The CENTER for BUSINESS INTELLIGENCE
Presenting Industry Opportunities & Solutions

PotomacRiver PARTNERS

Auditing and Monitoring

Strategies to Mitigate Risks of Off-Label Promotion

CBI West Coast Life Sciences Compliance Congress
November 19, 2010

CIA Required Live Auditing/Monitoring

OIG-HHS has sent a strong signal…

Auditing/Monitoring is an essential tool for compliance departments

Company	Settlement Date	Field Ride-Alongs	Speaker Programs
Novartis	9/29/10	50	125
Forest	9/15/10	40	175
Allergan	9/1/10	30	75
Ortho-McNeill-Janssen	4/28/10	30	40
Astra-Zeneca	4/27/10	75	250
Pfizer	8/31/09	60	200
Lilly	1/14/09	50	N/A
Cephalon	9/29/08	30	N/A
Otsuka	3/25/08	10	N/A
BMS	9/26/07	30	N/A
Jazz	7/13/07	10	N/A

- **Trend toward increasing number of audits**
- **Speaker Program reviews began in Aug 09 with Pfizer**
- **Variability in number of audits required**

CIA Required Retrospective Auditing/Monitoring

Company	Consulting	Research	Publications	Grants
Novartis	50	20	25	30
Allergan	30	20	25	30
Forest Labs	30	30	30	30
Ortho-McNeil-Janssen	10*	N/A	N/A	N/A
AstraZeneca	70	30	50	60
Pfizer	50	N/A	30	60
Lilly	N/A	N/A	N/A	N/A
Cephalon	N/A	N/A	N/A	N/A
Otsuka	N/A	N/A	N/A	N/A
BMS	N/A	N/A	N/A	40
Jazz	N/A	N/A	N/A	N/A

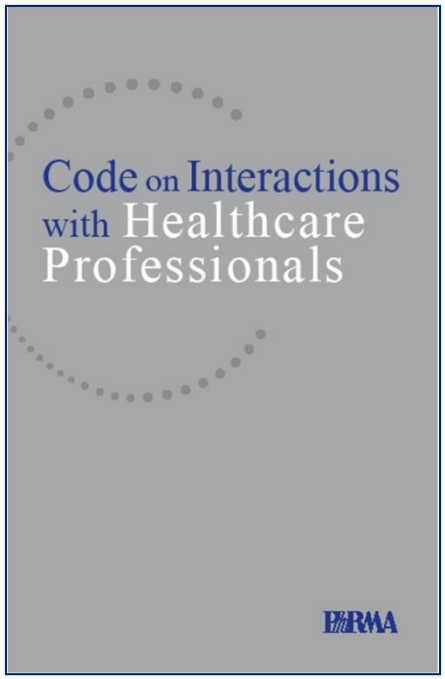
- **Trend toward increasing number of required activities**
- **Beyond sales and marketing activities**
- **Minimum statistical scope**

Records Review…

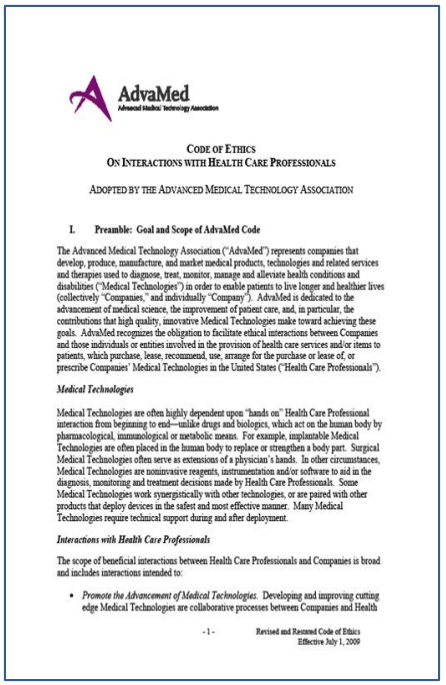
- **Sampling records**
- **T&E/Agg. Spend records**
- **Med Info**
- **Verbatims**
- **Call notes**
- **E-mails**
- **Manager reports**

*Any fee-for-service arrangement

PhRMA Code and AdvaMed



"…companies should periodically monitor speaker programs for compliance with FDA regulatory requirements for communications on behalf of the company about its medicines."



