

For Immediate Release
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Grassley says drug companies should disclose payments, seeks greater transparency

WASHINGTON --- Senator Chuck Grassley is continuing his campaign to establish transparency with the financial relationships between drug companies and medical professionals.

Grassley has conducted oversight and sought disclosure with physicians, especially those involved in influential taxpayer-sponsored medical research; medical journals containing ghostwritten articles; medical colleges; continuing medical education; and the patient advocacy community.

This week, the senator released letters seeking information from state-level chapters of the National Alliance on Mental Illness. The inquiry follows one Grassley made earlier this year asking NAMI and other patient advocacy groups and medical professional societies for information about financial relationships with drug companies and medical device manufacturers. The letter is posted with this news release at <http://grassley.senate.gov> and <http://finance.senate.gov>.

“Public trust and public dollars are at stake,” Grassley said. “People rely on medical advice and taxpayers spend billions of dollars on prescription drugs and devices through Medicare and Medicaid. Public confidence could be greatly improved if financial relationships were disclosed. My legislative effort is a common-sense reform that would require the pharmaceutical and device industry to report the money it gives to doctors.”

Bipartisan legislation sponsored by Grassley to require drug, device and biologic manufacturers to report quarterly to the Department of Health and Human Services payments to physicians is part of the health care reform bill passed by the Senate Committee on Finance. Grassley has worked for passage of this legislation since 2007. The Physician Payments Sunshine Act, S.301, would establish the first-ever nationwide requirement for this information to be reported and made publicly available.

Since 2007, Grassley has conducted extensive congressional oversight of financial relationships, including among doctors who conduct research with the \$24 billion awarded annually in federal grants by the National Institutes of Health. Institutions receiving these federal dollars are required to track the financial relationships of researchers, but Grassley has found enforcement of those requirements often to be either lax or non-existent. “As a steward of these research dollars, the NIH can and should provide leadership in this area by doing what it should be doing to account for financial ties to protect biomedical research. The NIH needs to lose its casual attitude about its responsibilities here and make it clear to grantees that noncompliance won’t be tolerated.”

Examples of what Grassley’s oversight in this area has revealed include the chairman of psychiatry at Emory University failing to report hundreds of thousands of dollars in payments

from a pharmaceutical company while researching that same company's drugs with a federal grant from the NIH. The professor subsequently resigned his chairmanship. At Stanford University, the chairman of psychiatry received an NIH grant to study a drug, while partially owning a company that was seeking FDA approval of that drug. After exposure, the NIH removed the individual from the grant. At Harvard University, three professors failed to report almost a million dollars each in outside income while heading up several NIH grants. Following Grassley's oversight, Harvard is revising the conflict of interest policies and is conducting an internal investigation of these professors. In another case, Grassley focused attention on the fact that the host of a program broadcast on National Public Radio's satellite station received over a million dollars from pharmaceutical companies to give promotional talks, while hosting the show. The program, which has been cancelled, previously received funding from the NIH. In another case, the chairman of orthopedic surgery at the University of Wisconsin reported taking more than \$20,000 from a company every year for five years. Grassley's oversight helped to reveal that the actual amount was closer to \$19 million. The University of Wisconsin is revising its rules.

Based on the Grassley's investigations, over 40 universities nationwide are revising their disclosure policies, and the NIH plans to release news standards for tracking financial ties next year.

"The case has clearly been made for requiring industry to report payments to physicians, especially those conducting highly influential research, often with taxpayer support" Grassley said. "Operating with transparency sends a message that there's nothing to hide. It'd be good for the entire system if there was transparency with continuing medical education, patient advocacy groups, and medical journals, too."

In April of this year, the Institute of Medicine issued a report endorsing transparency and stating that protections against conflicts can be established without inhibiting productive relationships between the medicine and industry to improve medical knowledge and care.

Below is a news report about Grassley's review of industry dollars to the National Alliance on Mental Illness. Additional clips regarding Grassley's oversight work and work for transparency are posted at <http://grassley.senate.gov/about/Disclosure-of-Drug-Company-Payments-to-Doctors.cfm>.

Drug Makers Are Advocacy Group's Biggest Donors

By [GARDINER HARRIS](#)

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The New York Times

WASHINGTON — A majority of the donations made to the [National Alliance on Mental Illness](#), one of the nation's most influential disease advocacy groups, have come from drug makers in recent years, according to Congressional investigators.

