### PurePaper

About aggregate spend in Europe and in the United States of America

Are you able to aggregate and monitor the amount you spend on healthcare professionals and healthcare organisations?

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### About aggregate spend in Europe and in the United States of America

# One of the leading buzz words, not just within the healthcare industry but also in the public, are without doubt transparency.

Some of the questions and concerns arising with regard to transparency are:

- How much does the healthcare industry spend on healthcare professionals (HCPs) and healthcare organisations (HCOs) through payments, gifts, honoraria, travel and other means?
- How does this influence what medicine and therapeutic treatment they recommend to their patients?



#### **Transparency**

"Aggregate spend" is a process used to aggregate and monitor the total amount of money spent by the healthcare industry on individual HCPs and HCOs. Payments do not necessarily take the form of a monetary payment, but can happen through gifts, honoraria, covering of travel expenses and other means. The process requires that the healthcare industry reports its sources of funding. In Europe aggregate spend is governed by the Code adopted by the EFPIA<sup>1</sup> Statutory Assembly as of June 24, 2013. The code was to be implementated in national codes by December 31, 2013. The Physician Payment Sunshine Act is the corresponding United States law, which requires that healthcare providers report their sources of funding. The purpose of both the European Code and the United States law is to increase patient safety by increasing transparency in conflicts of interest between healthcare providers and any outside interest.

Furthermore, the aim is to increase patients' and society's trust that the chosen treatment is also the best treatment and not chosen due to the amount of contributions the HCPs and HCOs receive from the healthcare industry in their attempt to promote their products and treatment methods.

## What should be done in order to be compliant?

The healthcare industry should implement technical measures that can manage and collect information on aggregate spend in compliance with the European Code and the United States law. Moreover, a correct and up-to-date customer database of HCPs and HCOs is essential in order to secure correct reporting of aggregate spend. This customer database must of course be compliant with applicable data protection laws.

### For further information on this subject please contact:

Helene Hostrup Nielsen, COO & Corporate Legal Email: hhn@apurebase.com Phone: +45 3133 3395

<sup>&</sup>lt;sup>1</sup> The European Federation of Pharmaceutical Industries and Associations.