

# The Effect of the Sunshine Act

Do patients care about physician-industry relationships?

BY STEPHEN S. LANE, MD

The Physician Payments Sunshine Act was signed into law to bring transparency to the relationships between physicians and industry. It “requires the manufacturers of drugs, medical devices, and biologicals that participate in US federal health care programs to report certain payments and items of value given to physicians and teaching hospitals.”<sup>1</sup> Also included are select ownership interests by doctors and their immediate family.<sup>1</sup> The legislation is required to collect and track this information and to submit annual reports to the Centers for Medicare & Medicaid Services.

In essence, industry reports any goods or services valued at \$10 or more that it gave to physicians, and the information is made available to the public on a searchable website. Patients can look up their doctors’ names and see the dollar value of what they received from industry during a calendar year.

## A LACK OF EXPLANATION AND REACTION

The goal of transparency is laudable. I believe that most physicians, myself included, are more than happy to disclose to patients which companies the doctors have financial relationships with and know the remuneration gained from such relationships. The problem is the lack of guidance on what to infer from this information. As an example, perhaps a physician received financial compensation from the manufacturer of an IOL, and that physician recommended an IOL from that company for the patient. The patient has no idea upon what the compensation is based. Is it quid pro quo from the company to use the product in question? Alternatively, was the money received as part of a study that the physician is doing for that company? Is he or she consulting on the design of the IOL, and does he or

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she believe that this is the best IOL on the market? The current reporting system gives patients no explanation of the information, and there are no checks and balances by which to know if the information is accurate. Given the sensationalist nature of newspapers, more often than not, the public looks upon these relationships as shady or even fraudulent.

In Minnesota, where I practice, Sunshine Laws have been in effect for 5 years. During that time, my name has appeared in the newspaper every year followed by a list of companies and how much I received from each of them. The information is not something that I receive phone calls about or that patients discuss when they walk into the office. The few who bring up the subject actually have a positive impression of my interactions with industry. They are of the opinion that these relationships mean I am keeping up with the latest and greatest products and treatments. The US government makes a much bigger deal of these relationships than do my patients.

## UNDERSTANDING PHYSICIANS

I may be too cynical, but despite its ostensible goal, I do not believe the Sunshine Act is about promot-

ing transparency. Rather, I think it reflects a desire by members of the US government to learn every detail of how industry interacts in the market with physicians. A number of studies have demonstrated that marketing influences physicians' prescribing behavior and the products that they use. Because the government is paying an increasing amount for patients' health care, I think that legislators hope to reduce costs by better understanding the relationship between industry and physicians.

## CONCLUSION

Physicians should willingly disclose any compensation they make from industry, but why \$10? Do my patients need to know that I had three cups of coffee with three different industry representatives? Is that amount of money and caffeine going to bias my choice of products? Nonsense! At the level of \$10, this "transparency" is instead an invasion of privacy, and to my mind, it suggests the real motivation behind this legislation discussed earlier.

It is too early to discern any direct effects of the Sunshine Act, but several trends in health care may be further influenced by this legislation. The shift toward generic pharmaceutical agents continues, which helps payers. Another trend is the reduction in new product development, which is likely due to increasingly strict compliance regulations imposed on industry. As a result

of rising costs, major medical companies have less to spend on research and development.

This financial pinch combined with growing scrutiny and restrictions on their relationships with doctors is decreasing industry's support of physicians' education. It will come as a shock to ophthalmologists when the cost of attending major conferences such as the American Society of Cataract, IOL and Refractive Surgery Symposium or the American Academy of Ophthalmology Annual Meeting skyrockets because of reduced industry support. As far as bias, who is going to deliver the content of continuing medical education? Have any physicians not received \$10 worth of goods or services from industry? Perhaps a truly unbiased speaker is one who does not use the drug or device in question but will read aloud the product label to the audience. ■

*Stephen S. Lane, MD, is the medical director of Associated Eye Care in St. Paul, Minnesota, and an adjunct clinical professor at the University of Minnesota in Minneapolis. Dr. Lane may be reached at (651) 275-3000; sslane@associatedeyecare.com.*



1. American Medical Association. Toolkit for Physician Financial Transparency Reports (Sunshine Act). <https://www.ama-assn.org/ama/pub/advocacy/topics/sunshine-act-and-physician-financial-transparency-reports.page>. Accessed January 14, 2014.