



# Open Payments Law Overview

University of Alabama at Birmingham  
University Compliance Office

# 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>
- American Medical Association: <https://www.ama-assn.org/ama/pub/advocacy/topics/sunshine-act-and-physician-financial-transparency-reports.page>
- University Compliance Office fact sheet:  
[http://www.uab.edu/compliance/images/Open\\_Payments\\_Law\\_Fact\\_Sheet\\_2014-Jun-6.pdf](http://www.uab.edu/compliance/images/Open_Payments_Law_Fact_Sheet_2014-Jun-6.pdf)
- University Compliance Office  
x4-6540  
[uab.edu/compliance](http://uab.edu/compliance)