Perspective
Pharmaceutical Promotion, Advertising, And Consumers

As consumers pick up more of the bill for drugs, they will need information from a variety of sources—not just drug companies.

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ABSTRACT: Proponents of drug promotion and advertising claim that it is informative and educational; opponents are concerned that the information conveyed encourages inappropriate and unnecessary use. Health Affairs papers by Joel Weissman and colleagues and by Robert Dubois provide some validation for the views of both sides of this debate but do not allow us to draw definitive conclusions about key issues involving inappropriate use of expensive medications and their substitution for cheaper medications that are just as effective. The extent to which consumers have been protected from the rising cost of pharmaceuticals further muddles the picture. However, new insurance benefit designs that threaten to shift more costs to consumers may fuel demand for more comprehensive and balanced information.

Outpatient prescription drugs account for only 10 percent of the total health care budget, yet their cost has been growing at a higher rate than costs of other health services, such as doctor visits and hospitalizations. Reasons for increases in pharmaceutical spending include greater use of drugs to prevent and manage illnesses and the introduction of new, more costly medications. Between 1992 and 2000 the number of retail prescriptions in the United States increased from 7.3 to 10.8 per person per year. Over the past decade the average cost of a retail prescription increased 48 percent. Another reason cited for the increase in drug spending is the increase in third-party payment and the related decrease in out-of-pocket payment by consumers. Out-of-pocket drug spending fell from 60 percent of total drug spending in 1988 to 32 percent in 2000, while third-party payment increased from 24 percent to 46 percent. Lastly, many blame the substantial growth in drug promotion by the pharmaceutical industry for increases in spending.

Pharmaceutical manufacturers and other proponents of drug promotion claim that it informs and educates consumers and physicians about health conditions and available treatments, promotes increased diagnosis and treatment of diseases, and improves compliance with medical care. These are goals shared by disease management programs. Opponents of drug promotion are concerned that the information conveyed in drug promotion is inaccurate or unbalanced, that it promotes the inappropriate use of drugs, and that it encourages the use of more expensive brand-name...
drugs when cheaper alternatives are available. Payers are also concerned about the promotion of so-called nonessential or lifestyle drugs, such as drugs to treat nail fungus and sexual dysfunction, which drive up their pharmaceutical spending without providing significant health benefits. Among the ten drugs most heavily advertised directly to consumers, many are deemed less essential medications by the World Health Organization.5

Reviewing The Evidence
The two papers presented in *Health Affairs* by Joel Weissman and colleagues and by Robert Dubois provide some validation for the views of both sides of the debate. They also lend credence to our view that there may indeed be both positive and negative aspects to drug promotion.

**The educational function.** Dubois’s paper sets out to answer the questions of whether drug promotion provides an important educational function for physicians and whether drug promotion contributes to inappropriate use of drugs. While the finding of smaller-than-expected variation in prescribing he reports is intriguing, the hypothesis that it is attributable in part to the educational role of drug promotion to physicians is neither proved nor refuted. Furthermore, the uniformity of practice he found is not necessarily appropriate or desirable. For example, the finding that a majority of patients with sinusitis received more expensive brand-name drugs rather than possibly equally effective generic drugs doesn’t seem desirable.

It is good news that the appropriateness of use of cholesterol-lowering drugs did not change over a period when promotion was widespread and use was increasing. However, we agree that generalization from this one clinical condition is not warranted, particularly since statins are not the best candidates for studying widespread inappropriate use. A study of Cox-2 inhibitors would probably show different results. We suspect that drug promotion is a mixed bag—in some cases promoting appropriate use, in others, both appropriate and inappropriate use. We agree that when drug promotion is aligned with evidence-based medicine, it may have a positive effect.

**The health effects.** The paper by Weissman and colleagues seeks to answer the question of whether there are adverse health effects associated with direct-to-consumer advertising (DTCA) of drugs. It again confirms that DTCA motivates patients to discuss drugs with their physicians and to obtain prescriptions. It also provides evidence to support the claim that DTCA contributes to increased detection and treatment of disease, including detection of serious conditions and counseling for lifestyle changes.

Further good news in this paper is the lack of evidence that drug promotion contributes to adverse health effects and even a suggestion that it may contribute to positive health effects. Interestingly, this study also documents the degree to which DTCA may contribute to increased consumption of other health care services such as tests and specialty referrals.

**Unanswered questions.** Although the two papers contribute empirical evidence to the debate about drug promotion, neither paper allows us to draw conclusions about two major concerns of critics of drug promotion: namely, whether drug promotion leads to inappropriate use of drugs, and whether it promotes the use of more expensive medications when cheaper alternatives are available.

**Effects of increased out-of-pocket payment.** Pharmaceuticals help cure disease, decrease mortality, and improve quality of life. Yet the people who benefit from them are often not the ones who pay for them directly. In recent years people with insurance have paid relatively little out of pocket for their medications. A large proportion of the cost has been borne by their insurers and by purchasers in
the form of insurance premiums. The fact that the consumers who view the ads and are influenced to consume the drugs do not generally pay for them contributes to the controversy surrounding advertising prescription drugs to consumers.

This situation may be changing. Resurgent health care cost inflation is fueling the development and spread of new insurance benefit designs, which increase the amount of money that consumers will pay out of pocket for health care, including for prescription drugs. As consumers take on more of the financial responsibility for their drug consumption, they will seek more information about drugs. They will need accurate, balanced, reliable information on which to base value judgments and purchasing decisions. This information should include the costs, benefits, and disadvantages of advertised drugs as well as the same information about available alternatives. Only then can consumers make truly informed decisions about the prescription drugs that have become such a prominent feature on the U.S. health care landscape.

NOTES
3. Ibid., Exhibit 13.
4. CMS, Program Information.