



18th Code of Conduct

FREQUENTLY ASKED QUESTIONS



Strong Code



Built on Trust



Putting Patients First

What does the new, 18th edition of the Code of Conduct do?

The new Code requires Medicines Australia member companies to publicly report when a company pays a healthcare professional for their service or provides financial support for a healthcare professional to engage in education, including airfares, accommodation and conference registration fees.

The Code was authorised by the ACCC in April 2015 and all Medicines Australia member companies are required to comply.

Will these disclosures be mandatory?

From 1 October 2015, all Medicines Australia member companies will be required to collect information about healthcare professionals who receive payments or educational support through airfares, accommodation or registration fees. Where companies have the agreement of the healthcare professionals who are receiving payments or educational support, the information will be published in a report.

From 1 October 2016, the Code will require all payments to be disclosed. Before receiving a payment or support to attend an educational meeting a healthcare professional will receive written advice that the information will be published in a report. The receipt of a payment or support by a healthcare professional from a Medicines Australia member company will indicate that the healthcare professional understands and expects that the payment will be reported.

Which financial transactions and payments will be made public?

The new Code requires reporting of:

Payments for the provision of services by a healthcare professional – for example, giving a lecture or presentation, providing advice as a member of an Advisory Board or providing advice to a company as a medical expert.

Sponsorship of medical education – for example, a company can provide financial support for a healthcare professional to participate in medical education through paying for travel and accommodation to attend an educational meeting, or a registration fee to attend a conference.

For example, if a healthcare professional receives an airfare and accommodation to attend a world congress in a particular therapeutic area in the United States or Europe, the cost of

the airfare and accommodation would be reported for the healthcare professional. This also applies to air travel and accommodation provided for a healthcare professional to attend an educational meeting held in Australia. It also applies to any registration fees paid to attend a conference.

How will pharmaceutical companies and healthcare professionals comply with the new Code?

Companies will be required to make a record of all payments to healthcare professionals including the payment category. Companies will report the payments made during a six month period on their website, within 4 months of the end of each reporting period – that is, by the end of August and the end of February each year.

Each company will be required to confirm to Medicines Australia that their company's report includes all payments required to be reported by the Code.

Medicines Australia member companies will ensure that contracts or letters exchanged with healthcare professionals include advice that information about payments and support for education will be published, where this is required to be reported under the Code.

Each healthcare professional who receives a payment will have the opportunity to check that the information is correct before it is made public.

Why have these new transparency measures been introduced?

The new Code of Conduct will increase transparency in the collaboration between healthcare professionals and the pharmaceutical industry.

This collaboration is critical to the development of new medicines and better patient health. For example, the industry relies on the advice of independent healthcare professionals to help deliver effective new treatments.

The new Code will also build on the established trust between healthcare professionals and patients, who will get a better understanding of the positive relationships between industry and healthcare professionals and their role in improving healthcare.

The new Code builds on a long tradition of successful, responsible and ethical industry self-regulation.

The pharmaceutical industry supports the ACCC's view that we need to demonstrate our commitment to transparency by reporting appropriate payments by the industry to healthcare professionals.

This reporting will ensure the industry keeps pace with community expectations.

Medicines Australia and its member companies are proud of their role in developing the code, which ensures the medicines industry leads the health sector in transparency.

Why do pharmaceutical companies and healthcare professionals work together?

By supporting healthcare professionals' education, companies support the development of new skills by healthcare professionals in a rapidly-changing world, which also directly benefit patient health.

Companies also need the advice of the people who prescribe, dispense and administer their medicines. Exchanging knowledge and skills leads to new and better medicines and treatments.

Payments that are made by pharmaceutical companies to healthcare professionals and healthcare institutions include, for example, payments for providing advice about the development of a new medicine.

Expert advice from experienced professionals is important to ensure vital new medicines are developed safely and effectively.

How will these transparency measures support patient confidence in their healthcare professional?

The first priority for healthcare professionals is always the best interests of the patient. This is reinforced by ethical guidelines covering doctors and other professionals.