AdvaMed
Advanced Medical Technology Association

CODE OF ETHICS
ON INTERACTIONS WITH HEALTH CARE PROFESSIONALS

ADOPTED BY THE ADVANCED MEDICAL TECHNOLOGY ASSOCIATION

I. **Preamble: Goal and Scope of AdvaMed Code**

The Advanced Medical Technology Association ("AdvaMed") represents companies that develop, produce, manufacture, and market medical products, technologies and related services and therapies used to diagnose, treat, monitor, manage and alleviate health conditions and disabilities ("Medical Technologies") in order to enable patients to live longer and healthier lives (collectively "Companies," and individually "Company"). AdvaMed is dedicated to the advancement of medical science, the improvement of patient care, and, in particular, the contributions that high quality, innovative Medical Technologies make toward achieving these goals. AdvaMed recognizes the obligation to facilitate ethical interactions between Companies and those individuals or entities involved in the provision of health care services and/or items to patients, which purchase, lease, recommend, use, arrange for the purchase or lease of, or prescribe Companies' Medical Technologies in the United States ("Health Care Professionals").

Medical Technologies

Medical Technologies are often highly dependent upon "hands on" Health Care Professional interaction from beginning to end—unlike drugs and biologics, which act on the human body by pharmacological, immunological or metabolic means. For example, implantable Medical Technologies are often placed in the human body to replace or strengthen a body part. Surgical Medical Technologies often serve as extensions of a physician's hands. In other circumstances, Medical Technologies are noninvasive reagents, instrumentation and/or software to aid in the diagnosis, monitoring and treatment decisions made by Health Care Professionals. Some Medical Technologies work synergistically with other technologies, or are paired with other products that deploy devices in the safest and most effective manner. Many Medical Technologies require technical support during and after deployment.

Interactions with Health Care Professionals

The scope of beneficial interactions between Health Care Professionals and Companies is broad and includes interactions intended to:

- *Promote the Advancement of Medical Technologies.* Developing and improving cutting edge Medical Technologies are collaborative processes between Companies and Health

"Companies are strongly encouraged to follow the seven elements of an effective compliance program…(5) conducting internal monitoring and auditing…"

For the purpose of this presentation, we will use the term "**audit**" to describe reviewing field force activities

Planning and Conducting Live Field Auditing

Scope the Audit

- Assess the budget
- Identify the reach and define the protocol
- Select the team

Develop Materials

- Provide learning aids
- Standardize tools
- Educate the team

Communicate

- Set the tone
- Communicate to the representatives

Provide Results

- Observations → findings
- Create an audit report

Scope the Audit

Scoping the Audit

- How many audits?
- Who, what or when to audit?

Key Questions

- How much budget do we have?
- What is the greatest risk(s)?

Create

- Long term audit plan for 3-5 years to help balance resources and risks

Scope the Audit: Assess the budget

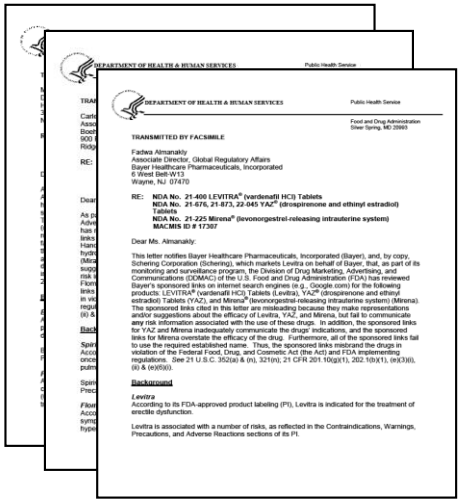
- Audits are expensive
  - Resources and travel
  - Transportation, accommodations, and time out of the office

- Set budget in advance
  - Maximizes audit dollars
  - Ensure you can meet the scope

Scope the Audit: Identify the reach

- Define the scope
- Key considerations
  - What products present the highest risk?
  - Has a specific territory or region been investigated multiple times?
  - What audits have been previously conducted or planned ?
- Broad focus or narrow focus, or in between

