

## Peddling Pills

By Angie C. Marek  
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**ON A RECENT EVENING** at dusk, Josie Salcedo-Guzman, a tall mom in a crisp navy and lime green pantsuit, walks briskly into the office of Dr. Larry Neuman in the Washington Heights neighborhood of Manhattan. The office, a clinic that sees 200 patients a day at its busiest, is experiencing a rare moment of quiet, and Neuman bounds into the lobby, kisses Salcedo-Guzman on both cheeks and brings her into the back. They briefly reminisce about a recent dinner they had at Buddakan, New York's hot Pan-Asian restaurant of the moment. Salcedo-Guzman gives Neuman a token of thanks: personalized sign-in sheets he can put in the waiting room, his practice's name and address embossed on top.

But then it's on to business. With clinical precision, Salcedo-Guzman reaches into her bag for a blue box the size of a long ladies wallet. She flips it open to reveal what she calls "a very exciting educational tool" — a tiny illustration of a set of lungs with airways shaped like tree branches, colored cherry red to show inflammation. "This is what the lungs look like when you have asthma, even if you're symptom-free," she enthusiastically explains. She pulls a cardboard tab to reveal a second illustration, this time of airways colored a faint, healthy pink. "But if you take a daily maintenance medication, your lungs can look like this." The box includes a quiz that can gauge the severity of someone's asthma; a booklet on the disease; and most important, several \$20-off vouchers for Symbicort, a new asthma medication made by Salcedo-Guzman's employer, AstraZeneca. She asks Neuman to give the packet "to just that one person" whose symptoms aren't yet under control. "You guys are so creative," he says, playfully arching his reddish eyebrows. "Can I hold it?" She hands the box across the table. "Tenderly, please," she says, chuckling, "like a baby."

Welcome to the pharmaceutical sales pitch, 21st-century edition. Salcedo-Guzman is, of course, a drug-sales rep, and though most patients have no way of knowing it, a small army of people just like her are tugging at the lab coats of their doctors. Not long ago reformers thought they'd curbed this coziness between doctors and the Willy Lomans of Big Pharma, as physicians and drug companies alike instituted a widely publicized ethics crackdown. But with the drug industry facing the loss of more than \$60 billion a year in sales to competition from generics, companies in recent years have been quietly inflating the ranks of these well-dressed professionals, with their suitcases full of samples. There were 35,000 reps in 1995, but the number is close to 100,000 today, according to the consultancy the Hay Group. Put another way, there's one office-based physician for every 975 Americans — and roughly one drug rep for every three of those physicians.

**For an inside look at how drug reps operate and how some doctors make money from drug companies, see the February issue<sup>1</sup> of SmartMoney magazine, on newsstands now.**

Once they arrive at the doctor's office, these road warriors use different methods to wield their influence, and the trinket is as powerful as the junket. The new rules bar lavish, Gordon Gekko-era gifts like opera boxes and airline tickets, but pharmaceutical companies are gambling that a blizzard of constant attention and small freebies can be more effective than big gestures when it comes to promoting their products. Almost all "detailers," as reps are known, leave behind a trail of persuasive literature and giveaways. Everything from hand sanitizers to wall clocks to computer memory sticks have been emblazoned with drug logos and given to physicians, along

with roughly \$16 billion annually in free drug samples. Reps also provide enough free lunches and dinner lecture programs to doctors and their staffs that at least one national Web site has sprung up to help them order all the take-out food.

Some experts say today's reps are less pushy, in part because some companies base their pay raises not only on the prescriptions written by their doctors but also on factors such as how satisfied physicians are with them. Indeed, many detailers have formed close ties with doctors, advising them on drug interactions, for example, or on which therapies are covered by insurance. And those ties extend beyond the professional to the personal. Shahram Ahari, a former Eli Lilly rep who is now a researcher at the University of California, San Francisco School of Pharmacy, says companies keep dossiers on doctors, with information like "whether his kids, Susie and Johnny, go to ballet or play baseball, or details about his romantic life — anything we can use to form a bond and a connection when we get in that room." That connection certainly hasn't hurt the industry: Since 2002, the year of the crackdown, annual spending on prescription drugs has risen by 43 percent, to \$275 billion.

Drug companies insist that all the gifts and dinners are no more than a way of gaining harried doctors' attention, ensuring they stay informed of the latest drugs. But the new rep-physician dynamic hasn't gone unnoticed, and it's attracting a growing body of critics. Many doctors and academics contend that these cozy relationships create a miasma of conflicting interests that wouldn't be tolerated from the local Little League referee. Such ties, they say, push doctors to prescribe more-expensive, brand-name medicines when cheaper, generic products might work just as well or better. Federal and state legislators have called for reforms like gift registries, and a handful of prominent academic medical centers have virtually shut the door to detailers. Most of us, though, are still seeing the nearly 95 percent of doctors who accept freebies or payments from drug companies. Michael Steinman, a physician with the San Francisco VA Medical Center who has studied the issue, says that those pervasive relationships "should be very, very troubling to patients."

