

# The potential conflict of interest for leaders of AMCs serving on pharmaceutical boards

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About 40 percent of pharmaceutical company boards of directors examined had at least one member who held a leadership position at an academic medical center, with annual compensation for these positions averaging approximately \$300,000, according to a study in the April 2 issue of *JAMA*.

"Financial relationships between the [pharmaceutical industry](#) and physicians have come under increased scrutiny. Less attention has been paid to relationships between industry and the leadership of [academic medical centers](#) (AMCs), who wield considerable influence over research, clinical, and educational missions. When AMC leaders serve on pharmaceutical [company](#) boards, they hold a fiduciary responsibility to shareholders to promote the financial success of the company, which may conflict or compete with institutional oversight responsibilities and individual clinical and research practices," according to background information in the article.

Timothy S. Anderson, M.D., of the University of Pittsburgh Medical Center, and colleagues examined how often AMC leaders served on the boards of directors for [pharmaceutical companies](#). Data on board composition and academic positions were collected in January 2013 from the websites of the 50 largest pharmaceutical companies based on 2012 global prescription drug sales. Financial compensation information was collected from company proxy statements and from shareholder reports. AMCs were defined as U.S. medical schools, health professional schools, teaching hospitals, and health care systems; leadership positions

included CEOs, clinical department chairs, division directors, medical school deans, and hospital boards of directors, in addition to university presidents and boards of directors.

Of the 50 companies examined, 3 private companies lacked public data on governance. Nineteen of 47 (40 percent) companies had at least 1 board member who also held a leadership position at an AMC, including 16 of 17 (94 percent) U.S. companies. Forty-one [board members](#) held AMC leadership positions in 2012, receiving an average financial compensation for board membership of \$312,564 (excluding the 6 industry executives). Eighteen industry board members (3 percent of all board members) held 21 clinical or administrative leadership positions, including 2 university presidents, 6 deans, 6 hospital or health system executive officers, and 7 clinical department chairs or center directors.

The authors note that they "do not make any conclusions about whether specifically identified relationships led to actual, rather than potential, conflicts of interest."

"However, given the magnitude of competing priorities between academic institutions and pharmaceutical companies, dual [leadership](#) roles cannot simply be managed by internal disclosure. These relationships present potentially far-reaching consequences beyond those created when individual physicians consult with industry or receive gifts."

**More information:** [DOI: 10.1001/jama.2013.284925](https://doi.org/10.1001/jama.2013.284925)

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