia in 2021. The American Association of American Medical Colleges' 2021 State Physician Workforce Data Report counted 6,147 active physicians in the District¹, suggesting that about 28% of active physicians in the District received at least one gift in 2021.

Table 8 shows the distribution of gifts to physicians by total value received in 2021. Nearly 7 in ten physicians did not receive gifts totaling more than \$250. By contrast, 1% of physicians received gifts totaling at least \$100,000. Forty-three physicians, or 2.5%, accounted for 69.8% of the total value of gifts to physicians.

Table 8. Distribution of Gifts to Physicians, 2021

Total Reported Value per Physician	Number of Physicians	Percent of Total Number	Total Value (\$)	Percent of Total Value
\$1 - \$250	1,148	67.8	80,942	1.0
\$251 - \$1,000	238	14.1	122,340	1.4
\$1,001 - \$10,000	191	11.3	638,372	7.5
\$10,001 - \$25,000	48	2.8	833,744	9.8
\$25,001 - \$50,000	25	1.5	892,421	10.5
\$50,001 - \$100,000	27	1.6	1,830,284	21.5
\$100,001 - \$250,000	12	0.7	1,798,699	21.2
More than \$250,000	4	0.2	2,303,993	27.1
Total	1,693	100.0	8,500,794	100.0

Consistent with past years, at about \$3.7 million and \$3.1 million respectively, speaking and consulting engagements represented the largest nature-of-payment categories by value (Table 9 and Figure 2). Together these two categories represented 80% of the total value of gifts made to physicians. They also exhibited the highest median value of all categories.

By far the largest number of gifts fell into the “food and beverage” category, accounting for 77% of all gifts to physicians in 2021, at a median value of \$20.

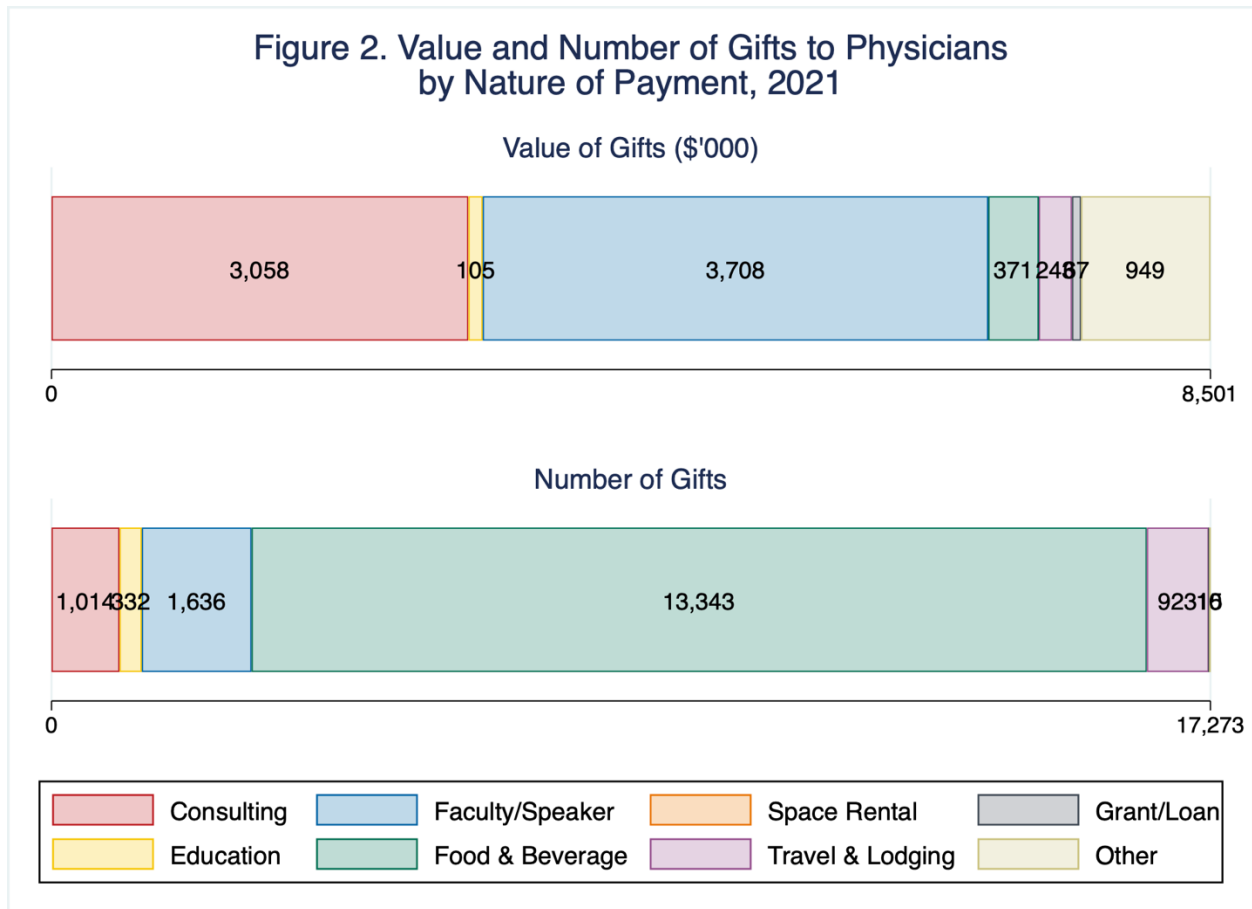
Travel and lodging as well as education were the remaining two significant categories, although they accounted only for a fraction.

¹ The 2021 District of Columbia Physician Workforce Profile is available at <https://www.aamc.org/media/58156/download>. It was accessed on December 13, 2022.