**CRITICS AND INSIDERS** alike would probably agree that working in pharma sales isn't what it used to be. In the 1980s and 1990s, the drug-industry reps lavished their company's most steady prescribers with perks like cruises, frequent-flier miles and even cold, hard cash. In 1987 Ayerst Laboratories was caught giving free round-trip airline tickets to any doctor who put 50 patients on the company's hypertension drug, Inderal LA. More routinely, detailers took doctors and their spouses to five-star restaurants, treated them to top-notch take-out food or gave them presents such as CD players. "We were in what I like to call the Tyco era," says Arthur Caplan, head of the Center for Bioethics at the University of Pennsylvania.

Consumer advocates viewed this generosity as influence peddling, and in 2002 the Pharmaceutical Research and Manufacturers of America (PhRMA), the industry's main trade group, adopted an ethics code meant to rein in excess. Meals, it said, needed to be "modest as judged by local standards." Gifts couldn't exceed \$100 in value and had to benefit primarily the patients or the medical practice. Providing entertainment tickets or "recreational activities" — like the afternoon golf game, another sales-rep standby — was forbidden. The rules hewed fairly closely to a similar code for doctors adopted by the American Medical Association in 1990; in many ways, they're tougher. But both codes have something else in common: They're voluntary, and no government or independent body enforces them or punishes rule breakers.

In some respects drug companies have kept a lower profile in the past five years. Last April, then-Astra-Zeneca sales director Mike Zubillaga wrote in an internal company newsletter, "There's a big bucket of money sitting in every [doctor's] office. Every time you go in, you reach your hand in the bucket and grab a handful." When that newsletter was leaked to the public, he was promptly fired. In private, however, some reps say that their companies flout the rules; the industry has also found plenty of loopholes that let it openly reward doctors.

But there's no denying that the rules have changed the day-to-day life of the drug rep. Josie Salcedo-Guzman refreshes her ethics training every three months, and like other reps, she says she'd be fired if she ever violated the rules. A middle-aged woman who dresses like a church usher, she scoffs at the popular notion that all reps are beautiful sorority girls or ex-military men doling out perks and party opportunities to doctors. "This job is not glamorous," she says, maneuvering her company-issued silver Ford Escape SUV through traffic. "I've met plenty of reps so fed up with regulations and all the paperwork that they want out."

Ask her if she sees her job as influence peddling and she'll adamantly deny it. "I couldn't wake up and do this job every day if I didn't know that our medicines were good medicines and that I was helping patients connect with new therapies," she says. Salcedo-Guzman, who was raised in Washington Heights' Dominican immigrant community, says she routinely gives doctors materials to help them communicate with Spanish-speaking patients about complicated diseases. She reminds docs which AstraZeneca drugs are covered by which insurance plans — a sometimes Kafkaesque maze of fine print — and regularly discusses AstraZeneca's assistance program for low-income patients.

Once reps gain an audience with docs, the pitch blends education, friendliness and the soft sell. When Salcedo-Guzman and fellow AstraZeneca rep Amy Peloso bring a spread of Chinese takeout — cheap Chinese takeout — to Dr. Felix Florimon's Washington Heights office, the doctor gives them 10 minutes of his time to discuss their company's new asthma drug. Sitting under the fluorescent lights in the office kitchen, Salcedo-Guzman briefs him on the product warnings, asks him how he uses a competing medicine and even demonstrates in her own mouth exactly how the red plastic inhaler should be used. ("Please remember to tell your patients to rinse out their mouths afterwards," she cautions, "to avoid thrush!") Many physicians say such demonstrations help them gain a comfort with a new product that they might not get from simply reading a medical journal; indeed, many companies task their detailers to start demonstrating new medications even before any journal articles appear.

Still, gifting remains so intertwined with a drug rep's work that it's difficult to imagine it disappearing. When Salcedo-Guzman calls on Dr. Frank Babb in Harlem, the pulmonary specialist signs her order pad with a flourish, accepting a delivery of drug samples. "You and your colleague have been neglecting me," he says. In his dark, wood-paneled waiting room, patients watch the time on a clock bearing a logo for Xolair, an injectable drug for severe asthmatics; they sign in for appointments on a pad with a logo for Advair, yet another asthma drug. In Delray Beach, Fla., in the office of Jim Byrnes, a family practitioner, detailer Cory Silvestri shows off a pen she gave to each office employee. Silvestri, an independent contractor, promotes Eli Lilly's antidepressant Cymbalta and its bipolar-disorder drug Symbyax. The pen doesn't have a drug brand name on it; instead, it features a red, yellow and green maraca on the top and the word "fiesta" on the side. "If you hold this and shake it, you just have to smile," Silvestri says, doing just that.

Although such tchotchkes don't sound like much, social psychologists have argued that the small, regular gifts reps give out may be even more effective than the gifts of old — precisely because they're not so mammoth. "When it's clear that what they're receiving is not a bribe, that it's a gift or a token of friendship, people feel the subconscious need to reciprocate. It's in our nature," explains David Rothman, a Columbia University medical professor and assistant director of the Prescription Project, which advocates greater transparency in rep-doctor interactions. Officials with PhRMA dispute that notion. Scott Lassman, who until recently was PhRMA's assistant general counsel, says the idea that reps change doctors' prescribing habits with small freebies is "a little ridiculous." As for other gifts, like meals, Lassman says that "health care professionals are extremely busy, and sometimes the only way to eke out a few minutes of their time is to have a working lunch or dinner."