Scope the Audit: Determining Highest Risks



DEPARTMENT OF HEALTH & HUMAN SERVICES — Public Health Service

Food and Drug Administration
Silver Spring, MD 20993

TRANSMITTED BY FACSIMILE

Fadwa Almanakly
Associate Director, Global Regulatory Affairs
Bayer Healthcare Pharmaceuticals, Incorporated
6 West Belt-W13
Wayne, NJ 07470

RE: NDA No. 21-400 LEVITRA® (vardenafil HCl) Tablets
NDA No. 21-676, 21-873, 22-045 YAZ® (drospirenone and ethinyl estradiol) Tablets
NDA No. 21-225 Mirena® (levonorgestrel-releasing intrauterine system)
MACMIS ID # 17307

Dear Ms. Almanakly:

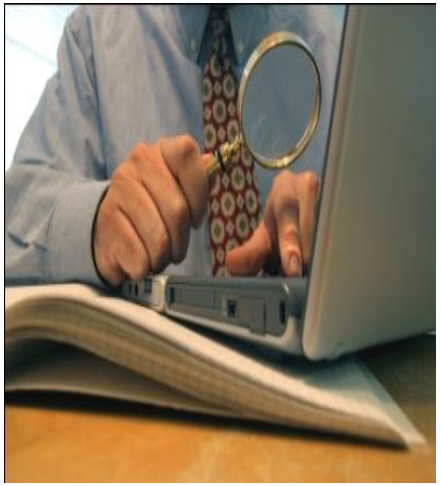
This letter notifies Bayer Healthcare Pharmaceuticals, Incorporated (Bayer), and, by copy, Schering Corporation (Schering), which markets Levitra on behalf of Bayer, that, as part of its monitoring and surveillance program, the Division of Drug Marketing, Advertising, and Communications (DDMAC) of the U.S. Food and Drug Administration (FDA) has reviewed Bayer's sponsored links on internet search engines (e.g., Google.com) for the following products: LEVITRA® (vardenafil HCl) Tablets (Levitra), YAZ® (drospirenone and ethinyl estradiol) Tablets (YAZ), and Mirena® (levonorgestrel-releasing intrauterine system) (Mirena). The sponsored links cited in this letter are misleading because they make representations and/or suggestions about the efficacy of Levitra, YAZ, and Mirena, but fail to communicate any risk information associated with the use of these drugs. In addition, the sponsored links for YAZ and Mirena inadequately communicate the drugs' indications, and the sponsored links for Mirena overstate the efficacy of the drug. Furthermore, all of the sponsored links fail to use the required established name. Thus, the sponsored links misbrand the drugs in violation of the Federal Food, Drug, and Cosmetic Act (the Act) and FDA implementing regulations. See 21 U.S.C. 352(a) & (n), 321(n); 21 CFR 201.10(g)(1), 202.1(b)(1), (e)(3)(ii), (ii) & (e)(6)(i).

Background

Levitra

According to its FDA-approved product labeling (PI), Levitra is indicated for the treatment of erectile dysfunction.

Levitra is associated with a number of risks, as reflected in the Contraindications, Warnings, Precautions, and Adverse Reactions sections of its PI.



