



## **CMS makes first wave of drug & device company payments to teaching hospitals and physicians public**

As part of our ongoing effort to increase transparency and accountability in health care, the Centers for Medicare & Medicaid Services (CMS) released today the first round of Open Payments data to help consumers understand the financial relationships between the health care industry, and physicians and teaching hospitals.

This release is part of the Open Payments program, created by the Affordable Care Act, and lists consulting fees, research grants, travel reimbursements, and other gifts the health care industry – such as medical device manufacturers and pharmaceutical companies – provided to physicians and teaching hospitals during the last five months of 2013. The data contains 4.4 million payments valued at nearly \$3.5 billion. Future reports will be published annually and will include a full 12 months of payment data, beginning in June 2015.

“CMS is committed to transparency and this is an opportunity for the public to learn about the relationships among health care providers, and pharmaceutical and device companies,” CMS Administrator Marilyn Tavenner said. “This initial public posting of data is only the first phase of the Open Payments program. In coming weeks, we will be adding additional data and tools that will give consumers, researchers, and others a detailed look into this industry and its financial arrangements.”

Financial ties among medical manufacturers’ payments and health care providers do not necessarily signal wrongdoing. Given the importance of discouraging inappropriate relationships without harming beneficial ones, CMS is working closely with stakeholders to better understand the current scope of the interactions among physicians, teaching hospitals, and industry manufacturers. CMS encourages patients to discuss these relationships with their health care providers.

“Using this new data, it is now possible to conduct a wide range of analyses of payments made by drug and device manufacturers,” said Dr. Shantanu Agrawal, deputy administrator and director of the Center for Program Integrity at CMS. “Open Payments does not identify which financial relationships are beneficial and which could cause conflicts of interest. It simply makes the data available to the public. So while these data could discourage payments and others transfers of value that might have an inappropriate influence on research, education, and clinical decision-making, they could also help identify relationships that lead to the development of beneficial new technologies.”

Manufacturers submitted data to CMS this summer and CMS performed initial matching to aggregate payments to a single physician or teaching hospital. After the data were collected and displayed, registered physicians and teaching hospitals had the opportunity to review payments reported about them and dispute information they believed inaccurate.

More than 26,000 physicians and 400 teaching hospitals registered in the Open Payments system to review payments attributed to them. During the review and dispute period, CMS identified payment records that had inconsistent physician information, such as National Provider Identifier (NPI) for one doctor and a license number for another. In cases where CMS was unable to match the physician information or the record was not available for review and dispute but the company had attested that the payment had been made, the personally-identifiable information has been suppressed temporarily in the record. About 40 percent of the records published today are de-identified. This data will be fully identifiable in 2015 after the reporting entity submits corrected data, and physicians and teaching hospitals have a chance to review and dispute. In addition, data that were disputed and not resolved by the end of the September 11 review period have not been published and will be updated at a later date.

Over time, CMS expects to make enhancements such as introducing new tools to allow

Over time, CMS expects to make enhancements such as introducing new tools to allow for easier data searches. This improved search functionality will allow users to more easily review payments received by their personal physician, or search on criteria such as specialty, location, or types of payments received.

Building on its commitment to transparency, the Open Payments program is the latest effort by CMS to make health care cost data available to the public. For example, the agency continues to publicly release and update data allowing consumers to compare what hospitals charge for common inpatient and outpatient services across the country.

To view the Open Payments physician payment dataset and other background, please visit: <http://www.cms.gov/openpayments/>.