

Statement of Sen. Herb Kohl
“Let the Sunshine in: Implementing the Physician Payments Sunshine Act”
Senate Special Committee on Aging Hearing
September 12, 2012

Good afternoon and thank you all for coming, especially Senator Grassley. Today we will discuss the Physicians Payments Sunshine Act, a law that Senator Grassley and I worked on together. Unfortunately, the Sunshine Act’s implementation is a year late, which is both troublesome and not acceptable.

In November 2010, Senator Grassley and I asked Secretary Sebelius about implementing the Sunshine Act according to the timeframe in the law. Almost two years later—I’m disappointed to say—we’re still asking the same questions. Industry, doctors and consumers deserve better. I have repeatedly requested that CMS provide a timeline for implementation. Secretary Sebelius and CMS tell us that the rule will be finalized by the end of the year. So we expect CMS to honor that commitment, but hopefully CMS can get this done sooner.

The Sunshine Act ensures openness and transparency of the financial ties between doctors and the drug and medical device industries. These financial relationships are valuable and lead to new therapies and technologies. But the public has a right to know about these financial ties.

As many stakeholders who worked with Sen. Grassley and me to develop the law know, the act was never meant to be burdensome. In fact, many medical device and drug companies are already releasing information about payments to doctors voluntarily or as required by state law. The federal law set reasonable timelines, requiring rules on how to operate the Sunshine Act by October 1st of LAST year. And to date, CMS has not finalized the rules, leaving consumers and manufacturers in the dark.

We urge CMS to finish the rules, and ensure that the definitions and guidelines are clear and workable for industry and patients alike. Most importantly, the information must be made available to the public, must be easily understood, and provide enough context for patients to understand why their doctors’ names appear on this website.

All of the stakeholders—consumer and industry groups together—want a fair rule and want it issued now. And that is why we are here today. To give CMS and all the players a chance to discuss how best to make the Sunshine Law a reality and to ensure that CMS is listening to the questions and concerns these companies and groups bring to the table.

I’d like to express particular gratitude to Dr. Mark McClellan, Director of the Engleberg Center for Health Care Reform at the Brookings Institution, who has graciously agreed to moderate today’s panel. I also thank the rest of the panelists for coming together today. We look

forward to a robust conversation, and moving forward in a timely and positive manner to ensure transparency and accountability in the health care system.

And with that, I invite Senator Grassley to provide his opening statement before we turn the roundtable over to Dr. McClellan.