For example, the Medical Board of Australia's Code of Conduct states that "*doctors have a duty to make the care of patients their first concern*" and that doctors "*must be ethical and trustworthy.*"

Research published in the Medical Journal of Australia found that four out of five patients surveyed "*will have more confidence in their doctor's decisions with full disclosure compared with non-disclosure*". See <https://www.mja.com.au/journal/2009/190/2/patients-expect-transparency-doctors-relationships-pharmaceutical-industry>

Increased transparency will guard against improper influence. Under the Code, patients and other interested people will be able to be reassured that these payments are appropriate and their healthcare professional will continue to put patients' interests first.

Do all healthcare professionals and pharmaceutical companies have to disclose this information?

Yes. From 1 October 2015, all Medicines Australia member companies will be required to collect information about healthcare professionals who receive payments or educational support through airfares, accommodation or registration fees. Where companies have the agreement of the healthcare professionals who are receiving payments or educational support, the information will be published in a report.

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Many healthcare professionals agree that it is important to be transparent about their relationship with pharmaceutical companies and the resulting benefits to patient health and the medical profession.

Is sponsorship provided to healthcare professionals by pharmaceutical companies to enable them to participate in conferences, symposia, etc, also reported?

Yes. If a pharmaceutical company provides travel and accommodation for a healthcare professional to attend a company-organised educational meeting, this will be reported.

Where will I be able to access the reports?

The reports will be posted on Medicines Australia member companies' websites, which will be updated every six months and linked from the Medicines Australia website.

A central register of payments may be established in the future, provided data can be represented consistently and it can be done in compliance with Australia's privacy laws.

Does the transparency measure extend to healthcare professionals or companies outside of Australia?

No. The Code of Conduct only applies to our member companies operating within Australia and payments made to Australian healthcare professionals.

How is the privacy of healthcare professionals protected?

If a payment is made to a healthcare professional for services provided or education, they will be informed that that this will be reported under the Code of Conduct.

While healthcare professionals will be able to decline to have the information reported in the first phase of the Code (between 1 October 2015 and 1 October 2016), because they know that patients value transparency we expect that they will not object to having the information made public.

From 1 October 2016, the receipt of a payment will be taken as the understanding from the healthcare professional that the payment will be reported.

Who will monitor compliance with these rules, and what happens if companies do not comply with the Code?

A Monitoring Committee with members from the Australian Medical Association (AMA), Royal Australian College of GPs (RACGP) and Consumers Health Forum (CHF) will continue to monitor compliance with the Code.

Breaches of the Code can be reported to Medicines Australia. Complaints will be referred to the independent Code of Conduct Committee – which includes representatives from the Royal Australian College of Physicians, AMA, RACGP, CHF and the Australasian Society of Clinical and Experimental Pharmacologists and Toxicologists – for adjudication.

Companies can be penalised if there are breaches of the Code or a complaint is found to be valid, with significant penalties including fines of up to \$300,000.

No data is available for my doctor. Does this mean that he/she does not have any financial relationships with the pharmaceutical industry?

There are several reasons why no data is available for your doctor. Reports are only made by member companies of Medicines Australia that are listed on our website. So, if your doctor received a payment from a company that is not a member, the information would not be reported.

You can also ask your doctor if they have received any financial support from a company to attend an educational meeting, or have been a member of a company Advisory Board

When do payments have to be reported?

Payments will be reported every six months, with two reports each year covering May to October and November to April.

The first report will cover seven months, from 1 October 2015 to 30 April 2016, and will be published by 31 August 2016.

Reports will be available for three years after publication.

My doctor is doing research on a particular medicine. Why can't I see this in the reports?

The Code does not cover payments for clinical research, as these are paid to the institution, hospital or clinic where the research is being done, not to individual healthcare professionals.

If a doctor has many financial relationships with pharmaceutical companies, what does that mean?

While each healthcare professional will be different, a doctor may have many contacts with the pharmaceutical industry because of his or her specialist knowledge or skills.

We encourage you to ask your doctor if you would like to know more about their relationships with various companies and the benefits to patient health and their own expertise.

Are there similar reporting mechanisms in other countries?

Yes, the Australian Code is part of an international movement to improved transparency through greater reporting.

For example, transparency requirements already apply in France and the Netherlands and other European countries are implementing transparency reporting under Codes similar to the Australian Code.

United States companies also gather information which is reported to the US Government and published.

Updated 3 August 2015