

ASSEMBLY, No. 754

STATE OF NEW JERSEY

213th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2008 SESSION

Sponsored by:

Assemblyman VINCENT PRIETO

District 32 (Bergen and Hudson)

Assemblyman ERIC MUNOZ

District 21 (Essex, Morris, Somerset and Union)

SYNOPSIS

Restricts gifts from drug companies to health care professionals and prohibits health care professionals with financial ties to drug companies from serving on health care facility formulary committees.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



(Sponsorship Updated As Of: 5/6/2008)

1 AN ACT concerning certain relationships between health care
2 professionals and pharmaceutical companies, and supplementing
3 Title 45 of the Revised Statutes.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

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8 1. As used in this act:

9 “Drug manufacturing business” means an entity that produces
10 drugs or medical devices and is required to register with the
11 Department of Health and Senior Services pursuant to P.L.1961,
12 c.52 (C.24:6B-1 et seq.).

13 “Gift” means a payment, entertainment, subscription, advance,
14 services or anything of value, unless consideration of equal or
15 greater value is received. The term does not include anything of
16 value received by inheritance, gifts received from a member of the
17 physician’s immediate family, or free samples provided to a
18 physician solely for use by the physician’s patients.

19 “Pharmaceutical marketer” means a person who represents an
20 entity that is directly or indirectly engaged in the manufacture or
21 distribution of prescription drugs. The term does not include
22 licensed health care professionals engaged in the ordinary pursuit of
23 their professions.

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25 2. a. A health care professional who is licensed pursuant to
26 Title 45 of the Revised Statutes shall not accept a gift exceeding
27 \$100 in value from a pharmaceutical marketer or a drug
28 manufacturing business.

29 b. A health care professional who has any direct or indirect
30 personal interest, including an interest wherein a member of the
31 health care professional’s immediate family has a direct or indirect
32 personal interest in a drug manufacturing business, shall not serve
33 on the pharmacy or therapeutics committee of a health care facility
34 licensed pursuant to P.L.1971, c.136 (C.26:2H-1 et seq.).

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36 3. A health care professional who engages in any conduct in
37 violation of this act shall be subject to disciplinary action and civil
38 penalties pursuant to sections 8, 9 and 12 of P.L.1978, c.73 (C.45:1-
39 21, 45:1-22 and 45:1-25).

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41 4. The Director of the Division of Consumer Affairs, in
42 consultation with the relevant licensing board, shall adopt rules and
43 regulations necessary to carry out the purposes of this act, pursuant
44 to the “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-
45 1 et seq.).

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47 5. This act shall take effect 60 days after enactment.

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STATEMENT

This bill would prohibit health care professionals from accepting gifts worth more than \$100 in value from pharmaceutical companies. The bill would not apply to gifts that are inheritances, gifts from immediate family members and free drug samples for use by patients.

The bill also would prohibit health care professionals who have a direct or indirect personal interest in a drug manufacturing business, or whose immediate family members have such interest, from serving on formulary committees in health care facilities. Violators would be subject to disciplinary action by their respective professional board, and violations may result in license suspension or revocation, and civil penalties.

Pharmaceutical companies produces many valuable drugs that save lives and improve the quality of life, and they necessarily engage in promoting their products. However, studies have revealed that relationships between health care professionals and pharmaceutical companies, including interactions with marketing representatives, may unduly influence prescribing practices and affect decisions regarding drugs that are included in health care facility formularies. The purpose of this bill is to minimize unscientifically-based prescribing and formulary decisions that may result from such relationships.