



September 3, 2009

The Honorable Max Baucus
The Honorable Charles Grassley
Senate Finance Committee, United States Senate
Washington, DC 20510

Dear Mr. Chairman and Senator Grassley:

Yesterday the Department of Justice and others announced an unprecedented criminal and civil fine against Pfizer for illegal off-label promotion of drugs and extraordinary payments to providers to encourage prescribing of certain drugs. This \$2.3 billion penalty settlement is dramatic new evidence of the need to include in any health reform legislation a section similar to S. 301, the Physicians Payments Sunshine Act of 2009 (by Senators Grassley, Kohl, and Klobucher, and joined by three Finance Members, Senators Bingaman, Kerry, Schumer, and six others).

We believe that if there is public reporting of *all* drug and device company payments to providers, many of those payments will wither away under the sunshine of full disclosure. The result will be more drug and device prescribing based on science and evidence, and not what is essentially payola.

We have long endorsed Senator Grassley's work in this area. We note, however, that the House health reform legislation, HR 3200 Section 1451, is stronger in that it includes in its disclosure requirements any payments to hospitals, medical schools, and others and provides for a smaller exemption for gifts (\$5 rather than \$100 exemption from reporting).

The Pfizer settlement details the cancer that has eaten its way into this part of the health sector. We hope that the Pfizer case is the last straw that will propel Congress to pass a stronger version of S. 301.

Thank you for your consideration of this request.

Sincerely,

William Vaughan
Health Policy Analyst
Consumers Union, publishers of *Consumer Reports*