

2017 APEC Business Ethics for SMEs Forum

Hà Nội, Việt Nam | September 7–8, 2017

BIOPHARMACEUTICAL SECTOR WORKSHOP

Interactive, Multi-Stakeholder Exercises
CASE STUDY 1 – FACILITATOR NOTES

Additional information/considerations that could help frame your advice:

- 1. Is paying for CME accreditation services by Medical Organization a standard practice in your economy? If so, what is the Fair Market Value (FMV) of those services and how is that determined? Could just this situation create potential conflict of interest (perception), on its own? **Answer**: assume standard practice, required by law to ensure material is reviewed by an independent association and given the appropriate number of credits; payment is nominal.
- 2. Why does the Medical Association want all of the HCP Payments to go through them? **Answer:** to ensure consistent payments across HCPs for services rendered.
- **3**. External local considerations such as laws or codes that touch upon FMV; for example, in some countries the FMV payable to HCPs is fixed no matter where they provide services.
- 4. How do the HCP fees proposed by the Medical Organization compare with your company's (if applicable); what options can you envision if:
 - ✓ Lower: no internal issues, but potentially it can create a customer management issue with HCP
 - ✓ Somewhat higher or lower, but overall comparable: document internally
 - ✓ Substantively higher: seek an internal exception, explain position to Medical Society, seek alternate accreditation source

Let table talk about various scenarios and decide on one option for the bullet point drafting.

Relevant Mexico City Principles

1. Section 17. Adherence to Principles

"Healthcare professionals, government officials, and other stakeholders should respect these Principles and adopt consistent standards if applicable.



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Implementation

In order to promote an ethical commercial environment, cooperation among multiple stakeholders is required. Therefore, it is recommended that Companies, healthcare professionals and APEC economies engage in the following activities...

Healthcare Professional Organizations should:

Respect these Principles and develop and implement codes of ethics consistent with the above principles......"

2. Section 4. Symposia and Congresses

- **D**. All Events should be held in an appropriate venue that is conducive to the scientific or educational objectives and the purpose of the Event or meeting. Companies should avoid using extravagant venues or resorts
- **E.** Hospitality should be limited to refreshments and/or meals incidental to the main purpose of the Event and should only be provided
 - •to participants of the Event and not their guests
 - is moderate and reasonable as judged by local standards
- **F.** Companies should not pay any costs associated with individuals accompanying invited healthcare professionals

3. Section 10. Consultant and Speaker Arrangements

A.2. It is appropriate for consultants and speakers who provide services to be offered reasonable compensation for those services and reimbursement for reasonable travel, lodging, and meal expenses incurred as part of providing those services. Any compensation or reimbursement made in conjunction with a consulting or speaking arrangement should be reasonable and based on fair market value.



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Ask the person presenting the case what fact set the table chose (i.e. FMV higher, lower, etc.)





Bullet Points for E-mail

- Re-state company's commitment to CME both directed by the company and independent.
- State the challenges the request(s) create(s) for the company and, potentially the negative perception it creates for both parties.
- Propose alternate solutions and/or state company position:
 - ✓ Medical Association to publish their FMV rates for HCP engagements and companies contract with and pay HCPs directly, based on the rates set by the Medical Association
 - ✓ Publishing turn-around times for accreditation services and offer expedited accreditation evaluation based on objective standards, similar to expedited processing done by certain government processes (e.g., standard turn-around time= two weeks, expedited turn-around time = 1 week, costs +20%)
 - ✓ Discuss concerns with the proposed location of yearly meeting, referencing company/industry code position on Symposia and Congress. Propose alternate locations and state the company's position.
- Close by restating support and willingness to meet to further discuss in person.