Alaska H.B. 45 and Public Reporting of Marketing Research Incentives

Background
Rep. David Guttenberg (D-8) introduced H.B. 45, which would require a manufacturer or labeler of prescription drugs to report their "marketing costs" in Alaska, including the "value, nature, purpose and recipient" of any expenses of $25 or more "associated with the advertising, direct promotion, or other marketing of prescription drugs to health care providers".[1]

Such expenses in this case could include payments to providers for participation in marketing research studies sponsored by manufacturers or labelers.

MRA's Position
MRA advocates that incentives for participation in marketing research studies be excluded from any reporting requirements, as long as: (1) incentives come from a third party researcher conducting the study; and (2) the sponsor is unaware of the identity of and is restricted from marketing to the research participant.

- Marketing research is not marketing – it is a social science, involving surveys, focus groups, etc.
- Public reporting could severely hinder research with health care providers, whose participation is often tied to sizeable research incentives, because of the high demands on and cost of their time.
- Most research studies are masked, to protect the research from bias, so that:
    - Participants, and often the interviewers, are not told who sponsored the study; and
    - The sponsors do not know about or choose specific participants and are not given access to any participants' personally identifiable information.
- Industry codes forbid marketing to research study participants by researchers and their clients.
- The survey and opinion research profession places the highest priority on maintaining the confidentiality of participants' personally identifiable information. Identifiable information is normally removed from any data shared with the sponsor or other third parties and any records containing such information are normally destroyed following the study's completion.
- Existing state reporting requirements have already driven pharmaceutical companies away from doing any research in states like Maine and West Virginia for fear of public scorn or worse.
- See **page 2** for case examples of the value to the public and patients from this research.

Controlling health care costs: Marketing research is not part of the problem, it is part of the solution. More and better marketing research results in cost savings. It unveils potential flaws in drugs before they pose a real risk to patients in Alaska and across the country.

Precedent for Excluding Marketing Research
There is ample precedent for such exclusion. Congress, Massachusetts, and Minnesota have all recently excluded marketing research incentives from any bans or reporting requirements.

Opposition
Critics of pharmaceutical and medical device companies' "gifts" to health care providers are concerned about any form of influence that might be purchased, but the only influence sought through research incentives is to influence a difficult to reach but highly important community to participate in research.

[1] "Health care provider" would be defined as "a person authorized to provide health care in this state, the person's employees in this state, a health care insurer, a health plan, a pharmacy, a hospital, a nursing facility, and a clinic."

Marketing Research Association
1111 16th St., NW, Suite 120, Washington, DC 20036 • Ph: (202) 775-5170 Fax: (202) 775-5172
Website: www.mra-net.org • Email: webmaster@mra-net.org

A Great Value to the Public & Patients:
Benefits of Health Care Provders' Participation
in Pharmaceutical and Medical Device Marketing Research

- **Adverse event reporting**: Many pharmaceutical companies are now training third party researchers how to handle "adverse events" that may be reported in marketing research studies, and correctly route them to the Food and Drug Administration. This ensures a fuller data set for regulators and the public at large.

- **Ensuring patients get needed treatments**: Marketing research studies with healthcare professionals about their patients' compliance with treatment regimens help manufacturers determine what causes patients to avoid or cease treatment and how to encourage compliance -- which in turn promotes health and longer life.

- **Improving acceptance and adoption of needed drugs and devices**: Marketing research studies of how doctors will accept and adopt new drugs and medical devices are crucial to the development of new life-saving drugs and devices. If a drug or device has poor odds of acceptance or adoption, the manufacturer may not invest in producing it, but may learn from the research how to counteract those deficiencies with an improved product.

- **Preventing medical errors**: Marketing research helps measure comprehension of materials and differentiation of names among physicians for drugs and devices, which can help prevent "medical errors".

CASE EXAMPLES

- **Role-playing yields results**: A series of pharmaceutical and medical device manufacturing marketing research studies involving doctor-patient role playing garnered some unexpected findings vital to more than just the studies' sponsors. For example, studies have discovered that physicians often don't describe all available options to patients even though they claim to do so in conventional research surveys.

- **Eliminating side effects for patients**: Pharmaceutical marketing research with doctors led to the reformulation of a drug to deal with its side effects. The drug fights blindness, but resulted in burning red eyes for many users. Marketing research revealed that these side effects, which were not being perfectly reported, were keeping many patients from taking the drugs (on the required schedule, or sometimes at all). Reformulation removed the side effects, saved the drug, and saved many people's sight.

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