Warning Letters

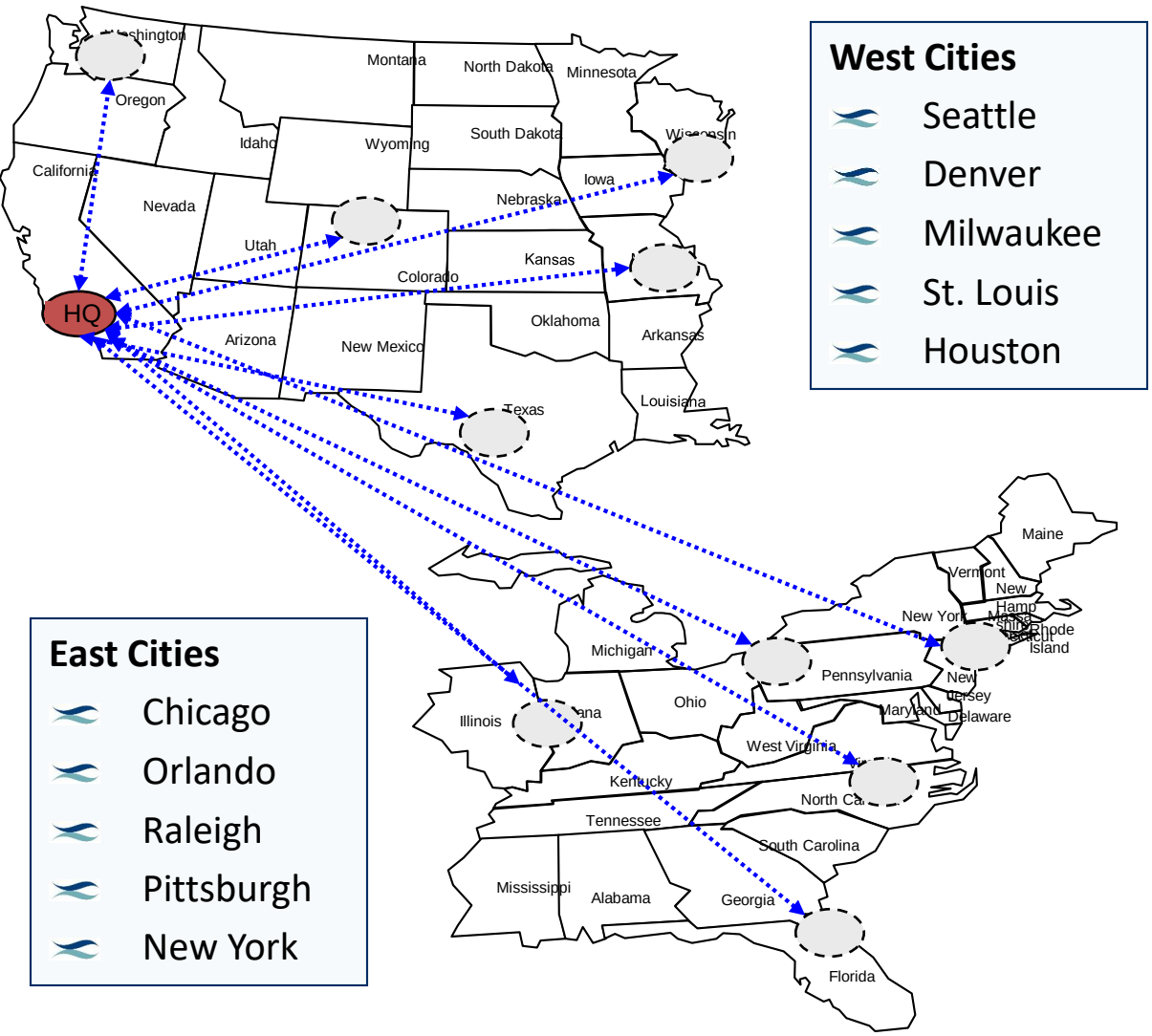
Internal Findings

Off-label Indications

Identify additional areas of concern:

Policies Procedures Training

Scope the Audit: Territory Selection Example



West Cities

- Seattle
- Denver
- Milwaukee
- St. Louis
- Houston

East Cities

- Chicago
- Orlando
- Raleigh
- Pittsburgh
- New York

Travel Schedules

- Travel to Location on Monday
- Three Audit Days (Tues-Fri)
- Multiple locations via major airports

Example of 30 "Audits"

- Each consisting of a ride-along and speaker program
- Three days in the field for 10 weeks

Scope the Audit: Select the Audit Team

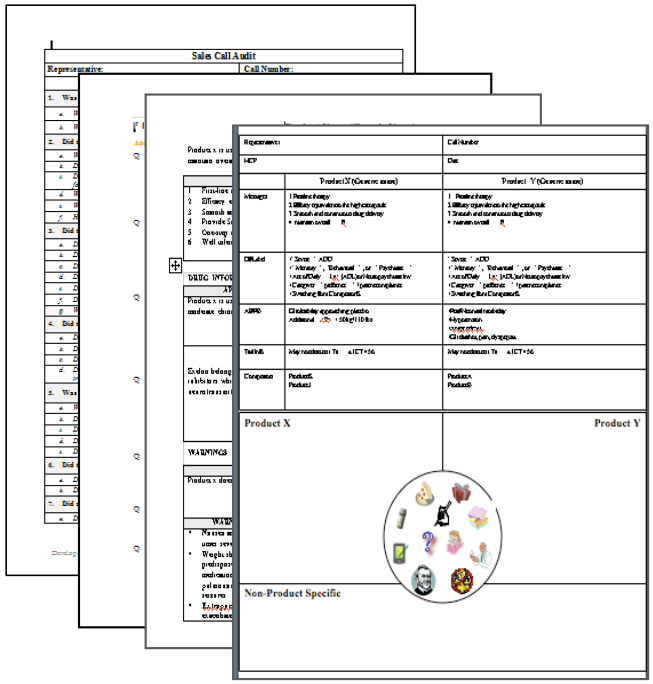
- Internal or External
- Understanding of:
  - Audit principles
  - Compliance issues
  - Product specific risks
  - Medical terminology
  - General understanding of products being audited
- Project Leader
  - Helps coordinate logistics