The alliance, known as NAMI, has long been criticized for coordinating some of its lobbying efforts with drug makers and for pushing legislation that also benefits industry.

Last spring, Senator [Charles E. Grassley](#), Republican of Iowa, sent letters to the alliance and about a dozen other influential disease and patient advocacy organizations asking about their ties to drug and device makers. The request was part of his investigation into the drug industry's influence on the practice of medicine.

The [mental health](#) alliance, which is hugely influential in many state capitols, has refused for years to disclose specifics of its fund-raising, saying the details were private.

But according to investigators in Mr. Grassley's office and documents obtained by The New York Times, drug makers from 2006 to 2008 contributed nearly \$23 million to the alliance, about three-quarters of its donations.

Even the group's executive director, Michael Fitzpatrick, said in an interview that the drug companies' donations were excessive and that things would change.

"For at least the years of '07, '08 and '09, the percentage of money from pharma has been higher than we have wanted it to be," Mr. Fitzpatrick said.

He promised that the industry's share of the organization's fund-raising would drop "significantly" next year.

"I understand that NAMI gets painted as being in the pockets of pharmaceutical companies, and somehow that all we care about is [pharmaceuticals](#)," Mr. Fitzpatrick said. "It's simply not true."

Mr. Fitzpatrick said Mr. Grassley's scrutiny, which he described as understandable given the attention paid to potential conflicts of interest in medicine, had led his organization to begin posting on its Web site the names of companies that donate \$5,000 or more. And he predicted that other patient and disease advocacy groups would be prodded by Mr. Grassley's investigation to do the same.

"Everyone I talk to wants to have more balanced fund-raising," Mr. Fitzpatrick said.

In a statement, Mr. Grassley praised the alliance for its disclosures. "It'd be good for the system for other patient groups to do what NAMI has done," he said.

Mr. Grassley's scrutiny has been unnerving for patient and disease advocacy groups, which are often filled with sincere people who are either afflicted with serious illnesses themselves or have family members who have been affected. Many join the groups in the hope of making sense of their misfortune by helping to find a cure or raising awareness of a disease's risks and frequency.

Drug makers are natural allies in these pursuits since cures may come out of corporate laboratories and the industry's money can help finance public service campaigns and fund-raising dinners. But industry critics have long derided some patient organizations as little more

than front groups devoted to lobbying on issues that affect industry profits, and few have come under more scrutiny for industry ties than the mental health alliance.

For years, the alliance has fought states' legislative efforts to limit doctors' freedom to prescribe drugs, no matter how expensive, to treat mental illness in patients who rely on government health care programs like [Medicaid](#). Some of these medicines routinely top the list of the most expensive drugs that states buy for their poorest patients.

Mr. Fitzpatrick defended these lobbying efforts, saying they were just one of many the organization routinely undertook.

The close ties between the alliance and drug makers were on stark display last week, when the organization held its annual gala at the Andrew W. Mellon Auditorium on Constitution Avenue in Washington. Tickets were \$300 each. Before a dinner of roasted red bell pepper soup, beef tenderloin and tilapia, Dr. Stephen H. Feinstein, president of the alliance's board, thanked Bristol-Myers Squibb, the pharmaceutical company.

"For the past five years, Bristol-Myers has sponsored this dinner at the highest level," Dr. Feinstein said.

He then introduced Dr. Fred Grossman, chief of neuroscience research at Bristol-Myers, who told the audience that "now, more than ever, our enduring relationship with NAMI must remain strong."

Documents obtained by The New York Times show that drug makers have over the years given the mental health alliance — along with millions of dollars in donations — direct advice about how to advocate forcefully for issues that affect industry profits. The documents show, for example, that the alliance's leaders, including Mr. Fitzpatrick, met with AstraZeneca sales executives on Dec. 16, 2003.

Slides from a presentation delivered by the salesmen show that the company urged the alliance to resist state efforts to limit access to mental health drugs.

"Solutions: Play Hard Ball," one slide was titled. "Hold policy makers accountable for their decisions in media and in election," it continued.

The alliance's own slides concluded by saying, "We appreciate AstraZeneca's strong support of NAMI."

Mr. Fitzpatrick said that the alliance frequently had such meetings and that the organization would fight for better access to mental health drugs "even if we had no relationship with pharmaceutical companies."

Tony Jewell, an AstraZeneca spokesman, said that the company was "committed to improving health through partnerships with nonprofit organizations" and that "includes striving to ensure people can access our medicines through formularies managed by state Medicaid agencies."