Big Pharma Payments for High Prescribing Doctors

Reporting by Sabrina Perry, GRAPHIQ.
In an ideal world, doctors avoid outside influence and creates a breeding ground for potential conflicts of interest.

In order to make relationships between health care providers and pharmaceutical companies more transparent, the Physician Payments Sunshine Act was enacted into law in 2010. This act requires manufacturers of drugs to report their financial relationships with physicians to the Centers for Medicare and Medicaid Services (CMS). Open Payments is the program that collects this information.

Using data from the Medicare Prescription Drug Program (Part D) and the Open Payments program, HealthGrove examined doctor prescribing rates for all of 2013 and pharmaceutical payments data from August to December of 2013. Within this data, a pattern emerges: doctors who prescribe a lot of drugs tend to get more money from pharmaceutical companies. Adjusting by physician specialty, the higher the doctor prescribing rate, the stronger the chance she receives pharmaceutical industry payments.
The visualization below shows the breakdown of payments made by pharmaceutical companies to physicians. From August to December of 2013, pharmaceutical companies spent a total of nearly 1.2 billion dollars to fund physician research. However, they also spent $735 million on non-research activities such as food, beverages, travel and speaker fees.
Many of the payment categories outside of research and to the promotion of a drug through doctor influence, and do not directly impact drug development.

The following visualizations examine the relationship between doctor prescribing rates and pharmaceutical-company payments to doctors. This analysis excludes research and ownership payments; only payments that do not directly influence drug development were included.

**No Matter How You Cut It — The Doctor-Pharma Relationship Holds**

To categorize “high-prescribing” doctors, we looked at prescribing rates within the various specialities and grouped physicians into percentiles. The highest prescribers fell above the 80th percentile in either claim counts or claim costs per patient. Whether a doctor is writing more prescriptions per patient (claim count) or writing more expensive prescriptions per patient (claim cost), the trend remains the same.
The first tab, ranking prescription counts per patient, shows that 45.3 percent of the highest prescribing doctors (above the 80th percentile) received payments from the pharmaceutical industry, with the average payment totaling $146 per physician. On the other hand, only 21.4 percent of the lowest-prescribing doctors (those below the 20th percentile) received industry payments. And, if they did, the average payment was
only $89. High prescribing doctors were not only more
average.

A similar correlation emerges when looking at physicians’ prescription claim costs and pharmaceutical payments. As shown in the second tab (Prescription Costs Per Patient), this pattern still holds. For doctors above the 80th percentile of claim costs per patient, 46.8 percent of doctors received industry payments, and these averaged $173. For those below the 20th percentile, the numbers were 20.4 percent and $80, respectively.

Matching Doctor and Pharma Payments by Drug

Simply looking at a doctor’s prescribing rates and general compensation from pharma companies does not paint a comprehensive picture. The relationship between doctors prescribing a specific drug and the money they receive from the maker of that drug may be more telling of a conflict of interest.
However, regardless of compensation, a doctor could this, the full dataset shows a positive correlation between high prescribers of a specific drug and the percent receiving compensation for that drug.

This relationship exists across the board — and that is what’s cause for suspicion. The visualization below shows that high prescribers of a specific drug were more likely to receive payments from companies associated with that drug.

<table>
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<th>Percent of Physicians Receiving Financial Compensation for a Specific Drug</th>
<th>Median Payment Value for the Drug</th>
<th>Percent Receiving Payment for the Drug</th>
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Only 1.2 percent of doctors who prescribed between $1K-$10K worth of a drug received industry payments, and the median payment was $25. Comparatively, 22 percent of doctors who prescribed over $500,000 received industry compensation, and these payments had a median value of $137 — nearly six times the amount for those in the $1K-$10K cohort.

Though this data more strongly identifies doctor and pharma relationships, it still does not determine causation. It only brings up certain questions: Are doctors prescribing specific drugs more because a pharmaceutical company is paying them? Or do pharma companies pay certain doctors because they prescribe a lot of their drugs? Further complicating the analysis is the knowledge that some physicians prescribe certain drugs in high volumes simply because they’re the best for their patients.

While some argue that physicians should have nothing to do with drug marketing, others believe that collaboration between doctors and pharmaceutical companies is critical to improving the health and
quality of life for patients. Not all doctors work...
pharma companies. It involved tallying up from various sources who wrote the most of Our prescriptions. Doctor by doctor. Drug by drug. Certain preferred drugs at the top of the weighted list.
And who wrote the most prescriptions got the most invitations to all expenses paid golfing rounds and other door prizes.