General Questions

**Q:** What did your research reveal about financial relationships between physicians and pharmaceutical manufacturers?

**A:** CareDash analyzed data from Open Payments and Medicare Part D and found that healthcare providers who received payments for a drug from a pharmaceutical company are 5 times more likely to be high prescribers for that drug than those providers who did not receive a payment. CareDash also looked at the opioid drug class specifically and found that physicians receiving payment on behalf of an opioid were 14.5 times more likely to choose that drug over alternatives. This is based on 2015 physician prescription data from Medicare Part D Public Use File (PUF) and 2014 to 2016 Open Payments data.

**Q:** Was there a difference among healthcare provider specialties?

**A:** Yes. Some specialties are more likely to prescribe a specific drug over alternatives when receiving payments. Family practice is 5.6 times more likely; internal medicine is 4.3 times more likely; psychiatry is 3.9 times more likely and cardiology is 2.8 times more likely.

**Q:** Does your research show that physicians paid by pharmaceutical companies chose brand-name drugs over generics?

**A:** Yes. CareDash’s analysis looked at whether a physician chose a specific brand-name drug over generic or other brand-name options that are the equivalent and share the same generic. CareDash found that physicians receiving payments from pharmaceutical manufacturers on behalf of a specific drug are 5 times more likely to prescribe that drug over other alternatives – generics or other brand-names – than physicians who did not receive a payment.

**Q:** Did the analysis prove that paying physicians results in more prescriptions?

**A:** The analysis shows there is clearly a correlation between payments from pharmaceutical companies and prescription habits for those specific drugs. However, CareDash cannot say that one caused the other. CareDash also found a correlation between 2014 payments and 2015 prescriptions of 5.25x (payments coming before prescriptions) and a correlation between 2016 payments and 2015 prescriptions of 5.48x (payments coming after prescriptions).

**Q:** What is the Open Payments Data?

**A:** The Affordable Care Act created Open Payments to be a federally run transparency program requiring pharmaceutical and medical device companies to report the giving of payments to healthcare providers and hospitals. Open Payments data is publicly available and managed by the Centers for Medicare and Medicaid Services (CMS). The goal is to promote transparency by publishing the financial relationships between the medical industry and healthcare providers (physicians and hospitals).
Q: What is considered a gift vs. a payment?

A: The government, through CMS, classifies a “payment” as money paid for categories such as entertainment, consulting fees, travel and lodging, education and food & beverage. A gift is a more general category, which will often include anything provided to a physician or teaching hospital that does not fit into another category. In CareDash’s analysis, gifts are included in the payments data and classified in the category of “other.”

Q: Why should your average consumer care about this research?

A: Brand-name drugs account for 72% of total drug spending despite comprising just 10% of all prescriptions. While there is no difference in performance between a brand-name and more cost-effective generic drugs in the majority of cases, when prescribing physicians have financial relationships with pharmaceutical manufacturers, they typically prescribe those specific brand-name drugs over alternatives. A 2017 study, “Public Awareness of and Contact With Physicians Who Receive Industry Payments: A National Survey,” found that 65% of patients had seen a physician who received payments over the previous 12 months, but only 5% of patients were aware of that fact. Consumers should be aware of the connection between the marketing practices of pharmaceutical manufacturers and the drugs their physicians are prescribing them, so they can inquire about alternatives.

Q: What is the cost burden to a consumer if a physician prescribes a brand-name drug over a generic alternative?

A: U.S. spending on medicines totaled $450 billion in 2016, and is expected to reach $580 billion to $610 billion by 2021, according to the study, “Medicines Use and Spending in the U.S.” A separate study, ”Rising costs for patented drugs drive growth of pharmaceutical spending in the U.S.” finds that brand-name drugs account for 72 percent of total drug spending, although brand-name drugs represent only 10 percent of all prescriptions. CareDash believes that patients should be informed of their physicians’ financial relationships with pharmaceutical manufacturers, so they can inquire about cost-effective alternatives or generic drugs.

Q: Is there a difference in prescribing habits between physicians getting a “free” lunch versus physicians receiving thousands of dollars?

