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3-6-2010

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Recommended Citation

Cosgrove, Lisa and Harold J. Bursztajn, "Pharmaceutical Philanthropic Shell Games." *Psychiatric Times* (March 6, 2010).

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Pharmaceutical Philanthropic Shell Games

March 06, 2010 By [Lisa Cosgrove, PhD](#) [1] and [Harold J. Bursztajn, MD](#) [2]

In response to increasing public distrust and congressional concerns regarding pharmaceutical company influence on medical research and education, professional organizations have taken steps to phase out or regulate industry-sponsored educational support. A related problem is industry funding of philanthropic organizations, such as patient advocacy groups. Thus, when the office of Sen Charles Grassley (R-Iowa) recently reported that the National Alliance for the Mentally Ill received substantial pharmaceutical funding, there was concern among the membership's psychiatric patients and their families.

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Steps to restore public trust are especially important for patients who are dependent on trust as a mainstay of treatment—such as those suffering from major mental illness. However, actions of the APA illustrate how the problem of covert industry ties remains unaddressed.

Although the APA recently announced that it would phase out the visibly industry-supported educational programs, the organization has remained curiously silent about acknowledging and monitoring industry funding of the 2 philanthropic arms of the APA—the American Psychiatric Foundation (APF) and the American Psychiatric Institute for Research and Education (APIRE). Undoubtedly, many of the programs that received pharmaceutical funding address important mental health issues.

For example, according to material provided by the APF, their Helping Hands grant program “provides funding for community mental health service projects initiated and managed by medical

students under the supervision of medical faculty.” To its credit, the APF clearly states in its brochure that the program is “made possible through an unrestricted educational grant from Otsuka America Pharmaceutical, Inc.” Therefore, we are not in any way suggesting that pharmaceutical funding in itself is bad or wrong.

Certainly, some pharmaceutical companies have contributed to the “public good.” The issue—and what remains unclear—is the *extent, management, and influence* of industry ties to purported philanthropic and nonprofit APA-affiliated foundations. As Senator Grassley’s investigations into the financial conflicts of interest in professional medical organizations and advocacy groups demonstrate, there is need for greater accountability. Without accountability, dependence on industry funding may result in dissemination of imbalanced diagnostic and treatment information and inaccurate public policy decisions.

According to the APA Web site, the APF is the “philanthropic and educational arm of the APA . . . combin[ing] the knowledge and credibility of the world’s largest psychiatric organization with our patient- and family-centered mission.” APIRE was established in 1998 as a 501(c)(3) “to establish the leadership role of the APA in contributing to the scientific base of psychiatric practice and policy.” Patients with chronic major psychiatric illness and their families may be skeptical about whether the APA’s actions to date are merely a shell game. Has industry removed the transparent and visible shell of professional education programs and replaced it with the more opaque shells of foundations such as APF and APIRE?

A closer look

We investigated APF’s and APIRE’s industry ties and found that APF’s 15-member board of directors includes 4 high-level executives from pharmaceutical companies that either manufacture the medications recommended by APA (ie, in APA’s Clinical Practice Guidelines [CPG]) or have products in development specifically targeted for mental disorders. Other board members include 2 more with industry ties and a senior vice president at one of the largest public relations agencies in the world, whose clients include 6 pharmaceutical companies.

APF’s corporate advisory council is made up of pharmaceutical companies that contribute significant funding to APF and that manufacture medications recommended in the APA’s CPG. Although it was not possible to discern the total amount of industry funding given to APF, in fiscal year 2008 APF lists 11 pharmaceutical companies and 1 medical device manufacturer that contributed monies; 6 of the companies are listed as giving \$40,000 “and above” per year.

APIRE, like APF, does not require disclosure of financial conflicts of interests. We investigated the financial relationships of APIRE’s board members to the pharmaceutical companies that manufacture psychiatric medications and discovered that 9 of 16 of these individuals have industry ties. The fact that over half of APIRE’s board has financial ties to industry is problematic, and it is noteworthy that this percentage is a highly conservative estimate.

Current disclosure policies do not require reporting of pooled industry monies (eg, when companies give large sums of money to academic departments, units, hospitals, and medical schools)—even when direct benefit, such as salary, may be derived from pooled funds. Hence, these numbers are clearly de minimis ones; we may have omitted other industry ties not reported or publicly available. Also, because the current disclosure system does not include independent monitoring for industry ties, underreporting is very likely a problem. For example, one board member who reported “no disclosure” in an APA publication was found to be on the speakers’ bureau of multiple pharmaceutical companies.

The APA produces—and financially profits from—the *DSM*. It now requires that *DSM-V* work group members post financial disclosure statements. We recommend that persons who serve on APF’s and APIRE’s boards also post disclosure statements and that the total amount of industry funding given to these organizations be posted. But mere disclosure is not sufficient. Steps need to be taken to lift the cloak of silence that surrounds the issue of indirect or covert ties exerting undue industry influence.

In the absence of such scrutiny, the climate of concern about whether vulnerable psychiatric patients' interests are being protected will continue. For example, in our analyses of the composition of the *DSM-IV*, *DSM-V* work group panels, and the authors of the *DSM*-based Practice Guidelines, we found a striking lack of balance between industry-tied and industry-independent work group members. Approximately 68% of the members of the *DSM-V* task force reported having industry ties, which represents a relative increase of 20% over the proportion of *DSM-IV* task force members with such ties.¹ Also, of the 137 *DSM-V* panel members who have posted disclosure statements, 77 (56%) have reported having industry ties, such as holding stock in pharmaceutical companies, serving as consultants to industry, or serving on company boards—no improvement over the 56% of *DSM-IV* members who were found to have such industry relationships.¹ Ninety percent of the authors of 3 major clinical practice guidelines in psychiatry had financial ties to companies that manufacture drugs explicitly or implicitly identified in the guidelines as recommended therapies for the respective mental illnesses.²

Similarly, in the APA's philanthropic foundations, a paucity of board members represent industry-independent patient advocacy groups and nonprofit consumer groups, whereas industry-affiliated individuals and high-ranking pharmaceutical executives are well represented on the organizations' advisory councils and boards of directors. APF has a patient- and family-centered mission and APIRE's stated mission is to "*improve the quality of psychiatric care through research, education, health policy analysis, and dissemination.*" To achieve these goals and restore public trust, the board membership needs to be reconstituted so that it is more balanced and genuinely reflects a patient-centered focus.

References

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