Table 9. Gifts to Physicians by Nature of Payment, 2021

Nature of Payment	Count	Total Value (\$)	Highest Value (\$)	Median Value (\$)
Faculty/Speaker	1,636	3,708,395	245,041	1,562
Consulting	1,014	3,057,781	399,952	1,748
Food & Beverage	13,343	370,577	418	20
Travel & Lodging	923	243,334	3,995	171
Education	332	105,039	21,083	28
Grant/Loan	10	66,857	50,000	1,000
Other	15	948,810	942,963	37
Total	17,273	8,500,794	942,963	22

Figure 2. Value and Number of Gifts to Physicians by Nature of Payment, 2021



Top 25 Physician Recipients

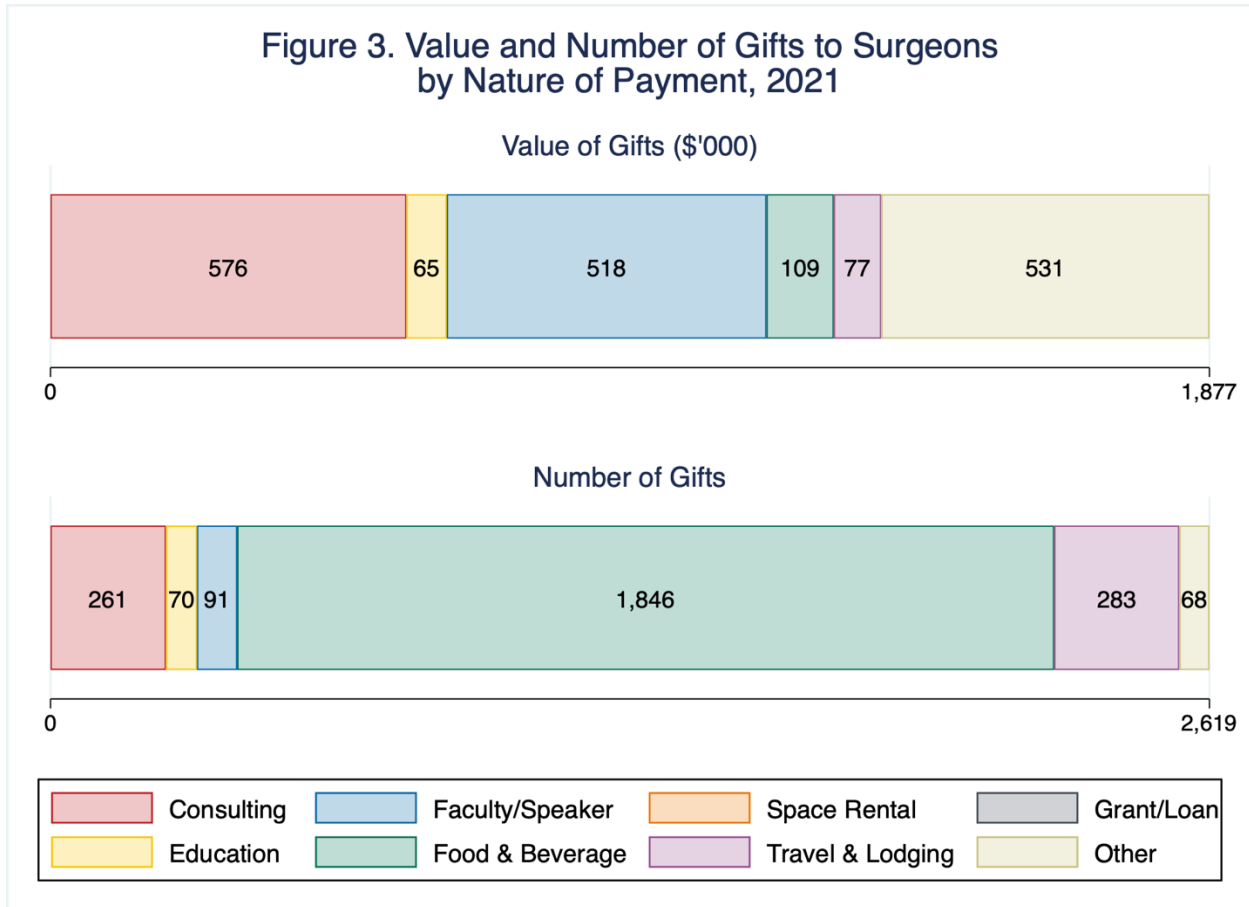
Open Payments provides publicly available data, including the names of physicians who received payments. Table 10 shows the names and medical specialties as well as the number and total value of gifts received by the 25 physicians in the District of Columbia with the highest values of total receipts in 2021. The gifts to these 25 individuals summed to \$4.85 million and represented 57% of all gifts made to physicians. The modal medical specialty in this group was internal medicine (11 physicians), followed by psychiatry and neurology.

Table 10. Top 25 Physician Recipients, 2021

Rank	Name	Specialty	Number	Total Value (\$)
1	Michael Hsieh	Urology	4	943,130
2	Jonathan Silverberg	Dermatology	212	570,469
3	Margaret Hamburg	Internal Medicine	5	465,577
4	Laxman Bahroo	Psychiatry & Neurology	432	324,817
5	Jesse Goodman	Internal Medicine	1	245,041
6	Stephen Mitchell	Internal Medicine	6	230,750
7	Autumn Burnette	Internal Medicine	226	175,867
8	Alexander Kim	Radiology	289	167,208
9	Yasar Torres-Yaghi	Psychiatry & Neurology	179	141,621
10	Fahd Amjad	Psychiatry & Neurology	226	137,033
11	Robert Shin	Psychiatry & Neurology	106	134,990
12	Jessica Ailani	Psychiatry & Neurology	129	129,298
13	Peter Carson	General Practice	35	119,975
14	Terrence Keaney	Dermatology	98	112,938
15	Ikechi Nnawuchi	Psychiatry & Neurology	237	102,354
16	Nancy Dawson	Internal Medicine	56	101,624
17	Bruce Cheson	Internal Medicine	41	89,685
18	Lawrence Dubuske	Allergy & Immunology	64	88,503
19	James Lewis	Internal Medicine	66	87,277
20	Andrea Leonard-Segal	Internal Medicine	11	83,510
21	Ashte Collins	Internal Medicine	96	80,917
22	Gaby Moawad	Obstetrics & Gynecology	93	80,827
23	George Kim	Internal Medicine	41	80,527
24	Gary Mintz	General Practice	15	78,718
25	Toby Rogers	Internal Medicine	132	77,556
	Total		2,800	4,850,212

Surgeons

In 2021, 2,619 distinct gifts to surgeons totaling \$1.9 million were reported (Figure 3). As was the case with physicians, at \$576,000 and \$518,000 respectively, consulting and speaking engagements represented the largest categories by value. These two categories accounted for 58% of the total value of gifts to surgeons in 2021. Seven in ten gifts were reported for the “food and beverage” category.



Top 10 Surgeon Recipients

Table 11 reports the names and medical specialties of the 10 surgeons who, according to Open Payments data, received the largest total value in 2021.

Each surgeon in this group received gifts valued at at least \$50,000. The largest total was just under \$280,000. The number of gifts in this group ranged from 5 to 134, implying widely varying average amounts.

