

Public Views of Direct-to-Consumer Prescription Drug Advertising

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SUMMARY OF TESTIMONY BY MOLLYANN BRODIE, PH.D.

- Despite the fact that they account for just 10 percent of health care spending overall, prescription drugs and their cost have become a central health care affordability and access issue, mainly because they touch almost everyone's lives in some way. More than half of Americans regularly take prescription drugs, and four in ten report some serious problem paying for their medications.
- The public has mixed views of prescription drugs and the companies that make them. On the positive side, they appreciate the benefits of the drugs themselves, while on the negative side, they are concerned about high drug prices, which in their view are largely driven by high company profits.
- The public also sees both a good and a bad side to prescription drug advertising. On the one hand, most Americans agree with the proponents of drug ads who say that they raise awareness, help educate the public, and reduce stigma. On the other hand, most people agree with critics of these ads who say they raise prescription drug prices and induce unnecessary demand.
- Further, the public's views are mixed about how well drug ads present specific information about the medicines they advertise. While majorities say they do a good job explaining the potential benefits and what condition the drug is designed to treat, more than half say ads do only a fair or poor job explaining potential side effects.
- Survey data strongly suggest that drug advertisements are doing what they were designed to do – prompting people to talk to their doctors and to get prescriptions. About a third of Americans report that they have talked to a doctor about a specific drug after seeing an ad, and about eight in ten of this group says the doctor recommended a prescription drug as a result. These findings are echoed in surveys of physicians, a large majority of whom report both getting inquiries from patients based on drug ads and at least sometimes recommending a prescription drug as a result of these inquiries.
- What the survey data can't tell us is whether this "advertising induced demand" is good or bad from a health perspective – is it mostly encouraging people who might not otherwise get treatment to seek needed medications, or is it mostly leading to demand for unnecessary medications? These questions go beyond what the public can tell us in a survey.
- Finally, while government regulation in many areas is unpopular, there is an appetite among some in the public for increased government regulation when it comes to prescription drugs in terms of both making sure advertising claims are not misleading and in helping to rein in prices, and typical arguments against such regulation do not substantially erode public support.

Introduction

Mr. Chairman and members of the Oversight and Investigations Subcommittee, thank you for the opportunity to testify today on the public's views of direct-to-consumer prescription drug advertising. I am Mollyann Brodie, Vice President and Director of Public Opinion and Media Research of the Henry J. Kaiser Family Foundation. The Kaiser Family Foundation is a non-profit, private operating foundation dedicated to providing information and analysis on health care issues to policymakers, the media, the health care community and the general public. The Foundation is not associated with Kaiser Permanente or Kaiser Industries. My testimony today will briefly review what we know from public opinion surveys about Americans' opinions of and experiences with prescription drugs and pharmaceutical companies in general, with a more specific focus on their views of direct-to-consumer advertising. The data I will share with you today are based on nationally representative surveys of the general public that Kaiser Family Foundation researchers have conducted on these topics over the past several years, the most recent of which was conducted in January 2008¹. I will also share some data from a 2006 Kaiser survey of physicians involved in direct patient care².

Despite the fact that they account for just 10 percent of health care spending overall³, prescription drugs and their cost have become a central health care affordability and access issue, mainly because they touch almost everyone's lives in some way. Prescription drugs play a role in the daily lives of more than half of all Americans, and most people agree that these

¹ Unless otherwise noted, survey data presented in this testimony are from the USA Today/Kaiser Family Foundation/Harvard School of Public Health survey, *The Public On Prescription Drugs and Pharmaceutical Companies*, a nationally representative random sample survey of 1,695 adults ages 18 and older, conducted by telephone in English and Spanish from Jan. 3-23, 2008. The margin of sampling error for the survey is plus or minus 3 percentage points.

² Physician survey data presented in this testimony are from the Kaiser Family Foundation *National Survey of Physicians*, a nationally representative random sample survey of 834 office-based physicians involved in direct patient care with adults, conducted by telephone and online from April 25-July 8, 2006. The margin of sampling error for the survey is plus or minus 3 percentage points.

³ Source: Kaiser Family Foundation calculations using National Health Expenditure data from Centers for Medicare and Medicaid Services, Office of the Actuary, National Health Statistics Group. Available at: <http://www.kff.org/insurance/upload/7670.pdf>.

medications have had a positive impact on their own lives and on the lives of Americans in general. While they appreciate the products that pharmaceutical companies produce, the public holds less favorable views towards the companies themselves; 47 percent say they have a favorable view of pharmaceutical companies, while nearly as many – 44 percent – have an unfavorable view. Among the seven types of organizations asked about, only health insurance companies (54 percent) and oil companies (63 percent) are viewed unfavorably by more Americans (Figure 1).