Be aware of travel demands

Comfortable with the auditing

Develop of Audit Materials: Documentation

- Preparation is crucial
- Formalized training and audit materials
  - Product information guides
  - FAQ'S
  - Audit observation sheets
- Develop an audit protocol
  - Specific parameters being audited
  - Guidance for handling potential situations
  - Stay in scope!



Develop Audit Materials: Training

- Know science behind products
  - Work with Medical, Legal, Regulatory and others to obtain current information
- Formal training program
  - Scientific information about the product(s)
  - Scope the protocol of the audit
  - Appropriate interactions with sales representatives
  - Responses to questions from the sales representatives, HCPs, and other individuals
  - Auditor behavior

Train on appropriate behavior

How to introduce yourself

Communication: Set the Tone

- Tone at the top
- Broad-based communication plan
  - Inform Managers
  - Inform Reps
  - Required participation
  - Request cooperation
  - Helps ensure compliance
- Determine follow-ups
  - How information will be communicated after the audit?

Senior Management communication

Importance of the audit

Legal requirements

Communication: Before and During the Audit

- Put the Sales Representative at Ease
- Explain the purpose of the audit
- Assure the representative they are not individually targeted
- Focus on the audit as a compliance initiative
- Non-interference

Meet with the Representative prior to starting the day

Provide Results: Team Meetings

- Standardization of results
  - Ensures consistency
  - Provides guidance to future auditors
- Team should hold status meetings
  - Discuss concerns and initiated changes
  - Out-of-scope observations

Status meetings help the team to discuss and educate one another during the course of the audit