These 10 surgeons accounted for 69% of the total value of gifts to all surgeons in the District in 2021. Five surgeons listed their medical specialty as orthopedic surgery.

Table 11. Top 10 Surgeon Recipients, 2021

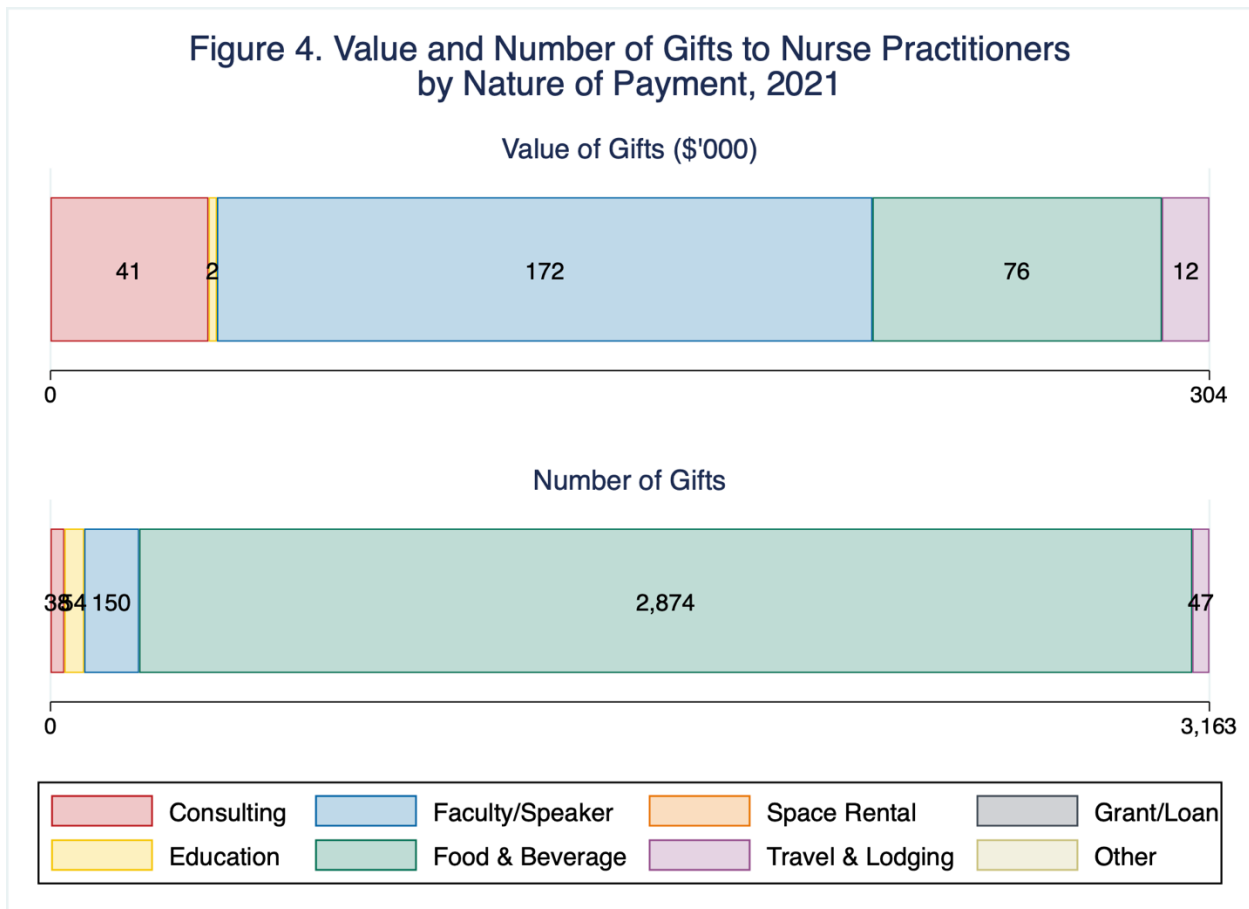
Rank	Name	Specialty	Number	Total Value (\$)
1	Wayne Frederick	Surgery	5	279,259
2	Warren Yu	Orthopedic Surgery	102	254,492
3	Akhil Khanna	Orthopedic Surgery	15	216,709
4	Seyed Kalantar	Orthopedic Surgery	104	123,719
5	Maurice Nahabedian	Surgery	83	92,932
6	Fred Mo	Orthopedic Surgery	71	77,489
7	Christian Shults	Surgery	134	69,879
8	Joseph Obrien	Orthopedic Surgery	19	66,853
9	Steven Abramowitz	Surgery	43	62,339
10	Allen Chudzinski	Colon & Rectal Surgery	30	50,832
	Total		606	1,294,503

Advanced Practice Nurses and Nurse Practitioners

The group of advanced practice nurses also includes nurse practitioners, nurse-midwives, and nurse anesthetists; all have independent prescribing authority in the District of Columbia. In 2021, this group received a total of \$303,580 in gifts, which was 45% less than the amount received in prior years (Figure 4).

\$171,707, or 56% of the total value of gifts to this group, was categorized as “faculty / speaking”. The second largest category by value was consulting (\$41,392 or 14%).

