Health Law Alert: PhRMA Issues New Marketing Code Effective January 2009

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The following is excerpted from a press release issued today by PhRMA.

Reflecting the continuing commitment of America's pharmaceutical research and biotechnology companies to pursue policies and practices that best serve the needs of patients and the healthcare community, the Pharmaceutical Research and Manufacturers of America (PhRMA) Board of Directors has adopted measures to enhance the PhRMA Code on Interactions with Healthcare Professionals.

The newly revised PhRMA Code, which builds on improvements already made in the previous 2002 version, is part of an ongoing effort to ensure that pharmaceutical marketing practices comply with the highest ethical standards.

[...]

Among its changes, the revised Code:

Prohibits distribution of non-educational items (such as pens, mugs and other "reminder" objects typically adorned with a company or product logo) to healthcare providers and their staff. The Code acknowledges that such items, even though of minimal value, "may foster misperceptions that company interactions with healthcare professionals are not based on informing them about medical and scientific issues."

Prohibits company sales representatives from providing restaurant meals to healthcare professionals, but allows them to provide occasional meals in healthcare professionals' offices in conjunction with informational presentations. The Code also reaffirms and strengthens previous statements that companies should not provide any entertainment or recreational benefits to healthcare professionals.

Includes new provisions that require companies to ensure that their representatives are sufficiently trained about applicable laws, regulations and industry codes of practice - including this Code - that govern interactions with healthcare professionals. Companies are also asked to assess their representatives periodically and to take appropriate action if they fail to comply with relevant standards of conduct.

Provides that each company will state its intentions to abide by the Code and that company CEOs and Compliance Officers will certify each year that they have processes in place to comply, a process patterned after the concept of Sarbanes-Oxley compliance mechanisms. Companies also are encouraged to get external verification periodically that they have processes in place to foster compliance with the Code. PhRMA will post on its Web site a list of all companies that announce their pledge to follow the Code, contact information for company compliance officers, and information about the companies' annual certifications of compliance.

The new code is available here.

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