A: CareDash researchers had this same question and analyzed data at different levels of payments up to receiving $1,000 and the correlation still exists at all levels. There was no difference in behavior from receiving a “free” lunch to receiving payments and gifts totaling $1,000.

Q: How does this report impact the opioid crisis? Are you saying that payments from opioid manufacturers to physicians are helping to fuel the epidemic?

A: Many factors contribute to the opioid crisis, and physicians’ prescription rates may be one. However, CareDash’s study did not look at the prescribing rate of opioids over other pain relief options, but of a specific brand opioid over other similar alternatives when an industry payment was involved. CareDash’s report aims to increase transparency on the
relationship between industry payments and physician prescribing habits – including of opioids – so information is available to those fighting the epidemic.

**Q: How do I know if my physician received payments?**

**A:** CareDash has enhanced its provider profiles at CareDash.com. Search for your physician and review their profile. If your physician received payments, then it will be displayed, along with details on payment amounts, the category of payments received and providers of the payments. If you do not see the Payments Received portion of the profile, then there is no recorded information about the physician receiving a payment above $10 for the years of data that are available (2014-2016).

**Q: Should I trust my physician?**

**A:** CareDash wants patients to be informed consumers, and while some payments from pharmaceutical to physician are for necessary educational proposes, it’s been well-documented that conflicts of interest exist within the healthcare industry. It’s important to shine a light on these potential conflicts of interest and encourage patients to speak openly with their individual physicians.

**Q: Will CareDash update and release this research next year when new data is available?**

**A:** CareDash is planning to. CareDash’s mission as a national healthcare provider review site is to empower consumers to make more informed healthcare decisions by bringing added transparency to the healthcare system. Providing patients easy access to complex, yet publicly available information empowers them to be a better consumer and make more informed decisions about their healthcare.

CareDash believes that patients have the right to know both about their physician’s expertise as well as any potential conflicts of interest and should feel empowered to ask and fully understand their options, whether that be an alternative prescription or a more cost-effective generic.

**Q: Do you believe transparency around Open Payments will reduce the number of payments to physicians from pharmaceutical companies?**

**A:** CareDash believes transparency in the healthcare industry overall will help improve the care patients receive. With regards to Open Payments specifically, CareDash hopes that making this data available publicly will spark more conversations about conflicts of interest by physicians and how that affects patient care. CareDash’s hope is that transparency leads to awareness and ultimately to a change in behavior from both physicians accepting payments that influence their behaviors – whether consciously or subconsciously – and pharmaceutical companies that are trying to increase prescriptions of their brand-name drugs.
Data-Specific Questions

Q: Which pharmaceutical company made the most payments to physicians?
A: The top three pharmaceutical manufacturers making payments to physicians in 2014 to 2016 were Janssen, AstraZeneca and Allergan. During this period, Janssen provided $197.6 million in payments on behalf of drugs including Xarelto, Invokana and Stelara.

Q: For which drug (or type of drug) were the most payments made?
A: Between 2014 and 2016, Xarelto (a blood thinner) was the top drug that a pharmaceutical manufacturer provided payment on behalf of, with payments totaling $76.5 million to physicians from Janssen.

Q: Physicians in which state received the most payments from pharmaceutical companies?
A: California had the highest average number of payments per year, with an average of 1.2 million payments annually from 2014 to 2016.

Q: Physicians in which state received the most money (dollar value) from pharmaceutical companies?
A: California also had the highest aggregate payment for 2014 to 2016, receiving $948.5 million in that timeframe.

Q: How will this research be impacted if the Affordable Care Act is revised/repealed?
A: CareDash cannot predict what will happen, but it is likely the Physician Payments Sunshine Act may be repealed. If this is the case, the data on which on research is based will no longer be available, as physicians and pharmaceutical manufacturers will no longer be required to report their financial relationships.

Q: When will 2017 data be available?
A: Open Payments data for 2017 is required to be submitted by March 31, 2018. CMS will publish the updated dataset in June 2018.