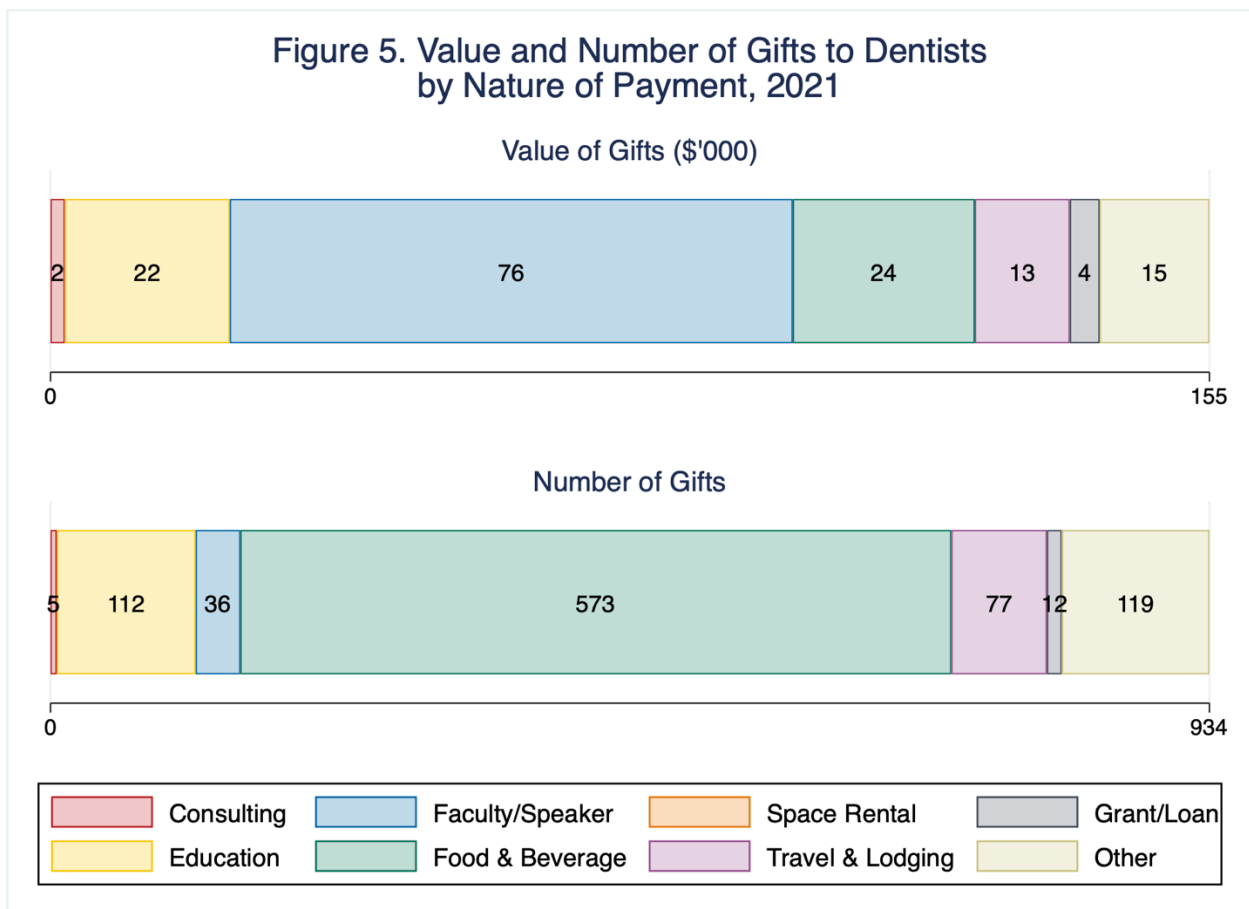
Items in the “food and beverage” category accounted for more than nine eight out of every ten gifts made to this group, summing to 2,874 gifts out of the total 3,163 reported gifts.



Dentists

In 2021, 934 distinct gifts to dentists were reported (Figure 5). The total value of gifts reported to this group of individual recipients was \$155,479, nearly the same value as in 2020.

As was the case for physicians, speaking was the largest category by value among gifts to dentists; it accounted for just under half of the total value of gifts to dentists. The average value of this gift type was \$2,098. Receipts in the education and “food and beverage” categories accounted for about 14% and 16%, respectively, of the total value. As in years past, food and beverage items were by far the most common gifts; six out of every ten gifts belonged to this category.



Top 10 Dentist Recipients

Table 12 presents the top ten dentists who accepted the highest total value of gifts in 2021, provided by Open Payments.

The total value ranged from just over \$1,800 to nearly \$50,000. The number ranged from two to fifty-nine. Average values ranged for the most between \$500 and \$1,000.

These ten dentists accounted for 72% of all receipts by value in 2021. As this group accounted for only 25% of the number of receipts, the average value in this group was nearly three times as large as the value for all dentists. The top three dentists alone accounted for 61%.

Table 12. Top 10 Dentist Recipients, 2021

Rank	Name	Number	Total Value (\$)
1	Scott Hetz	59	48,886
2	Brian Gray	18	33,868
3	Mariela Gaughan	5	12,000
4	Allen Robinson	24	4,509
5	Kolade Akinwande	39	3,036
6	Daniel Pinto	34	2,295
7	Benjamin Watkins	7	2,071
8	Armin Abron	29	1,950
9	Tarek Mogharbel	13	1,912
10	Shebani Pahwa	2	1,826
	Total	230	112,353