The main reason behind these unfavorable views is the public's concern about high drug prices, which in their view are largely driven by high company profits; nearly eight in ten Americans say the cost of prescription drugs is unreasonable, seven in ten say that pharmaceutical companies are too concerned about making profits and not concerned enough about helping people, and eight in ten say that profits made by drug companies are a major contributing factor in the price of prescription drugs (Figure 2).

These opinions about prices and profits may be related, at least in part, to people's real-life struggles paying for drugs. Four in ten adults report some serious problem paying for medication, including 29 percent who say they have not filled a prescription because of the cost in the past two years, 23 percent who report skipping doses or cutting pills in half to make their prescription last longer, and 16 percent who say it is a serious problem for their family to afford the drugs they need (Figure 3). Problems paying for prescription drugs, not filling prescriptions because of cost, and skipping doses are even more common among those who take four or more prescription drugs (59 percent), those who don't have insurance to cover their prescription drug costs (52 percent), and those with lower incomes (54 percent of those earning less than \$25,000).

Views of Prescription Drug Advertising

Prescription drug advertisements have become ubiquitous in the media, and in 2008, 91 percent of adults report having seen or heard advertisements for prescription drugs (up from 76 percent in 2000⁴). While nearly all Americans have seen or heard prescription drug ads, they have mixed views about the relative benefits and costs associated with them. On the one hand, when it comes to general opinions about these ads, more people view them as mainly positive than as negative. Just over half (53 percent) of the public says prescription drug advertising is mostly a good thing, while 40 percent say it is mostly a bad thing. Two-thirds of the public agrees that prescription drug advertisements educate people about available treatments and encourage them to get help for medical conditions they might not have been aware of (Figure 4).

More people also see benefits from advertisements for prescription drugs that treat mental health conditions like depression and anxiety. Six in ten think such ads are mostly good because they improve understanding of these conditions and encourage people to seek treatment, while just over a third (36 percent) think these ads are mostly bad because they encourage people without serious mental health conditions to think they need treatment (Figure 5).

On the other hand, the public has concerns about drug advertisements, and views are mixed about how well these ads present specific information about the medicines they advertise. While majorities say drug ads do an “excellent” or “good” job explaining the potential benefits of a medication (56 percent) and what condition it is designed to treat (54 percent), more than half (53 percent) say ads do only a “fair” or “poor” job explaining the potential side effects of the medication (Figure 6). In addition, advertisements rank at the bottom of the list of sources people rely on for information about prescription medications. Just over a quarter (27 percent) of

⁴ Source: Kaiser Family Foundation/Agency for Health Care Research and Quality, *National Survey on Americans as Health Care Consumers*, a nationally representative random sample survey of 2,014 adults ages 18 and older, conducted by telephone from July 31-Oct. 9, 2000, margin of sampling error plus or minus 3 percentage points.

adults say they rely on drug advertisements “a lot” or “somewhat” to provide accurate information about prescription drugs, ranking lowest on the list of seven sources asked about (Figure 7). Ranking highest on the list of sources people rely on for information about drugs are doctors (91 percent), pharmacists (81 percent), and information about the product included in the manufacturer’s packaging (81 percent).

The public has become more skeptical of drug ads over time as trust in pharmaceutical company advertising has declined. In 1997⁵, a third of adults said they could trust what drug companies had to say in their advertisements “most of the time”; by 2005⁶ this share had declined to 18 percent (Figure 8). Perhaps as a result of this declining trust, there is an appetite among some in the public for increased government regulation of prescription drug advertising; while a plurality (48 percent) say there is about the right amount of regulation aimed at making sure these ads are not misleading and six percent say there is too much, more than four in ten (43 percent) say there should be more regulation in this area (Figure 9). More of the public favors regulation when it comes to drug prices; two-thirds say there should be more regulation limiting the price of prescription drugs, and even when the argument that this might lead companies to do less R&D is mentioned, nearly half support price regulation.

The public is also concerned about the cost of prescription drug ads and the impact of these costs on drug prices overall, as well as about increased consumer demand for drugs caused by advertising. Six in ten say pharmaceutical companies spend too much money advertising to patients, and roughly half (51 percent) say they spend too much on marketing to doctors (Figure 10). About three in four (77 percent) believe that the cost of advertisements makes prescription

⁵ Source: Kaiser Family Foundation/Harvard School of Public Health, *Views on Managed Care Survey*, a nationally representative random sample survey of 1,204 adults ages 18 and older conducted by telephone Aug. 22-Sept. 23, 1997; margin of sampling error plus or minus 3 percentage points.

