

CASE 15

Direct-to-consumer (DTC) advertising of prescription drugs through mass media such as newspapers and magazines, radio and television, the Internet, and billboards has increased dramatically since 1997 when the U.S. Food and Drug Administration (FDA) loosened its policies. Since then, prescription drug advertising has been one of the fastest-growing portions of healthcare spending in the United States.

This advertising is not without controversy, however. In fact, it is legal in only two developed countries: the United States and New Zealand. Gary Ruskin, Executive Director of Commercial Alert, testifying at a November 2005 U.S. Food and Drug Administration (FDA) hearing on DTC advertising, said, “Pharmaceutical companies have conflicts-of-interest that keep them from presenting unbiased information about their products” because their first obligation is to make money for their stockholders. The FDA does impose rules on advertising content. Most people have seen the required pages of information that accompany print ads. These are presented in very small font, written in medical jargon requiring a college level of reading ability for comprehension (about 25% of Americans have a college degree), and represent the advertised drug as the only treatment option. Broadcast media are relieved from including such extensive information by FDA rules that are more lenient.

Scott Lassman of the Pharmaceutical Research and Manufacturers of American (PhRMA) testified, at the same FDA hearings, that ads result in better-educated patients and increased compliance. Drug companies point to studies confirming that advertisements raise awareness about certain underdiagnosed conditions, such as depression, resulting in earlier discussions with physicians as well as earlier diagnosis and treatment.

Supporters of DTC advertising suggest that, in light of the increasing impersonality of medical care and the limits on time doctors can spend with patients, informed consumers are at an advantage and can take more personal responsibility for their care.

Some doctors welcome the increased participation and knowledge their patients have, but virtually all dislike the pressure to prescribe at all or to prescribe a particular drug. Physicians report that consumers have unreasonable expectations of advertised drugs, focusing on the benefits without knowledge of the risks and alternatives. Many physicians resent the intrusion into the doctor-patient relationship and the questioning of their advice. Little empirical research has documented that communication is better or that health outcomes are improved as a result of ads. Doctors also report that many consumers assume incorrectly that ads have been approved by a government agency and must be truthful.

Critics decry the ‘medicalization’ of many conditions like obesity or normal aging (that might be better resolved by lifestyle changes) and the creation of false hope that there is a drug for every situation. Use of emotional images, actor ‘doctors,’ celebrities,

and fear techniques are not educational, according to detractors. Considered especially noxious is advertising to adolescents (weight reduction remedies, acne medication, etc.).

Without doubt, advertising increases demand. The Kaiser Family Fund (KFF) reports that a 10% increase in DTC advertising spending results in a 1% increase in sales for the class of drug (not necessarily for the specific drug advertised). KFF studies also found that doctors write prescriptions more for the most heavily advertised drugs, though exact cause-and-effect relationship has not been established, because marketing to physicians is usually increased concurrently. The KFF also determined that for every \$1 spent on DTC advertising in 2000, sales increased by \$4.20. Studies indicate that the ads encourage switching from older, cheaper drugs to newer, more expensive options that may be less well established in regard to efficacy and risks. The latter effect causes insurers and policy makers to worry about 'demand pull' that undermines cost control and utilization limits.

In 1998, the American College of Physicians supported DTC advertising in principle, but recognized the need for careful regulation to assure accuracy. The American Medical Association issued guidelines for DTC advertising, and in 2006 the House of Delegates called for a moratorium on advertising new drugs so doctors would have time to learn about a drug before their patients ask for it. Expressing general support for DTC advertising, the American Pharmaceutical Association called for enforcement of regulations and suggested that pharmacists receive pre-release knowledge of ads.