

# The Dark Side Of Big Pharma

Last week, British Big Pharma company [GlaxoSmithKline](#) **GSK -0.23%** (GSK) announced plans to dramatically reform the way it sells and markets its drugs to doctors. For years now, drug makers have been operating on the dark side, financially incentivizing doctors and health care providers to promote their drugs, and compensating pharmaceutical sales reps based on the [number of prescriptions written by the doctors they call on](#). It's a practice rife with conflict of interest, leading to over-prescription of medications that may not even be the most appropriate for patients, and it's been the cornerstone of drug marketing for decades.

Granted, it's far better than the 90s when high volume prescribers, called "champions" (conjuring up images of a Vegas high roller) were treated to free "conferences" in exotic locals and routinely wined and dined at the most expensive restaurants. But, when you incentivize a sales person with a hefty bonus check based on the number of prescriptions emanating from their territory, they'll find a way to get doctors to write their drug.

GSK started implementing these changes in the US back in 2011, and plans to have the new system completely in place globally by the end of 2015. This new compensation system, which will apply to all GSK sales employees who work directly with prescribing healthcare professionals, will be a patient-focused approach instead of counting the number of pills that are pushed. GSK will also take steps to end direct payments to healthcare professionals for speaking engagements, as well as for attendance at medical conferences.

[Explaining the move](#), GSK's CEO, Sir Andrew Witty, said: "We recognize that we have an important role to play in providing doctors with information about our medicines, but this must be done clearly, transparently and without any perception of conflict of interest."

As a doctor who, in the past, has been on the receiving end of an occasional perk, let me go on the record by saying, "It's time!" Most of us in the medical profession have long felt a bit squeamish about the way drug companies have been doing business.

Back when I was practicing psychiatry full time, not a day went by when I didn't see

someone, usually a charismatic, attractive person, stopping by with a briefcase full of their latest products and gifts. The sales reps were constantly in our offices, giving out free samples, setting up promotional material in our waiting rooms, and “building relationships.”

While some among us have benefited from the dinners and paid conferences, we always knew that, on some level, it was wrong, even when we told ourselves that the freebies would in no way influence our judgment as doctors or dictate what we prescribed. We all took an oath to protect our patients and put their needs first. But the line between what’s best for the patient, and what’s new, shiny and expensively promoted, has blurred.

The 2000 landmark study on this, titled [Physicians and the Pharmaceutical Industry: Is a Gift Ever Just a Gift?](#), concluded that simply meeting with pharmaceutical reps was “found to impact the prescribing practice of residents and physicians in terms of prescribing cost, non-rational prescribing, awareness, preference and rapid prescribing of new drugs, and decreased prescribing of generic drugs.”

Based on this information, perhaps GSK is not going far enough since they are not doing away with drug reps. But at least these reps will no longer have a direct incentive to generate scripts. And to be fair, pharmaceutical reps do serve a need by bringing new information to doctors that may be too busy to keep up.

This is key, because, no matter how principled we believe we are as doctors, we are only human, and the dark side of Big Pharma casts a long shadow. There can be no doubt when a charming drug rep visits your practice and introduces you to the latest product, it’s going to be at the top of your mind the next time you pull out your Rx pad.

Of course, many of these drugs are good ones, and may well be the best solution for the patient, but not always. A case in point: ADHD drugs. In addition to Novartis Pharmaceuticals’ Ritalin, several major pharmaceutical companies have launched a variety of drug treatments for the so-called disorder, which is currently being medicated as if it is some kind of major epidemic.

As *The New York Times* [pointed out](#) earlier this month the number of children on medication for ADHD has grown to 3.5 million from 600,000 in 1990, according to

the Centers for Disease Control and Prevention. A diagnosis is now found in 15 percent of high-school age children when, in fact, the true rate is closer to 5 percent, with only a small minority of that group truly needing to be medicated.

This gross over-diagnosis and prescription is a direct result of intense, multi-million dollar marketing campaigns by the drug makers, both through celebrity endorsements as well print and television ads that prompt patients and their families to ask doctors about those specific drugs. The result is to sway doctors to go for the easy, quick fix solution of a pill (when you have a hammer, everything you see is a nail). And the tactic has paid off, with a quintupling of stimulant sales since 2002, to over \$8 billion in revenues.

The practice has created a situation of widespread drug abuse, affecting the long-term health and well-being of millions of young people. This mess has prompted long-time ADHD advocate [Dr. Keith Conners](#) to call the rising diagnosis rates a “concoction to justify the giving out of medication at unprecedented and unjustifiable levels,” that has resulted in “a national disaster of dangerous proportions.”

Page 2 of 2

As someone who has long been lamenting the fact of ADHD over-diagnosis and the over-prescribing of stimulant medications (I’m writing a book on this very topic) I could not agree more. So I applaud any drug company’s effort to better align drug sales with patient interests and focus more on health outcomes than the bottom line.

To be sure, it may be recent circumstances that have prompted GSK’s change in policy. As [BusinessWeek points out](#), the company has been facing a criminal probe in huge markets like China, where officials allege the company has hired prostitutes and set up fake medical conferences to entice local health care providers. In 2012, GSK also paid a \$3 billion settlement for practices which included promoting the antidepressant Paxil for children.

But even though it has been dragged, kicking and screaming into the light, the fact is that GSK is one of the industry giants, and other Big Pharma companies will likely follow suit. GSK is taking additional steps, like giving the public more access to research and clinical trial data, and is being a good global citizen by making medications more available and accessible in emerging markets.

I believe these positive changes will take hold in the marketplace relatively quickly now that GSK has set the tone. It's a bit of good news on the healthcare front (for a change) to ring in the new year.