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## CMS NEWS

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### **Affordable Care Act “sunshine” rule increases transparency in health care**

The Centers for Medicare & Medicaid Services (CMS) announced today a final rule that will increase public awareness of financial relationships between drug and device manufacturers and certain health care providers. Called the “National Physician Payment Transparency Program: Open Payments,” this is one of many steps in the Affordable Care Act designed to create greater transparency in the health care market.

“You should know when your doctor has a financial relationship with the companies that manufacture or supply the medicines or medical devices you may need,” said Peter Budetti, M.D. CMS deputy administrator for Program Integrity. “Disclosure of these relationships allows patients to have more informed discussions with their doctors.”

This rule finalizes the provisions that require manufacturers of drugs, devices, biologicals, and medical supplies covered by Medicare, Medicaid, or the Children’s Health Insurance Program (CHIP) to report payments or other transfers of value they make to physicians and teaching hospitals to CMS. CMS will post that data to a public website. The final rule also requires manufacturers and group purchasing organizations (GPOs) to disclose to CMS physician ownership or investment interests.

This increased transparency is intended to help reduce the potential for conflicts of interest that physicians or teaching hospitals could face as a result of their relationships with manufacturers.

This new reporting will apply to applicable manufacturers and GPOs. These organizations, as well as the physicians and teaching hospitals, will have an opportunity to review and correct reported information prior to its publication.

In order to give applicable manufacturers and applicable GPOs sufficient time to prepare, data collection will begin on August 1, 2013. Applicable manufacturers and applicable GPOs will report the data for August through December of 2013 to CMS by March 31, 2014 and CMS will release the data on a public website by September 30, 2014. CMS is developing an electronic system to facilitate the reporting process.

The final rule can be downloaded at: <https://www.federalregister.gov/public-inspection>.

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