

September 18, 2013

To: All Faculty and Trainees

Fr: DGSOM Industry Relations Committee

Re: **Physicians Sunshine Payment Act**

This memorandum is written to alert you that the Centers for Medicare and Medicaid Services (CMS) published the Physician Payment Sunshine Act Final Rule on February 1, 2013. Intended to promote transparency and decrease the potential for conflicts of interest, the Sunshine Act requires manufacturers of covered drugs, devices, biologicals, and medical supplies to report annually to CMS all remuneration (payments and other transfers of value) to physicians. “Physicians” are defined as doctors of medicine and osteopathy, dentists, podiatrists, optometrists, and chiropractors who are legally authorized to practice. Reported payments will become publicly available, and some UCLA faculty, trainees and staff may be affected.

The Sunshine Act is strictly a disclosure law. It does not prohibit payments. Covered manufacturers are required to notify CMS of any remuneration to a physician of more than \$10, or the aggregate of smaller payments or transfers of value if they exceed \$100 in a calendar year. Remuneration may take many forms. Those most commonly linked to physicians can include honoraria, consulting fees, royalties, speaking fees, gifts, entertainment, food and beverages (when the consumer can be identified), travel, and lodging.

The first report for the period August 1, 2013 through December 31, 2013 must be submitted to CMS by March 31, 2014. Once data have been submitted to CMS but before reports are posted to a publicly accessible website, there will be a 45-day period during which physicians can review reported information and if necessary request corrections. *The Fact Sheet for Physicians* is a good source of CMS-provided information about the Sunshine Act and can be accessed at: <http://www.cms.gov/Regulations-and-Guidance/Legislation/National-Physician-Payment-Transparency-Program/Downloads/Physician-fact-sheet.pdf>.

The Fact Sheet will be updated periodically. It will provide details about the process for registration required so that individuals can review, dispute, and as necessary correct information about payments and transfers of value that they received. Physicians for whom reports will be made are encouraged to keep track of payments and transfers of value received from covered manufacturers and to take advantage of this review and correction period in order to ensure that publicly available information is accurate.