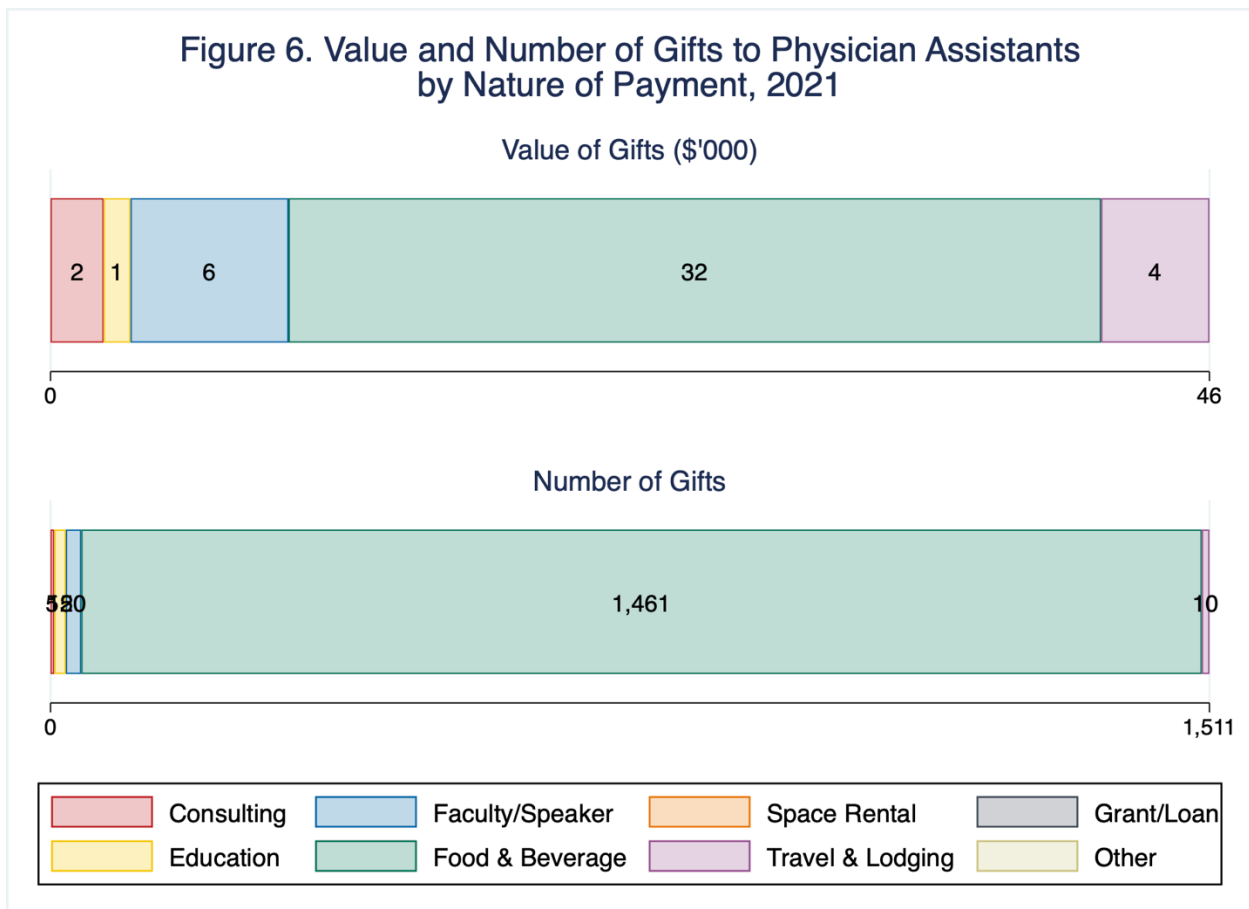
Physician Assistants

Physician assistants are independent prescribers and in 2021 received a total of \$45,772, or 44% more than in 2020 (Figure 6).

The vast majority of gifts to this group were categorized as “food and beverage”, making up 97% of all gifts to physician assistants.

The total reported value of gifts to physician assistants categorized as “food and beverage” was \$32,091 and represented 70%. The average gift size in this category was just under \$22.

Speaking represented the second largest share at \$ 6,241, nearly identical to its 2020 level. It accounted for 14% of the value of all gifts to this group, with an average gift size of \$312.

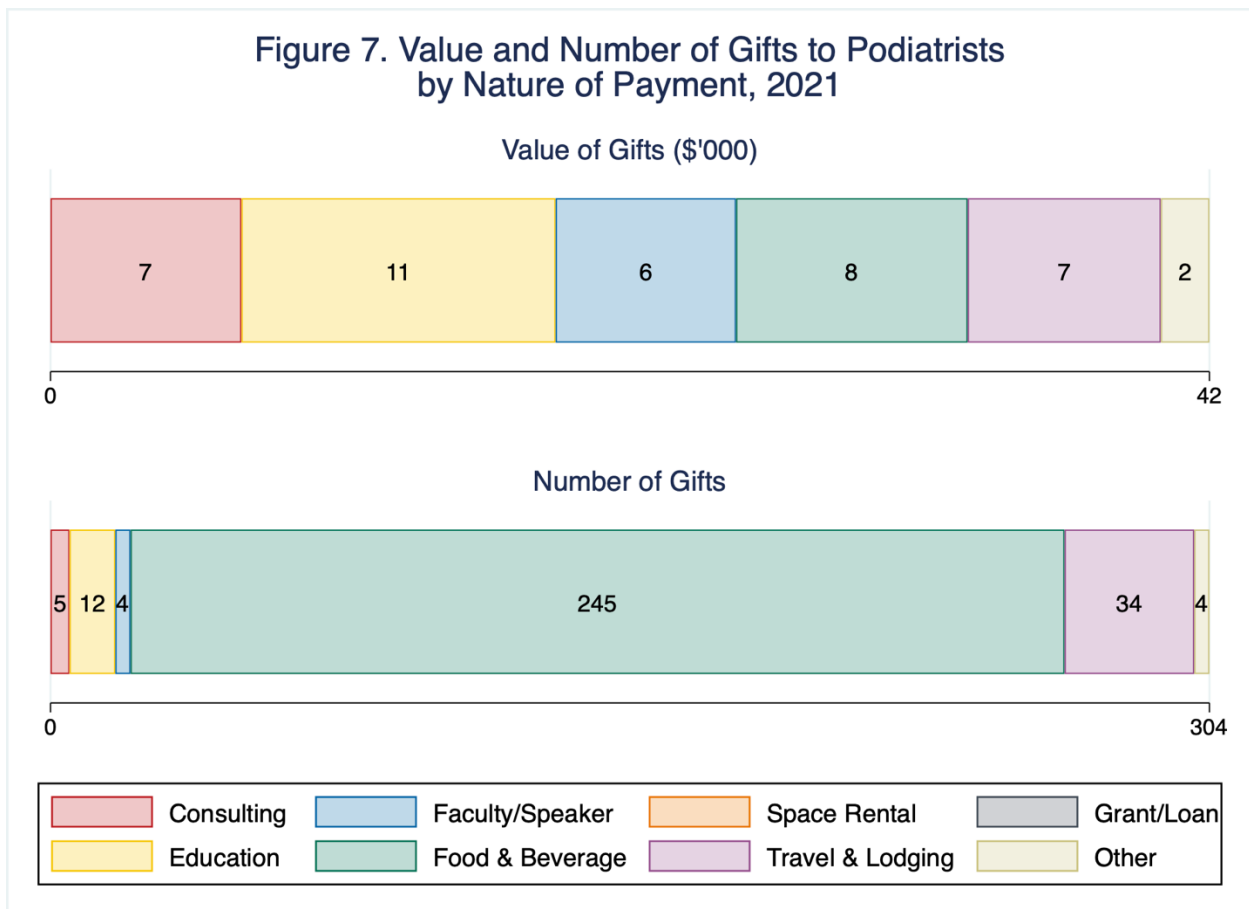


Podiatrists

Podiatrists received a total of \$ 41,762 in gifts in 2021 (Figure 7). Pharmaceutical manufacturers reported 304 distinct gifts to pharmacists.

Food and beverage items accounted for most gifts, both in total value and number. By value, gifts in the consulting, education, speaking, food and beverage, and travel and lodging categories were very similar, ranging from 16% to 20%. These five categories accounted for 96% of the total value. The average values were largest for items in the consulting and “faculty/speaking” categories, at \$1,376 and \$1,625, respectively.

About 81% of all reported gifts to podiatrists fell into the “food and beverage” category. 11% fell into the “travel and lodging” category.

