What is the Open Payments Law?

• Federal law (formerly known as “Physician Payment Sunshine Act”) signed into effect by Congress with the Affordable Care Act

• Intended to promote transparency in healthcare by providing patients and the public with information on financial interactions of certain healthcare providers and industry

• Centers for Medicare & Medicaid Services (CMS), Center for Program Integrity, is federal agency charged with developing and implementing regulations to accomplish transparency
Who does the Open Payments Law apply to?

- Applicable manufacturer = any entity that produces or prepares a drug, device, biological, or medical supply covered by Medicare, Medicaid, or Children’s Health Insurance Program (CHIP)
- Group purchasing organization (GPOs) = any entity that purchases, arranges for, or negotiates the purchase of covered drugs, devices, biologicals, or medical supplies
What must applicable manufacturers report to CMS?

- Direct and indirect payments or transfers of value made to providers

**PAYMENTS/VALUE INCLUDE:**
- Consulting fees
- Honoraria
- Gifts
- Food, beverages, entertainment, travel
- Education
- Charitable contributions
- Publication support
- Other

**PROVIDERS INCLUDE:**
- Physicians
- Optometrists
- Dentists
- (*Not medical residents)

- Exclusions include product samples, patient education materials, loans not exceeding 90 days, discounts, and certain payments in conjunction with certified continuing education activities.
What must applicable manufacturers report to CMS? [cont.]

• Research payments to teaching hospitals
  – Information reported in a separate table
  – Will include name and NPI numbers of provider principal investigators

• Ownership interests held by providers and their immediate family members
What will CMS do with the information?

• Publish information to a public website that will be searchable, aggregatable, and downloadable
• Providers may voluntarily register, review, and dispute information prior to public posting, but have no obligation under the law to do so
When does reporting begin?

- Collection period for 2013 began 8/1/2013, and ran through 12/31/2013
- Data for 2013 was due 6/30/2014
- Review/Dispute/Correction period will begin mid-July
- Publication will occur on 9/30/2014
- In subsequent years, cycles will be annual
  - Collection for entire calendar year
  - Publication by 6/30 of the following year
Why is it important to be aware, if UAB and its providers are not required to do anything?

• May spark discussion with patients about nature of relationships with industry
• Published data may receive media attention
What steps can UAB providers take to be prepared?

• Continue to fulfill UAB Conflict of Interest/Commitment policy requirements
  – Faculty submit appropriate Request for External Activity Approval forms
  – Investigators submit appropriate Disclosure of Financial Interest forms

• Use appropriate UAB channels for official UAB business
  – Route sponsored program applications through Office of Sponsored Programs
  – Route contracts through University Contracts
  – Put potential donors in touch with School’s development office

• Get familiar with the information that will be reported about you and keep records of payments/value you receive

• Register with CMS, check to make sure information about you is accurate, and dispute, if needed

• Never hesitate to contact the dean’s office or compliance office with questions about your circumstances
Additional resources

- Center for Medicare & Medicaid Services: http://go.cms.gov/openpayments
- University Compliance Office
  x4-6540
  uab.edu/compliance