



Rx&D Guidelines for Transparency in Stakeholder Funding

Interpretation Document

In an effort to provide Members and stakeholders with further clarity around the recently adopted *Guidelines for Transparency in Stakeholder Funding*, in effect as of January 1, 2009, this initial Interpretation Document has been developed. We have also set up an e-mail address (transparency@canadapharma.org) specifically to answer Member and stakeholder questions about the Guidelines and we encourage you to contact us with additional inquires.

1. Projects, events or activities undertaken with stakeholders should not be used to promote specific medicines.

Rationale: It is important that Rx&D and its Member companies not only maintain their own credibility with stakeholders, but also help to maintain the credibility of stakeholders with others. In that regard, Members should not seek to engage a stakeholder to promote a specific product (thereby circumventing the direct to consumer advertising rules) and risk the perception that a stakeholder may be seen as inappropriately supporting a member company's product.

Example: A Member is seeking reimbursement on a provincial formulary for a particular medication. They want to approach an established patient group to fund a project that will raise awareness of the need for reimbursement with government. Rather than position the project as one that will secure reimbursement for just the one product, work with the stakeholder to design a project that will seek reimbursement for all appropriate medications in class.

2. All projects, events or activities must adhere to the requirements and the spirit of the *Rx&D Ethical Practices*.

Rationale: Consistency and alignment between the *Rx&D Ethical Practices* and the interactions of Members and stakeholders is critical. Such a requirement will also help to ensure the effective evolution of the Guidelines themselves, particularly if they move towards a monitoring model.

Example: When a Member embarks on an activity with an organized physician group, the Member must ensure that all elements of that interaction comply also with the *Rx&D Ethical Practices*.

3. Member companies should post on their corporate websites their commitment to engage in transparent funding practices with stakeholders.

Rationale: Greater transparency starts with the Members, and one of the simplest ways to demonstrate the industry's overall commitment to this issue would be to have every Member post on their website, some text noting their own particular

responsibility to engage in transparent funding practices with stakeholders. It may align with a pre-existing internal corporate policy or be crafted uniquely for the Canadian market.

Example: To demonstrate their commitment to transparency of funding, a Member could first make internal corporate inquiries to find out if the company has a policy on the matter. If so, that policy could be explicitly posted on the Canadian website, perhaps with slight modifications to reflect this market. If not, then the Member may choose to draft some language to illustrate their perspective on transparency and post it once finalized, as well as post the Rx&D guidelines.

Sample wording: *We are committed to working with patient groups at the highest levels of transparency and ethical standards. As such we have adopted and follow Rx&D's Guidelines for Transparency in Stakeholder Funding. For a list of the guidelines and more information please visit www.canadapharma.org.*

4. Prior to providing any direct funding to stakeholders, members should ensure that there is a clear, mutual understanding of each partner's contribution and responsibilities, via a letter of agreement or other written document, outlining parameters within which funds are to be used.

Rationale: This Guideline is not meant to limit the terms or conditions under which Members and Stakeholders interact, but rather to ensure clarity around the content of those activities. Without some form of written understanding, agreements between parties can be misinterpreted and expectations misaligned. This, in turn, can cause mistrust and undermine the foundation of Member-stakeholder relations.

Example: A Member wants to provide direct funding to a patient group to build the advocacy section of their website. Prior to doing so, the parties should enter into some form of written agreement whereby:

- the Member sets out how much money will be provided and over what period of time
- the Member notes any other responsibilities they may have as part of the project
- the stakeholder outlines how the funds will be used, what the outcomes will be (or look like) and what responsibilities they will assume as part of the project

5. Members should regularly disclose, by means of their web sites and annual reports, a list of all stakeholders to which they provide direct funding.

Rationale: The posting of annual funding commitments to stakeholders is already a requirement of some Member companies internationally. In an effort to enhance that level of transparency in Canada, it is important that Members develop their own disclosure mechanisms through their web sites and annual reports (where applicable).

Example: Over the course of a year, a Member company provided ten grants to ten different patient groups. At the end of that year, the Member could choose to post on their Canadian corporate web site, a list of those ten patient organizations.

Sample wording: *We are proud to support the following organizations and groups in 2008.*

The above would be followed by an alphabetical list of the groups supported. There is no need to disclose the value of the support.

6. Members should ensure that they are identified on materials to which they contributed financially or in kind. All Members agree to follow all Codes pertaining to patient information and patient advertising.

Rationale: More and more, stakeholders are developing materials for public consumption and those materials are often funded by Member companies. While these documents may not necessarily deal with medication issues, in the spirit of transparency it is important that Members who contribute financially or in kind be identified. It also critical that all existing information and advertising Codes be adhered to by Members when working with stakeholders.

Example: A patient group approaches a Member about funding an information brochure about a particular disease. However, the organization is reluctant to include the name of the member company on the material for fear of being seen as too close to the industry. One solution would be to work with the group to ensure that the content of the brochure is objective, balanced and professionally vetted to minimize the perception of bias. In return, the Member should ask that their name be included on the document, perhaps noting that the funds were provided through an unrestricted educational grant.

7. To the greatest extent practicable, a Member should not be the exclusive funder of a stakeholder organization.

Rationale: It is easy to understand the perception problem that may surround the notion of one Member being the sole funder of a stakeholder group. On the other hand, it is well known that some smaller patient groups in particular, would have had

a difficult time getting started had it not been for the support of the only Member company with a product in that therapeutic area. Nevertheless, the spirit of this Guideline implies that Members should take an active role in ensuring that they are not the only funder of an organization where possible.

Example: A small group of patients presents an opportunity to a Member to be the exclusive funder of their group. The Member, prior to agreeing to this proposal, should undertake to help the stakeholder to:

- determine if there are any other pharmaceutical companies with products coming/in this therapeutic area and provide introductions if necessary
- explore other sources of funding (i.e. other businesses, foundations, grants, etc.) and, where possible, assist in approaching these sources
- pull together all of the potential funders to work collaboratively in funding the organization

8. Members should refrain from creating patient groups whose sole purpose is to further market access in an area of therapeutic interest.

Rationale: The creation of patient groups by Members for the exclusive purposes of reimbursement is a common criticism. But it is also an activity that has largely passed, now that patients have greater access to materials and examples to help guide their development. So Members should take this opportunity to explicitly commit to refraining from this practice.

Example: A Member is approached by a couple of patients who want the company to fund them to start a patient-led organization, promising to advocate for reimbursement of their product. In addition to funding, the Member should provide the patients with independent resources and contacts of people who can help them get organized and work with them as one of several partners to help establish their structure, presence and capacity to successfully undertake their chosen mandate.