

Thought Leaders in Health Law®

Massachusetts Pharmaceutical and Medical Device Manufacturers Code of Conduct: Recently Amended Requirements Related to Meals

by Sarah K. diFrancesca and Natasha F. Thoren

July 2012

On July 8, 2012, Massachusetts Governor Deval Patrick signed into law the fiscal year 2013 state budget¹ ("State Budget"), which included amendments to the Massachusetts pharmaceutical and medical device code of conduct law, Mass. Gen. Law. ch. 111N and 105 Mass. Code Regs. 970.000. The amendments will allow pharmaceutical and medical device manufacturers to, among other things, provide restaurant meals to health care professionals during certain educational programs. The original statute required that all meals provided to health care professionals by pharmaceutical and medical device manufacturers be limited to the hospital or office setting.² For an overview of the Massachusetts Pharmaceutical and Medical Device Manufacturer Code of Conduct and the Massachusetts Department of Public Health ("DPH") implementing Client Becker Alerts regulations. see the Epstein Green available http://www.ebglaw.com/showclientalert.aspx?Show=8935 and http://www.ebglaw.com/ showclientalert.aspx?Show=9522.

This Alert provides an overview of the amendments from the State Budget and discusses some key considerations for pharmaceutical and medical device manufacturers as they seek to implement these new provisions.

Overview of the Amendments to the Pharmaceutical and Medical Device Manufacturer Code of Conduct

Section 111 of the State Budget makes the following changes to the Pharmaceutical and

¹ Conference Committee, Fiscal Year 2013 Budget Recommendations, H. 4200, § 111-114 (Mass. 2012), available at http://www.malegislature.gov/Budget/FY2013/Senate/ChamberActions. The bill was approved by the Massachusetts House of Representatives and Senate on June 28, 2012, and then sent to the Governor for signature.

² Mass. Gen. Laws ch. 111N (2008); *see also* 105 Mass. Code Regs. 970.000 (2008).

EB HEALTH CARE & LIFE SCIENCES

Medical Device Manufacturer Code of Conduct:

- Permits payments for reasonable expenses necessary for technical training on the use of a medical device; and
- Allows for the provision of, or payment for, modest meals and refreshments in connection with non-continuing medical education ("non-CME") educational presentations for the purpose of educating and informing heath care practitioners about the benefits, risks, and appropriate uses of prescription drugs or medical devices, disease states, or other scientific information, provided that such presentations occur in a venue and manner conducive to informational communication.

Section 112 of the State Budget states that the DPH must define "modest meals and refreshments" through regulation. Additionally, pharmaceutical and medical device manufacturers that provide modest meals at non-CME events must file quarterly reports with the DPH that include the following information:

- Location of the non-CME presentation;
- Description of any pharmaceutical products, medical devices, or other products discussed at such presentation; and
- Total amount expended on such presentation and an estimate of the amount expended per participant, including any meals, refreshments, or other items of economic value.

The DPH also may require pharmaceutical and medical device manufacturers to pay a fee to the DPH for the costs of administering these new reporting requirements.

Further, Section 113 of the State Budget provides that the DPH may not require pharmaceutical and medical device manufacturers to disclose information that has been disclosed pursuant to federal law³ and which may be obtained by the DPH from the federal agency. Additionally, Section 114 of the State Budget requires that the DPH make all data disclosed by pharmaceutical and medical device manufacturers in annual reports publicly available and easily searchable on its website not later than 90 days after receipt.

Key Considerations

The amendments to the Massachusetts pharmaceutical and medical device code of conduct law provide new compliance considerations and opportunities for pharmaceutical and medical device manufacturers that operate in the Commonwealth of Massachusetts. Manufacturers that seek to implement these amendments should use any opportunities through the DPH's rulemaking process to provide comments regarding key definitions, such as "modest meals and refreshments," "other items of

³ See, e.g., Patient Protection Affordable Care Act of 2010, Pub. L. No. 111-148, § 6002, 124 Stat. 395.

EB HEALTH CARE & LIFE SCIENCES

economic value," and "non-CME educational presentations." Manufacturers also should review and consider updates to current policies, procedures, systems, and training related to reporting requirements in order to capture and file quarterly reports regarding non-CME events.

* * *

This Client Alert was authored by <u>Sarah K. diFrancesca</u> and <u>Natasha F. Thoren</u>. For additional information about the issues discussed in this Client Alert, please contact one of the authors or the Epstein Becker Green attorney who regularly handles your legal matters.