⁶ Source: Kaiser Family Foundation, *Health Poll Report Survey*, a nationally representative random sample survey of 1,201 adults ages 18 and older conducted by telephone February 3-6, 2005; margin of sampling error plus or minus 3 percentage points.

drugs too expensive, and four in ten (41 percent) say this bothers them “a lot.” Among other concerns, about two-thirds believe there are too many prescription drug ads on television (68 percent) and that ads encourage people to take medications they don’t need (66 percent); however, fewer say they are bothered “a lot” by either of these issues (27 percent and 34 percent, respectively) (Figure 11).

Talking to Doctors as a Result of Drug Ads

Our survey suggests that the drug advertisements are prompting people to talk to doctors and to get more prescription drugs. Nearly one-third (32 percent) of adults say they have talked to a doctor about a specific prescription medication they saw in an advertisement, and more than eight in ten of those who talked to a doctor about a drug they saw advertised (representing 26 percent of all adults) say the doctor recommended a prescription, either for the drug they asked about or another prescription drug. More than half (57 percent) of those who talked to a doctor after seeing an ad say their doctor recommended lifestyle or behavior changes, while three in ten say the doctor recommended an over-the-counter drug (Figure 12).

Physicians’ Views

Like the public, physicians are somewhat split when it comes to the usefulness of prescription drug ads. In a 2006 survey of office-based physicians involved in direct patient care with adults, just over half (53 percent) of doctors said that drug company advertisements provide useful information for patients “most of the time” or “sometimes,” while nearly as many (47 percent) said these ads “hardly ever” or “never” provide useful information for patients.

Eight in ten physicians (80 percent) say that patients ask them about specific diseases or treatments they heard about from advertisements for prescription drugs at least “sometimes,” including nearly three in ten (28 percent) who say they “frequently” get such inquiries from patients. Large shares of physicians also say that patients frequently or sometimes ask them

about diseases or treatments they heard about from friends or family members (89 percent), the general news media (84 percent), and the Internet (71 percent), while fewer say patients ask them about treatments they heard about from entertainment TV shows (36 percent) (Figure 13).

A plurality (42 percent) of physicians say that when patients ask them about specific diseases or treatments they heard about from prescription drug ads or other sources, these inquiries have a positive impact on their interactions with patients. About a third (35 percent) say these inquiries have no effect on their interactions with patients, while about one in five (21 percent) say they have a negative impact (Figure 14).

When asked what actions they usually take when patients ask them about treatments they heard about from prescription drug ads or other sources, the most common response given by doctors is recommending lifestyle or behavior changes; half of doctors say they do this “frequently” when they get such inquiries from patients, and another 42 percent say they do this “sometimes.” Doctors are less likely to say they frequently recommend an over-the counter drug (18 percent), recommend a different prescription drug (14 percent), recommend no treatment (14 percent), or give the patient a prescription for the drug they asked about (5 percent). However, a majority of doctors say they at least sometimes recommend a different prescription drug (76 percent) or give the patient a prescription for the drug they asked about (57 percent) (Figure 15).

Conclusions

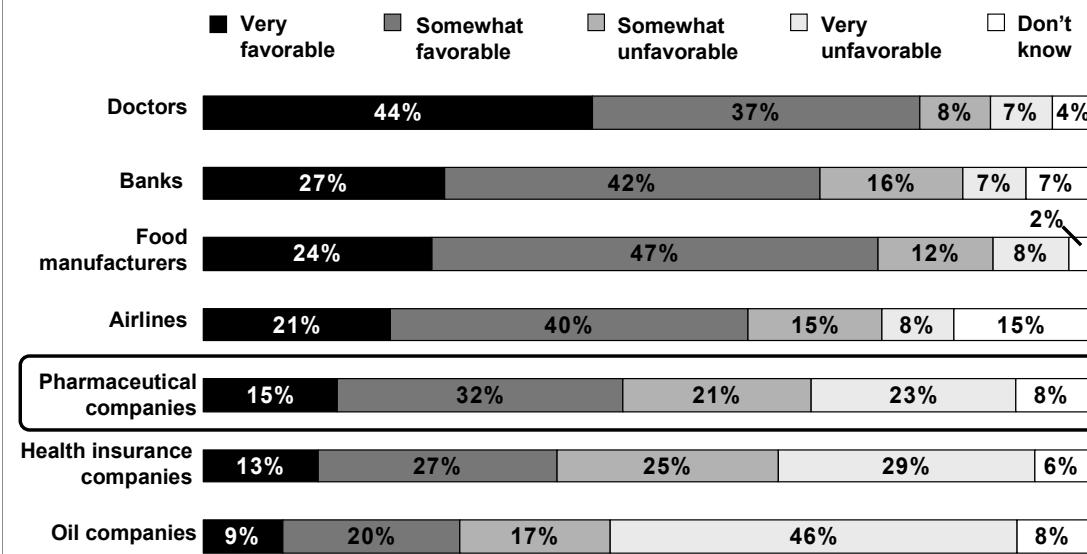
The public has mixed views of pharmaceutical companies and the advertising they produce. On the one hand, most Americans agree with the proponents of drug ads who say that they raise awareness, help educate the public, and reduce stigma. On the other hand, most people agree with critics of these ads who say they raise prescription drug prices and lead some people to take medications they don’t really need.

