Study examines Medicaid drug selection committees, potential conflicts of interest

February 11 2013

An analysis of policy documents from Medicaid programs, suggests that current policies to manage conflicts of interest (COIs) of members of Medicaid drug selection committees are not transparent and vary widely, according to a report published Online First by *JAMA Internal Medicine*, a JAMA Network publication.

It is important to manage COI for formulary drug selections or reimbursement to ensure that products are selected based on evidence and with minimal bias and to protect against pharmaceutical industry influence, according to the study background.

In an analysis, Nicole Yvonne Nguyen, Pharm.D., and Lisa Bero, Ph.D., of the University of California, San Francisco, describe the content of the Medicaid drug selection committees' COI policies for the United States and the District of Columbia, categorize policies and identify the components of a strong policy. They searched official Medicaid websites and contacted Medicaid staff to identify drug selection committee COI policies for all states with Medicaid Preferred Drug Lists (47 states and the District of Columbia). They obtained policy documents for 27 of the programs (56 percent) – 14 from websites and 13 by contacting Medicaid officials.

"We found high variability in COI policies, lack of public availability and inconsistent enforcement and management of COI among states," according to the study.

According to the results, the most common management strategy was disclosure of COI in 67 percent of policies (18 of 27) and self-recusal in 52 percent of policies (14 of 27), while only 15 percent of policies (4 of 27) ban certain relationships with industry.

"Current policies to manage COIs on Medicaid drug selection committees are not transparent and vary widely in content, suggesting that some policies may not adequately protect against COIs," the study concludes. "Our findings show the need for a model COI policy for drug selection committees that can be adapted for individual states. A model policy should (1) be publically accessible (2) be comprehensive and provide explicit parameters for disclosure (3) be equally applicable to all committee members (4) include management strategies beyond disclosure and (5) indicate a responsible party for review of COI and enforcement of policies."

In a related commentary, Nirav Shah, M.D., M.P.H., Commissioner of the New York State Health Department, Albany, writes: "Pharmacy and therapeutics (P & T) committee members determine the drugs available for particular indications in a hospital, health care plan or system based on the members' view of the efficacy, safety and relative cost of particular medications."

"While the primary goals of P & T committees for hospitals, self-funded employer-sponsored plans, commercial insurers and state Medicaid programs are the same, the large scope, use of public funds and the vulnerability of the population served, all make the decisions by Medicaid P & T committees particularly important," Shah continues.

"More frequent disclosure requirements, for example, may be much harder to implement relative to requiring more complete disclosure upfront, and may not add value. And burdensome disclosure requirements may discourage highly qualified candidates from serving

on unpaid advisory committees, which has been our experience in New York State," Shah concludes. "Therefore, finding the right balance of disclosure and transparency, relative to other means of managing potential COIs, is paramount."

More information: JAMA Intern Med. Published online February 11, 2013. doi:10.1001/jamainternmed.2013.2522
JAMA Intern Med. Published online February 11, 2013. doi:10.1001/jamainternmed.2013.4184

Provided by JAMA and Archives Journals