

Opening Statement of Senator Herb Kohl
Special Committee on Aging Hearing
Under the Influence: Can We Provide Doctors an Alternative to Biased Drug Reviews?
March 12, 2008

Good morning, and thank you all for attending today's hearing. I'd particularly like to thank and welcome all of our witnesses.

Over the past year, the Committee on Aging has been taking a close look at the relationship between the pharmaceutical industry and our nation's physicians. Not only does the interaction between these two parties seem to be fraught with conflicts of interest, but it is likely that the marketing methods employed by drug companies—and the manner in which they educate doctors about their products—have an impact on the rising costs of prescription drugs in America.

To address these concerns, Senator Grassley and I introduced the Physician Payments Sunshine Act to require that all gifts, fees, and other freebies given to doctors by the drug industry, medical device manufacturers, and biologics companies be reported in a national registry. The drug industry argues that such disclosure would deter physicians from engaging in the most important aspect of their relationship, which they consider to be educating doctors about their new drugs.

The drug industry has a point. Pharmaceutical sales reps are currently one of the only ways doctors can learn about the latest drugs on the market. However, these sales reps often confuse educating with selling, and evidence shows that doctors' prescribing patterns can be heavily influenced by the biased information often put forth by these sales representatives.

Today we will address the industry's concerns by presenting an alternative, known as academic detailing, that we believe would have a positive impact on both quality and cost of healthcare nationwide. Academic detailing provides physicians and other prescribers with an objective source of unbiased information on all prescription drugs, based on scientific research performed at medical and pharmacy schools. The information is presented to doctors in their own offices by trained clinicians and pharmacists. Without academic detailing, physicians are left largely uninformed about drug safety or the full array of pharmaceutical options, including low-cost generic alternatives.

For example, the health consumer group Public Citizen did a study on the blood pressure drug Norvasc [NOR-VASK]. While most academic guidelines recommend the use of an older generic drug over the use of Norvasc, Norvasc was the drug most often distributed by doctors and in fact was the fourth-most prescribed drug in the United States in 2004. The study found that this was in part due to the fact that a fleet of pharmaceutical company salespeople were disbursed to physician offices, pitching

the drug as a new and effective alternative, and offering free samples of the drug to doctors to give to their patients.

Certainly we can agree that, in some of these instances, patients were not receiving the best drug—merely the most convenient. And, they were paying more for it. The monthly cost of Norvasc [NOR-VASK] is between \$60 and \$70. The generic cost is about \$12. Since the federal government is the nation's largest purchaser of prescription drugs, these inflated costs should be of great concern to Congress and to all taxpayers.

In this way, a federal academic detailing program—like the one Senator Dick Durbin and I will propose in upcoming legislation—will save the government a considerable amount of money. We are not proposing that expense be the main factor in deciding a course of treatment for a patient, but research has shown that when doctors have full access to comprehensive and unbiased data on all the drugs available, they prescribe the best drug—not just the newest one—and healthcare spending is lowered.

I am pleased to have a comprehensive panel of witnesses here today to outline the practice of academic detailing, speak about state and private programs already in place, and explore how these counter-detailing initiatives can reduce costs and improve healthcare in America. Again, we'd like to thank everyone for their participation today. I now turn to Ranking Member Gordon Smith for his opening statement.