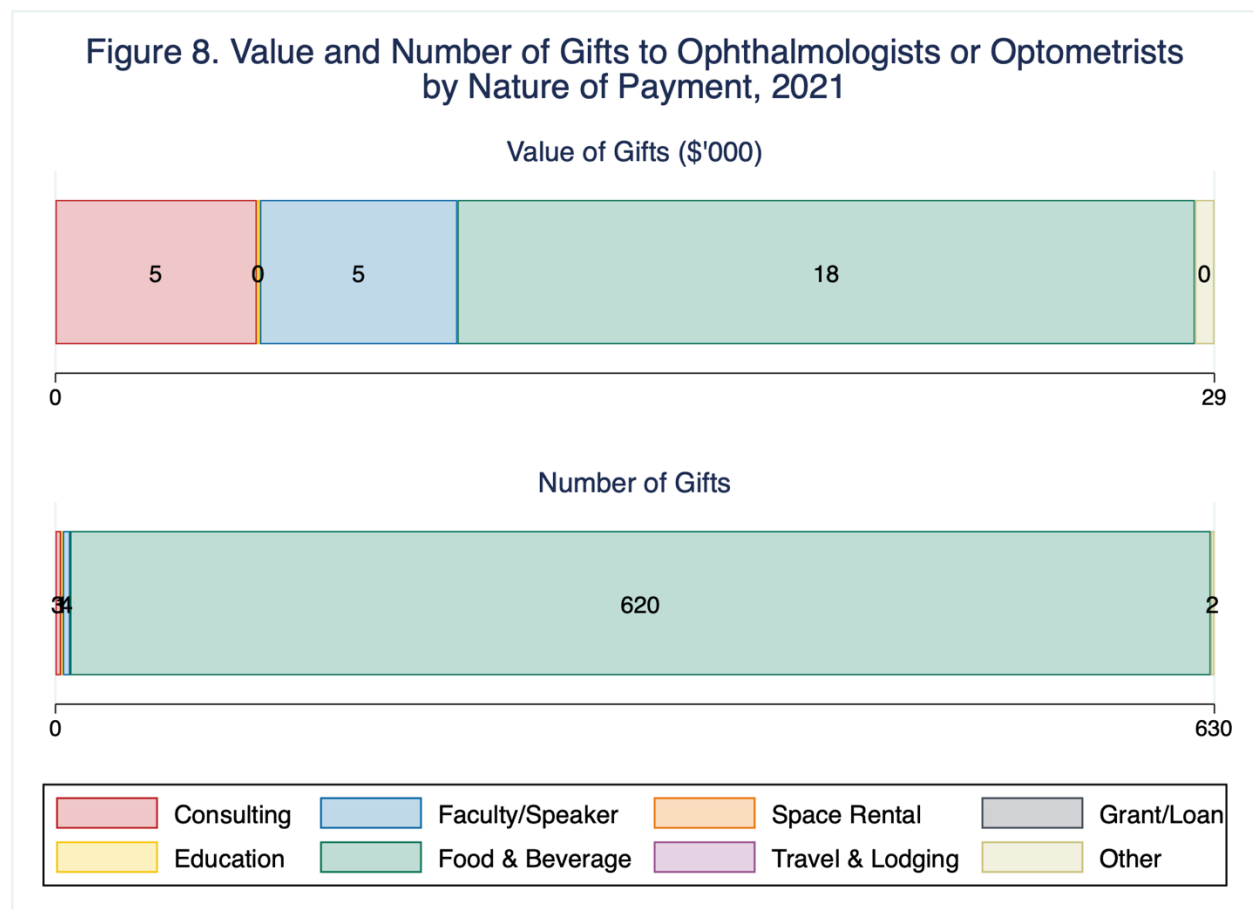


Ophthalmologists and Optometrists

Gifts to ophthalmologists and optometrists summed to \$29,065 in 2021 and thus constituted only 2.4% of the total value of all gifts to individual recipients.

Nearly all (98%) gifts fell into the “food and beverage” category. The value of these gifts amounted to \$18,495 or 64% of the group total. The average gift size of this type was \$30.

Although very slight in number, gifts in the consulting and “faculty/speaker” categories summed to \$5,050 and \$4,950, respectively, or 17% of the group total. The average gift sizes in these two categories were \$1,683 and \$1,238, respectively.



II.b. Teaching Hospitals

The 2021 Open Payments data include the following seven teaching hospitals in the District:

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

These seven teaching hospitals received 179 gifts totaling more than \$8.0 million in 2021, about twice as much as in 2020.

Pharmaceutical manufacturers and labelers reported the highest number (74), the second-largest total (\$3.5 million) and the largest median (\$25,000) value of gifts to Washington Hospital Center. It received two out of every five gifts and 44% of their total value. Georgetown University Hospital received the second largest number (35), followed by George Washington University Hospital (32). Howard University Hospital received the largest total value of gifts (\$3,939,917) but the median value was the third-largest (\$3,431). Georgetown University Hospital ranked third in total value (\$440,919). Gifts to Sibley Memorial Hospital and St. Elizabeth's Hospital were negligible both in number and value.

