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To: Senator Virginia "Ginny" Lyons, Chair of the Senate Committee on Health and Welfare
Senator Richard Westman
Senator Ann Cummings
Senator Dick McCormack
Senator Debbie Ingram

From: Merideth C. Chaudoir, Assistant Attorney General, Public Protection Division, Office of the Attorney General, State of Vermont

Date: March 14, 2019

Re: Testimony of AAG Chaudoir regarding S. 61.

Pursuant to your request, please find the following attachments

1. A summary of the March 12, 2014, testimony of AAG Chaudoir;
2. A copy of the Attorney General's guidance regarding conference meals;
3. Copies of a few of the articles regarding the influence of gifted meals on behavior.

Summary of Testimony of Assistant Attorney General Chaudoir to Senate Health and Welfare

Re: S.61- Health; health care providers; manufacturers of prescribed products; 6 gift ban; meals

March 12, 2019

Good morning. My name is Merideth Chaudoir and I am assistant attorney general in the Public Protection Division of the State of Vermont's Attorney General's Office. Let me spell my name for you, M E R I D E T H C H A U D O I R.

Chairwoman Lyons, members of the committee, thank you for inviting me here this morning to comment on S.61.

Why do Pharmaceutical Companies directly sponsor meals to health care providers?

Because studies show it works to influence behaviors.

- [JAMA 2016 study:] For example, a 2016 study published by the Journal of American Medical Association, (JAMA Internal Medicine) studied the association between physicians' receipt of industry-sponsored meals and rates of prescribing the promoted drug to Medicare beneficiaries. This study concluded that receipt of industry sponsored meals was associated with an increased rate of prescribing the brand-name medication that was being promoted.

Our office occasionally gets calls to clarify the rights of Vermont HCPs when it comes to meals or foods at conferences, and whether a meal constitutes an impermissible gift when provided at conferences.

The answer is straightforward: meals are always permissible at certified Continuing Medical Education (CMEs) events when those programs are free from a sponsoring manufacturers direct influence on content or direct payments. Even when an event offers a meal that does not meet these requirements, the meal is permissible so long as the health care professional reimburses or pre-pays the manufacturer the cost of the food.

In other words, under our law, these same companies can sponsor the same conference – even if that sponsorship contributes to food - by providing its sponsorship *to the association or 3rd party* that is putting on the conference.

Further, under our law, a Vermont HCP may still attend these pharmaceutical-sponsored meals, they just have to pay for the meal themselves, reimburse the company, or forego the meal. It is much like turning in a travel expense when they get back or they may pre-pay prior to attending.

Conference providers and Associations are not allowed to keep Vermont HCPs out of any lectures, meetings, etc. On the rare occasion that my office receives a question or report of this, either me or a staff member contacts the conference organizer and advises them of our law. It is a matter of educating conference organizers and HCPS.

Vermont's law should never be construed by conference sponsors, organizers, hosts or manufactures to bar any Vermont HCP from attending a lecture or event merely because food is served at the event.

Our office has prepared a guidance to provide to conference sponsors, pharmaceutical companies explaining Vermont's law. I am happy to circulate it to the committee.

Finally, Vermont has been a leader on this front. We used to be an anomaly but there is momentum from several other states that have either passed or are in the process of passing or drafting and researching similar laws—based on Vermont's law. States such as Massachusetts, Minnesota, Connecticut, Maine, Nevada, Illinois, Oregon, and California to name a few. For example: California's proposed gift ban is based on Vermont's legislation.

Our office gets calls from other states' legislative counsel and our attorney general counterparts on a regular basis because their law makers are considering similar laws or regulations.

Thank you.