Audit Results: Observations vs. Findings

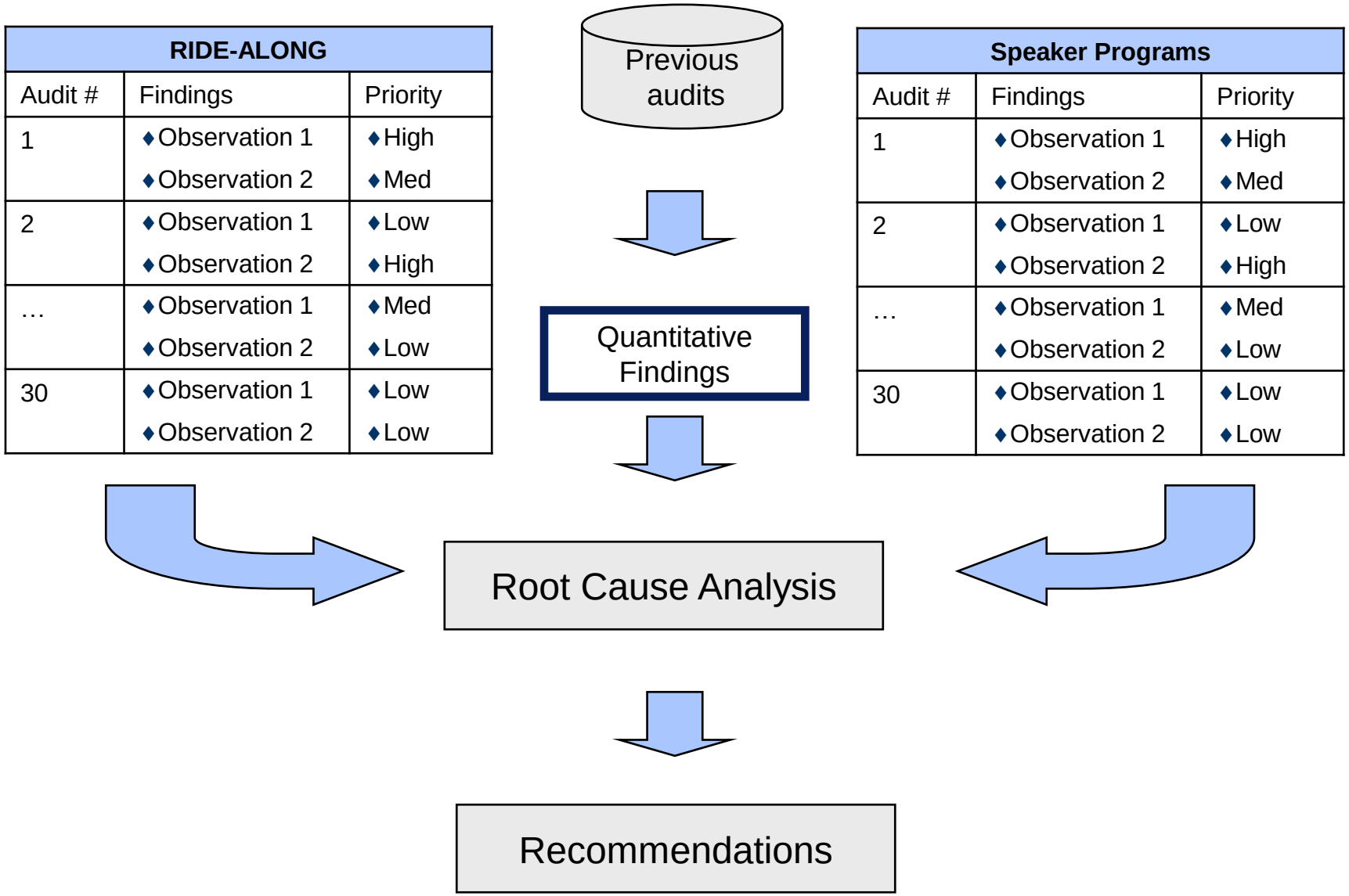
Audit Observations

- Initial results that may have the potential to violate policy or law

Audit Findings

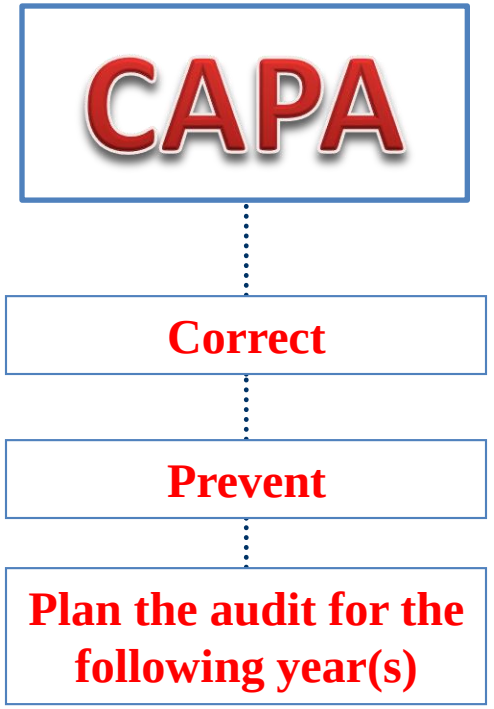
- Confirmed violations of policy or law

Audit Results: Processing the Information



Audit Results: The Audit Report

- Differentiate between observations and findings
- Corrective and Preventive Action (CAPA) Plan
- Fix the immediate problem (CA)
  - Uncover the root cause of the violation
  - Hypothesize then confirm underlying cause
  - Issue recommendation
- Develop specific recommendations to limit future occurrences (PA)



Helpful Tips

1. Stay within scope
2. Make use of the available resources
3. Develop protocols for cancellations
4. Limit the number or auditors
5. Set a timeframe for follow-ups

Contact Information

PotomacRiver PARTNERS

Jon Wilkenfeld
President

Tel: 703.430.5944
Cell: 610.470.7616
Fax: 703.997.7719
jwilkenfeld@potomacriverpartners.com
www.potomacriverpartners.com

Dan Koerner
Consultant

Tel: 201.850.1305
Cell: 201.394.0532
Fax: 360.365.1006
dkoerner@potomacriverpartners.com
www.potomacriverpartners.com