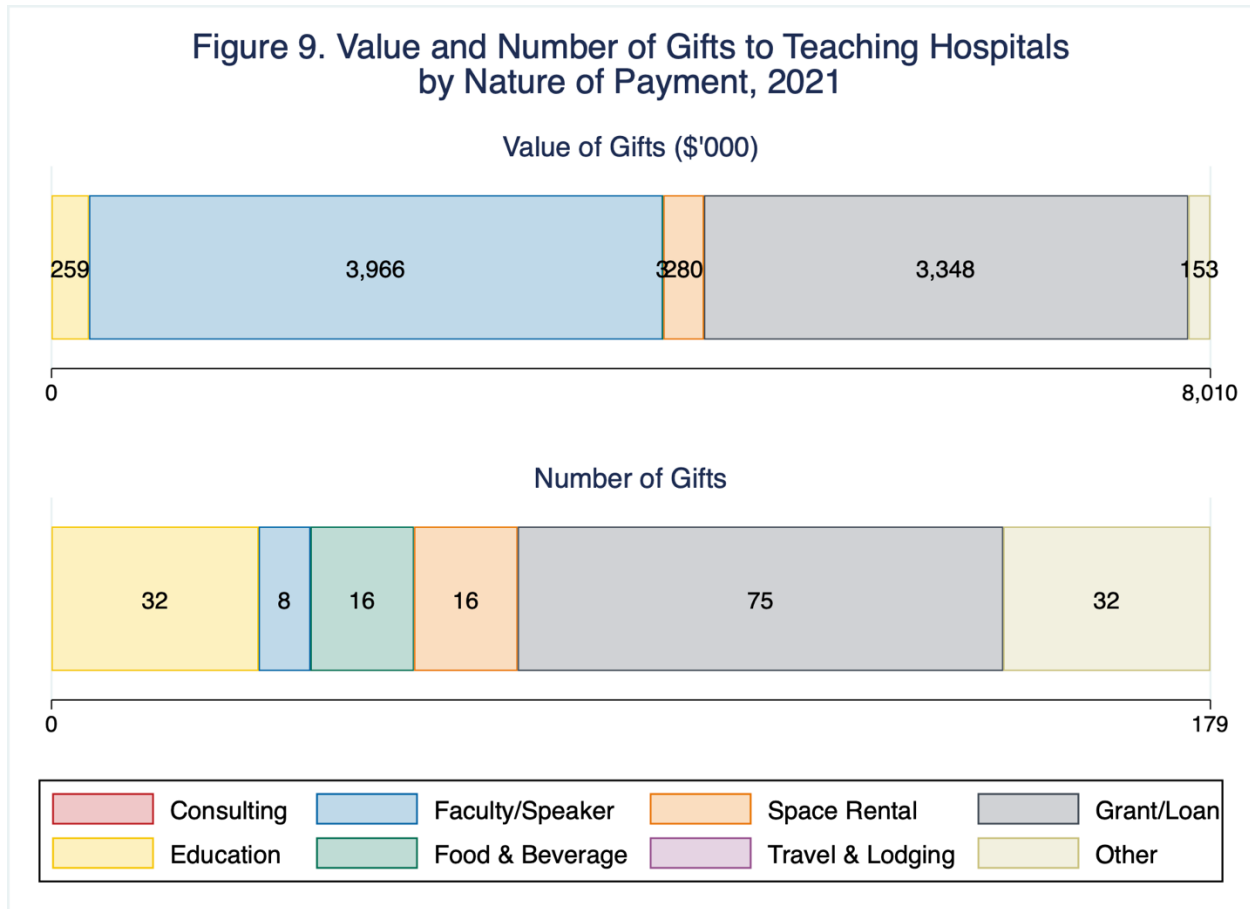
Table 13. Gifts to Teaching Hospitals, 2021

Teaching Hospital	Number	Total Value (\$)	Median Value (\$)
Children's National Hospital	21	33,520	70
George Washington University Hospital	32	88,348	381
Georgetown University Hospital	35	440,919	5,000
Howard University Hospital	12	3,939,917	3,431
Sibley Memorial Hospital	4	1,127	66
St. Elizabeth's Hospital	1	422	422
Washington Hospital Center	74	3,505,607	25,000
Total	179	8,009,861	5,000

Gifts in the “faculty/speaker” category were the largest group by total value and recorded by the largest average value, at \$495,812.

The second-largest group by value and the largest group by count was made up of gifts in the “grant/loan” category, accounting for 42% of both the total value and the total number of gifts to teaching hospitals in 2021.

Gifts in the “education” and “other” categories were numerically but not monetarily important.



III. Advertising Expenditures

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

Of the 246 companies that reported marketing expenditures to AccessRx in 2021, 114 reported more than 42,000 distinct advertising expenditures totaling \$23.2 million. In the following, this report further details these advertising expenditures by activity type, medium, and target audience.

Activity Type

In 2021, direct-to-consumer advertising accounted for 62% of all advertising expenditures reported by pharmaceutical manufacturers who were active in the District. The next largest category, at 28%, was not further specified. Market research and advertisement placement each accounted for 5% of all advertising expenditures. The median value of individual items in each category ranged from \$23 to \$89.

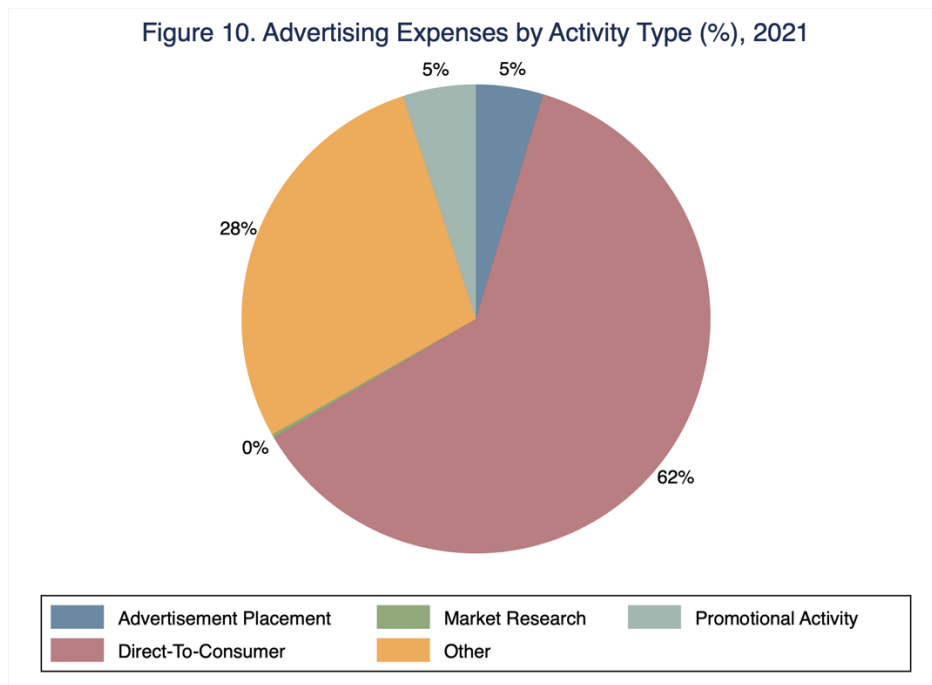


Table 14. Advertising Expenditures by Activity Type, 2021

Type of Activity	Number	Total Value (\$)	Median Value (\$)
Advertisement Placement	1,634	1,073,016	47
Direct-To-Consumer	38,259	14,340,790	23
Market Research	208	54,451	89
Other	53	6,525,708	85
Promotional Activity	2,609	1,167,935	67
Total	42,763	23,161,901	26

Medium of Communication

Reporting organizations could further classify their advertising expenditures by the medium of communication, including radio/television, internet/email, conference, direct mail / display, print, medical journal, and other.