Q: What category did physicians receive the most payments in?
A: Between 2014 and 2016, pharmaceutical companies paid $1.7 billion for promotional speaking or services from physicians. In the same time frame, physicians received $1.5 billion in royalty or license fees. In 2016 alone, physicians were paid $561.9 million by pharmaceutical manufacturers for promotional speaking or services. Payment categories classify the nature of the payment, such as for entertainment, consulting fees, travel and lodging, food and beverage, and education.
Methodology Questions

Q: Where did you get data on physicians’ prescribing behaviors?

A: CareDash used the Medicare Part D Public Use File (PUF) for the 2015 calendar year. The Medicare Part D PUF contains aggregated data on physicians’ prescribing information for individual drugs and is publicly available through CMS.

Q: Has CareDash verified this research?

A: Yes. CareDash worked with experts in this field to test the scope, methodology, results and interpretations of the research. Dr. Aaron S. Kesselheim, an associate professor of medicine at Harvard Medical School and core faculty member at the Harvard Medical School Center for Bioethics, provided guidance and feedback on the study. Dr. Kesselheim is editor-in-chief of the Journal of Law, Medicine and Ethics, and has testified before Congress on pharmaceutical policy, medical device regulation, generic drugs and modernizing clinical trials. Dr. Kesselheim also consulted with ProPublica to review its analysis in 2016.

Q: ProPublica’s research, published in March 2016, had a different outcome. Why is the CareDash research different?

A: CareDash wanted to take the ProPublica analysis further by investigating the relationship between payments made by individual companies for specific drugs and the prescribing habits of the recipient providers for those drugs. The ProPublica study looked at a correlation between payments across all drug and device companies and a provider’s prescribing habits across the labels of “brand” and “generic” drugs. Within these parameters, the ProPublica study found that physicians who accepted payments from drug companies were 2-3 times more likely to prescribe brand-name drugs at a higher rate compared to those who accepted no payments. CareDash used more recent data to uncover the likelihood of a physician prescribing a specific drug over alternatives when he or she receives payment from a pharmaceutical company on behalf of that drug. CareDash also is one of the first to look at the prescribing behavior preceding and following payments.

Q: How did CareDash ensure the accuracy of the data published?

A: Pharmaceutical and medical device companies are required to report all payments to providers under the Open Payments program. CMS ensures the accuracy of these reports by giving physicians an opportunity to dispute and resolve any reported payments. However, the Open Payments program does not publicize the payment info using the National Provider Identifier (NPI) of the physician. As a result of this, CareDash uses a combination of first name, last name and zip code of the provider to match with its physician profiles (the information for CareDash’s profiles comes from the NPPES NPI Registry). If there is not an exact match of first name, last name and zip code, or if there are multiple matches, that data is not reported on CareDash’s website to ensure that there is no incorrect information published.
Opioid Questions

Q: Are physicians receiving payments from manufacturers of opioids?

A: Yes. Pharmaceutical companies that manufacture opioids spent more than $43 million on payments to providers from 2014 to 2016. The majority of the spending happened in the South and Middle Atlantic States and the West Coast. Also, across the specialties studied, Internal Medicine providers received the most in payments.

Q: Do you think this contributes to the opioid crisis?

A: There are many factors that contribute to the opioid crisis and the dispensing rate of prescription drugs may be one. CareDash’s goal with the research is to investigate relationships between industry payments by opioid or other pharmaceutical manufacturers and physicians, and how that impacts prescription rates, so public health officials have available information on hand as they address this growing epidemic.

Q: Do you believe these payments play into the trend of physicians overprescribing medication?

A: The data shows a connection between payments to physicians and high prescribing rates of specific brand name drugs over other options available. Overprescribing drugs is a separate issue and not part of this study.

Q: On behalf of which opioid drug did pharmaceutical companies make the most payments to physicians?

A: There were 74,272 payments on behalf of Subsys between 2014 and 2016, totaling $16 million.

Q: Which opioid manufacturers made the most payments to physicians? How much did they pay?

