

Public reporting of physicians' financial relationships

ISSUE: Drug and device manufacturers, hospitals, and other entities frequently have financial relationships with physicians. Payers, patients, and the general public are often not aware of these relationships.

KEY POINTS: In the Commission's June 2008 Report to the Congress, we described the financial relationships between drug and device manufacturers and physicians. Although these financial ties can lead to advances in medical technology and patient care, they may also create conflicts between physicians' obligations to do what is best for their patients and the commercial interests of manufacturers. Requiring manufacturers to publicly report information on their financial relationships with physicians could discourage inappropriate arrangements. A public reporting system also would shed light on physician–industry relationships and enable payers and researchers to analyze whether they influence patterns of care. At the Commission's October 2008 meeting, we presented draft recommendations for a public reporting law. At this meeting, we will present revised draft recommendations for the Commission to vote on.

There has been rapid growth in physician investment in hospitals and ambulatory surgical centers, as well as other financial relationships between physicians and hospitals. Evidence suggests that some of these relationships increase volume within a market and affect physician referral patterns. Publicly disclosing information about these relationships would allow researchers to further examine their impact on volume and referrals. We will discuss revised draft recommendations related to public reporting of physicians' financial arrangements with hospitals and other entities.

ACTION: Commissioners should review the draft chapter in preparation for final votes on the draft recommendations. Commissioners are also encouraged to provide comments on the draft chapter.

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