About Epstein Becker Green

Epstein Becker & Green, P.C., founded in 1973, is a national law firm with approximately 300 lawyers practicing in 11 offices, in Atlanta, Boston, Chicago, Houston, Indianapolis, Los Angeles, New York, Newark, San Francisco, Stamford, and Washington, D.C. The firm is uncompromising in its pursuit of legal excellence and client service in its areas of practice: Health Care and Life Sciences, Labor and Employment, Litigation, Corporate Services, and Employee Benefits. Epstein Becker Green was founded to serve the health care industry and has been at the forefront of health care legal developments since 1973. The firm is also proud to be a trusted advisor to clients in the financial services and hospitality industries, among others, representing entities from startups to Fortune 100 companies. Our commitment to these practices and industries reflects the founders' belief in focused proficiency paired with seasoned experience. For more information, visit www.ebglaw.com.

The Epstein Becker Green Client Alert is published by EBG's Health Care and Life Sciences practice to inform health care organizations of all types about significant new legal developments.

Lynn Shapiro Snyder, Esq. **EDITOR**

If you would like to be added to our mailing list or need to update your contact information, please contact Kristi Swanson at kswanson@ebglaw.com or 202-861-4186.

EB HEALTH CARE & LIFE SCIENCES

ATLANTA

Robert N. Berg Michael V. Coleman J. Andrew Lemons Kenneth G. Menendez Marisa N. Pins Evan Rosen Bradley C. Skidmore Alan B. Wynne

BOSTON

Barry A. Guryan

CHICAGO

Amy K. Dow Lisa J. Matyas Griffin W. Mulcahey Kevin J. Ryan

HOUSTON

Mark S. Armstrong Daniel E. Gospin Pamela D. Tyner

INDIANAPOLIS

Leah R. Kendall

LOS ANGELES

Adam C. Abrahms Dale E. Bonner Ted A. Gehring J. Susan Graham

NEW YORK

Nicholas S. Allison Eric L. Altman Jeffrey H. Becker Michelle Capezza Aime Dempsey Sarah K. diFrancesca Kenneth W. DiGia Jerrold I. Ehrlich Hylan B. Fenster James S. Frank Arthur J. Fried Paul A. Friedman Philip M. Gassel Jay E. Gerzog John F. Gleason Robert D. Goldstein Wendy C. Goldstein Robert S. Groban, Jr. Gretchen Harders Jennifer M. Horowitz Kenneth J. Kelly Joseph J. Kempf, Jr. Jane L. Kuesel Purvi Badiani Maniar

Wendy G. Marcari Eileen D. Millett Cynthia J. Mitchell Leah A. Roffman Tamar R. Rosenberg William A. Ruskin Jackie Selby

Catherine F. Silie Victoria M. Sloan Steven M. Swirsky Natasha F. Thoren

NEWARK

Joan A. Disler
James P. Flynn
Daniel R. Levy
Philip D. Mitchell
Maxine Neuhauser
Kerry M. Parker
Michael J. Slocum
Sheila A. Woolson

STAMFORD

David S. Poppick

WASHINGTON, DC

Kirsten M. Backstrom Emily E. Bajcsi Clifford E. Barnes James A. Boiani George B. Breen Lee Calligaro Jesse M. Caplan Jason B. Caron Jason E. Christ Eric J. Conn Tanya V. Cramer O. Benton Curtis III Anjali N.C. Downs Gregory H. Epstein Steven B. Epstein Ross K. Friedberg Stuart M. Gerson Shawn M. Gilman Jennifer K. Goodwin Daniel G. Gottlieb Philo D. Hall Douglas A. Hastings Robert J. Hudock William G. Kopit Jennie B. Krasner Jay P. Krupin Amy F. Lerman Christopher D. Locke Katherine R. Lofft Julia E. Loyd

Mark E. Lutes

Kara M. Maciel

David E. Matyas

Benjamin S. Martin

Colin G. McCulloch

Frank C. Morris, Jr.

Leslie V. Norwalk Kathleen A. Peterson René Y. Quashie Robert D. Reif Jonah D. Retzinger Joel C. Rush Serra J. Schlanger Deepa B. Selvam Alaap B. Shah Lynn Shapiro Snyder Adam C. Solander David B. Tatge Daly D.E. Temchine Bradley Merrill Thompson Carrie Valiant Dale C. Van Demark Patricia M. Wagner Robert E. Wanerman Dawn R. Welch Constance A. Wilkinson Kathleen M. Williams Lesley R. Yeung

This document has been provided for informational purposes only and is not intended and should not be construed to constitute legal advice. Please consult your attorneys in connection with any fact-specific situation under federal law and the applicable state or local laws that may impose additional obligations on you and your company.

© 2012 Epstein Becker & Green, P.C.

Attorney Advertising

ATLANTA | BOSTON | CHICAGO | HOUSTON | INDIANAPOLIS | LOS ANGELES
NEW YORK | NEWARK | SAN FRANCISCO | STAMFORD | WASHINGTON. DC

Attorney Advertising

www.ebglaw.com

