

**Floor Statement of Senator Herb Kohl on Introduction of the
Physician Payments Sunshine Act of 2009
January 22, 2009**

Mr. President, I rise today to reintroduce the Physician Payments Sunshine Act, along with my colleague Senator Grassley. This legislation will be a great step forward in increasing transparency of the relationships between pharmaceutical and medical device companies and our nation's physicians, for the benefit of their patients.

I want to begin by underscoring the fact that industry payments to physicians for research purposes or products they have helped develop are completely legitimate. Medical breakthroughs as a result of research have saved countless lives and could not have been achieved without the diligence of these medical professionals. We must acknowledge, however, that conflicts of interest do exist in some cases. Transparency will help to illuminate the difference between legitimate and questionable relationships.

It has been estimated that the drug industry spends \$19 billion annually on marketing to physicians in the form of gifts, lunches, drug samples and sponsorship of education programs. Americans pay the price as through unnecessarily high drug costs and skyrocketing health insurance premiums. Rising drug prices hurt us all by undermining our private and public health systems, including Medicare and Medicaid.

Even more alarming is the notion that these gifts and payments can compromise physicians' medical judgment by putting their financial interest ahead of the welfare of their patients. Recent studies show that the more doctors interact with drug marketers, the more likely doctors are to prescribe the expensive new drug that is being marketed to them.

As a businessman, I understand that companies have the right to spend as much as they choose to promote their products. But as the largest payer of prescription drug costs, the federal government has an obligation to examine and take action when companies attempt to manipulate the market.

I believe the Physician Payments Sunshine Act presents a long overdue solution to combat this potentially harmful influence. The legislation would require manufacturers of pharmaceutical drugs, devices and biologics to disclose the amount of money they give to doctors through payments, gifts, honoraria, travel and other means. These disclosures would be registered in a national, publicly-accessible online database, managed by the U.S. Department of Health and Human Services. Those companies who fail to report will be subject to financial penalty.

In the year and a half since the Sunshine bill was first introduced, several states have passed their own laws forcing disclosure, and several leading pharmaceutical companies have voluntarily implemented disclosure guidelines. A comprehensive national bill would create a one-stop information vault, where patients could easily gain access to data about these relationships. It is my hope that this online database will encourage patients to discuss any concerns they may have with their doctors.

A great deal of money changes hands in the health care field, and a good percentage of it is helping Americans live healthier lives. The Physician Payments Sunshine Act will provide the transparency necessary to raise that percentage. We deserve nothing less.