A: The top opioid manufacturers providing payment to physicians were:

- INSYS Therapeutics, Inc. ($15,956,570)
- Purdue Pharma L.P. ($11,458,770)
- Depomed, Inc. ($5,740,965)
- Pfizer, Inc. ($2,190,505)

Q: What payment category was most popular among physicians receiving payments from opioid manufacturers?

A: Opioid manufacturers paid physicians $27,649,828 in promotional speaking or service fees between 2014 and 2016.

Q: Which medical specialty received the most money from opioid manufacturers?

A: Internal medicine and family medicine physicians received the most money from opioid manufacturers in 2014 to 2016. Internal medicine received $4.4 million and family medicine received $2.2 million.
Q: Physicians in which state received the most payments from opioid manufacturers?

A: Physicians in California received the most payments from opioid manufacturers with 54,049 payments to 5,891 physicians. However, Florida had the highest payments per physician rate, at 9.59. There were 44,268 payments made by opioid manufacturers to 4,615 physicians in Florida.

Q: Physicians in which state received the most money (dollar amount) from opioid manufacturers?

A: Physicians in California received $5.4 million in total payments on behalf of opioids in 2014 to 2016.

Q: West Virginia has the highest rate of death related to opioid use. How many payments did physicians in this state receive from opioid manufacturers and how much were the payments (dollar amount)?

A: West Virginia had a payments-to-physician rate of 5.02, with 3,031 payments from opioid manufacturers to physicians in the state from 2014 to 2016. The total amount of payments from opioid manufacturers to West Virginia physicians was $53,215 in this period.

CareDash Business Questions

Q: CareDash is a physician review site. Why do this type of research?

A: CareDash’s mission is to improve healthcare transparency and access as well as to empower patients to make informed healthcare decisions by providing a trusted healthcare provider review platform. As a resource that consumers have come to trust, CareDash believes that it’s important to shine a light on these potential conflicts of interest and encourage patients to speak openly with their individual physicians about their treatments. Additionally, by providing data on the connection between industry payments and physicians’ prescription rates for brand-name and opioid drugs, CareDash hopes to help officials address the larger issues at hand, namely prescription drug abuse and drug costs.

Q: What is the business benefit that CareDash expects from publishing this research?

A: CareDash is a positive force in transforming the physician review industry. Consumers visit CareDash for unbiased reviews and news to help make more informed decisions about their healthcare. It’s important to shine a light on any potential conflicts of interest and encourage patients to speak openly with their individual physicians.

Q: Why did CareDash decide to enhance their provider profiles with the Open Payments data?

A: CareDash’s mission as a national healthcare provider review site is to empower consumers to make more informed healthcare decisions by bringing added transparency to the healthcare system. Providing patients easy access to complex, yet publicly available
information empowers them to be a better consumer and make more informed decisions about their healthcare.

CareDash believes that patients have the right to know both about their physician’s expertise as well as any potential conflicts of interest and should feel empowered to ask and fully understand their options, whether that be an alternative prescription or a more cost-effective generic.

**D: How did CareDash compile the Open Payments data to add to the physicians’ profiles?**

**A:** CareDash compiled the data from the federally run Open Payments program, a transparency initiative by the Centers for Medicare and Medicaid Services. CareDash downloaded the full dataset and matched it to its existing master database of providers. In reporting the data on physician profiles, CareDash rounds all payment amounts to the nearest dollar.

**Q: I just went to the CareDash website and my doctor doesn’t have any payment data on their profile. Does the Open Payments data apply to all physicians?**

**A:** The payment information on the provider profiles only applies to physicians who have received a gift or payment of greater than $10 from pharmaceutical and medical device companies between 2014-2016. If a physician did not receive gifts over $10 from pharmaceutical or medical device companies during this time, or if CareDash was not able to match the physician’s name and zip code as reported in Open Payments to one of its profiles, then no information is listed.

**Q: Why do some physician profiles list the specific pharmaceutical drugs and/or medical devices that a physician received payment for while other profiles do not?**

**A:** Payments for specific drugs and/or medical devices are included on physician profiles when the information was made available through the Open Payments data. Not every pharmaceutical or medical device company reported the individual drug or device names to the Centers for Medicare and Medicaid.

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