While the PhRMA guidelines are voluntary, some experts say detailers are skating close to, or outright traversing, the line. Reps and doctors in Palm Beach County, Fla., and parts of the Midwest say they routinely treat groups of doctors to dinners at Ruth's Chris Steak House — hardly the Ritz, but by local standards not most people's idea of a modest meal. Other reps say their companies will reserve rooms at restaurants with \$2,000 or \$3,000 minimums for dinners and lecture series, and when few doctors show up, they effectively spend hundreds of dollars per participant. One of the only studies to look at drug-rep spending after the 2002 guidelines went into effect seemed to show widespread fudging. Looking at only about a third of the payments made to doctors in the state of Vermont during a two-and-a-half-year period, researchers counted more than 1,600 dinners valued at more than \$100 per person. Honoraria and speakers' fees for discussing a drug were also common; in total the industry gave more than \$5.5 million to the Green Mountain State's physicians over that stretch.

**HOW ALL THIS** sales-rep activity affects consumers' pocketbooks, or even their health, is hard to gauge. By most estimates generic medicines are 30 to 80 percent cheaper than their brand-name counterparts, and detailers sell brand-name products only. While many of these drugs are undoubtedly both unique and valuable, some "are just a slight variation on cheaper products already on the market," says Allan Coukell, director of policy for the Prescription Project. The challenge of a crowded category was apparent on our day with Salcedo-Guzman. Many doctors asked her how her product compared with GlaxoSmithKline's Advair, a close cousin of her drug that will be available on the market in cheaper, generic form in 2008. She isn't at her most convincing in her response, in part because there haven't been any clinical trials that compare the drugs head-to-head. "You used to have just one medication that you could use for daily asthma maintenance," she told doctors. "Now you have a choice."

The so-called me-too drug issue has made free samples another point of contention. Many doctors say that samples can be a matter of life or death for some cash-strapped patients, who might skip doses of crucial medicines if they weren't given drugs free. Still, only about a third of samples go to indigent patients, and critics say samples even create brand loyalty to expensive products. "In many of these cases, once you're put on a drug like [the popular cholesterol drug] Lipitor," says Ben Schaefer, a cardiologist in Bangor, Maine, who has renounced samples, "you're going to take that medicine probably for the rest of your life."

The pharmaceutical industry is under pressure to create that kind of loyalty. In the next five years, brand-name drugs currently worth \$60 billion in annual prescriptions will go off patent at a time when fewer new drugs are in the pipeline to replace them. At the same time, insurance plans are increasingly making patients pay more out of pocket for brand-name medicines if a similar drug is available in generic form. Byrnes says he chooses drugs based on his own clinical experience with patients and on what will be covered by their insurance, "but some of my drug reps just keep on trying." One piece of evidence: Wire bins lining the countertop of his nurse's station are overflowing with discount cards patients can use to cut down their copays at the pharmacy for specific drugs — one tool drug reps use to try to level the playing field with generics.

Some states are using taxpayer money to try to undo some of the detailers' work. "Counter detailers" go to doctors' offices and deliver unbiased presentations (usually written by academic researchers) on the costs and benefits of the latest drugs and their competitors, including generics. Pennsylvania is currently pumping \$3 million a year into such an effort as part of a statewide push to contain health care costs. A recent campaign focusing on heartburn medications showed promise: After visits by counter detailers, the state saved roughly \$378 per doctor per month on the drugs, which could add up to \$39 million annually if every primary-care doctor in the state got similar results.

Blowback against reps has been particularly intense in academia. In early 2006 Columbia's Rothman and several other professors published an article calling on medical schools and

academic hospitals to restrict rep interaction. Since then more than a dozen schools have adopted more-stringent policies. At Stanford Medical Center, for instance, reps can't enter clinical areas where patients are treated, and doctors can't accept any gifts — not even drug samples. The University of California, Los Angeles, decided last summer to strip its hospitals and affiliated clinics of even the smallest trinkets showing evidence of marketing. "You wouldn't believe the sheer volume of stuff that can accumulate," says Andrew Leuchter, a psychiatrist and member of the school's conflict-of-interest committee. From his staff's office, he says, he filled three trash bins with things like pens and models branded with drug logos.

Some politicians are also raising the temperature. In 2006 more than a dozen states considered taking away detailers' access to a vital tool of the trade: data on prescriptions written each month, broken down by individual physician. Since the AMA made it an option in 2006, about 9,000 doctors have opted out of making their prescribing info accessible to reps. And a bill recently introduced in the Senate would create an online national registry of any gifts worth more than \$25 doled out to doctors. Ahari, the former Eli Lilly rep, says he's been challenging the physicians he knows: "The bottom line is, how would your patients feel if they knew the drug you're prescribing is made by the people that took you out to dinner last night?"

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