In 2021, nearly half of all advertising expenditures used radio or television as the medium (Figure 11 and Table 15). Advertising via internet or email constituted 13%, and print media constituted 4% of all advertising expenditures in that year. With the exception of radio / television (\$23) and direct mail / display (\$11), median expenditures were around \$60. The only other exception were expenditures with no separately identified medium (category “other”), which accounted for 33% of all advertising expenditures and whose median expenditure per item was \$100.

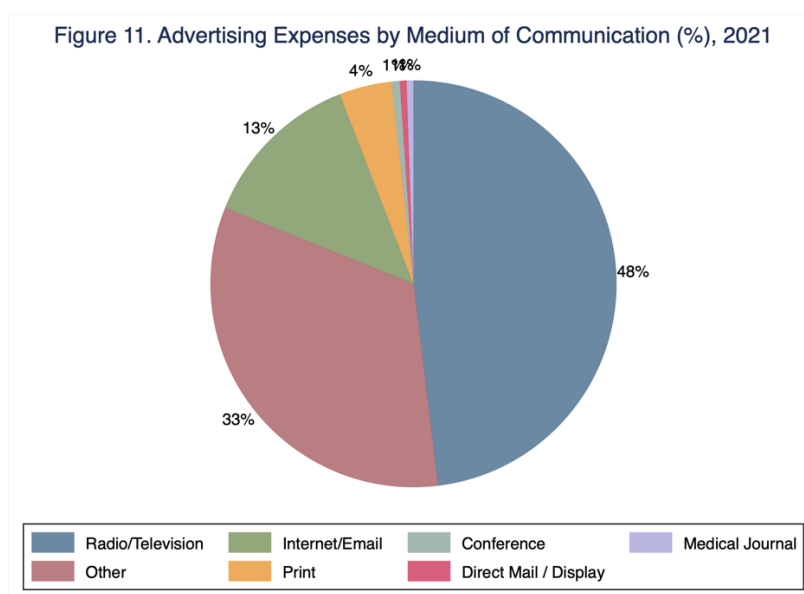


Table 15. Advertising Expenditures by Medium, 2021

Medium	Number	Total Value (\$)	Median Value (\$)
Radio/Television	36,685	11,134,116	23
Other	565	7,651,505	100
Internet/Email	3,203	3,008,724	59
Print	1,080	968,045	58
Conference	327	148,140	66
Direct Mail / Display	359	127,131	11
Medical Journal	544	124,241	59
Total	42,763	23,161,901	26

Target Audience

In 2021, nearly two thirds of all advertising expenditures targeted patients or the general public. Accounting for nearly one third of advertising expenditures, prescribers constituted the second-largest target audience both in number and total value. Healthcare professionals constituted the smallest target audience, comprising only 3% of the total value. The median expenditure for members of this target audience was the highest of all three audiences, at \$64.

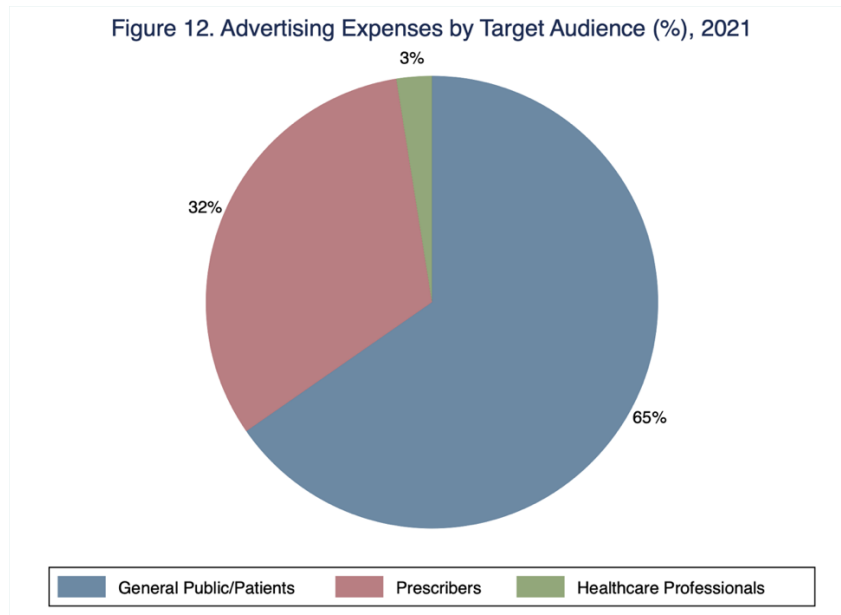


Table 16. Advertising Expenditures by Target Audience, 2021

Target Audience	Number	Total Value (\$)	Median Value (\$)
General Public/Patients	40,022	14,536,799	25
Prescribers	1,879	7,147,025	50
Healthcare Professionals	689	563,031	64
Total	42,590	22,246,856	26

IV. Recommendations for the AccessRx Program

Based on the analysis of the 2021 data, we recommend the following changes to AccessRx program policies and practices. These recommendations are intended to strengthen the program's utility, reduce its cost to the submitting organizations and the agency and its partners that administer and evaluate the program, and to make AccessRx data more consistent with the 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 expenditures 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 246 companies submitted to AccessRx in 2021. By comparison, Open Payments requires the reporting by “manufacturers of drugs, devices, biologicals, or medical supplies” and a total of 537 companies reported to Open Payments in 2021. 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 Program 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 expenditure:

- (1) All expenditures 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 expenditures 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 expenditures 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 expenditures associated with trips and travel; and
 - (D) All expenditures 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.

(b) The following marketing expenditures are not subject to the requirements of this subchapter:

² District of Columbia Official Code. AccessRx Act of 2004. Accessed December 13, 2022. <http://doh.dc.gov/sites/default/files/dc/sites/doh/publication/attachments/AccessRx-Act-of-2004.pdf>.

- (1) Expenditures of \$25 or less;
- (2) Reasonable compensation and reimbursement for expenditures in connection with a bona fide clinical trial of a new vaccine, therapy, or treatment; and
- (3) Scholarships and reimbursement of expenditures 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 expenditures 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 expenditures 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 expenditures, marketing expenditures, aggregate costs).

Appendix B: Open Payments Program 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 December 13, 2022.
<https://www.gpo.gov/fdsys/pkg/FR-2013-02-08/pdf/2013-02572.pdf>.