We know from our survey data that prescription drug ads are doing what they are designed to do – prompting people to talk to their doctor about a specific drug they saw advertised. Many go on to receive a doctor’s recommendation for a prescription as a result. What we don’t know is what share of those people were already under a doctor’s care for that particular condition and were asking about a new drug, how many were prompted by an ad to get needed care for a condition they hadn’t discussed with a doctor before, or how many may have been seeking unnecessary medications. These questions go beyond the scope of what can be captured in a survey of the public. Given that, ultimately, the doctor must decide whether or not to write the prescription, it is helpful to recognize that the majority of doctors do not seem to think these inquiries from patients are negatively impacting their doctor-patient relationship.

The public prioritizes affordability of prescription drugs, and while government regulation in many areas is unpopular, there is an appetite among many for increased government regulation when it comes to reining in prescription drug prices. To a lesser degree, some are supportive of more regulation in terms of making sure advertising claims are not misleading, although many believe there is already enough regulation in this area. However, since the public has both become more skeptical of drug ads over time and gives these ads low scores on their ability to effectively communicate about potential side effects, the public would likely embrace efforts that may lead to improvements in prescription drug advertising practices.

Thank you for the opportunity to testify today and for your attention to the public’s views on this matter. I welcome your questions.

Figure 1
General Opinions of Pharmaceutical Companies and Other Groups

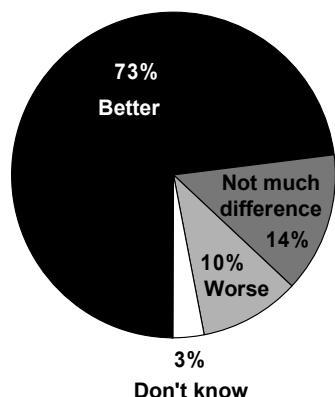


Source: USA Today/Kaiser Family Foundation/Harvard School of Public Health: *The Public On Prescription Drugs and Pharmaceutical Companies* (Jan. 3-23, 2008)



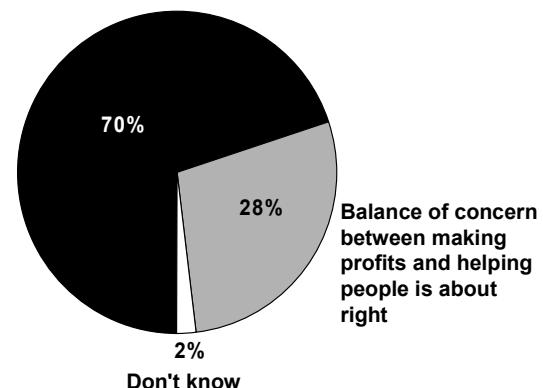
Figure 2
Positive and Negative Views of Drug Companies

Do you think prescription drugs developed over the past 20 years have generally made the lives of people in the US better, worse or haven't they made much difference?



Which statement comes closer to your view?

Drug companies are too concerned about profits, not concerned enough about helping people



Source: USA Today/Kaiser Family Foundation/Harvard School of Public Health: *The Public On Prescription Drugs and Pharmaceutical Companies* (Jan. 3-23, 2008)



Figure 3

Four in Ten Report At Least One Serious Problem Affording Prescription Drugs

In past two years, have ever NOT filled a prescription because of the cost

29%

In past two years, have skipped doses or cut pills in half to make Rx last longer

23%

Say it is a serious problem for self/family to pay for Rx drugs you need

16%

Percent who say yes to at least one of the above

40%

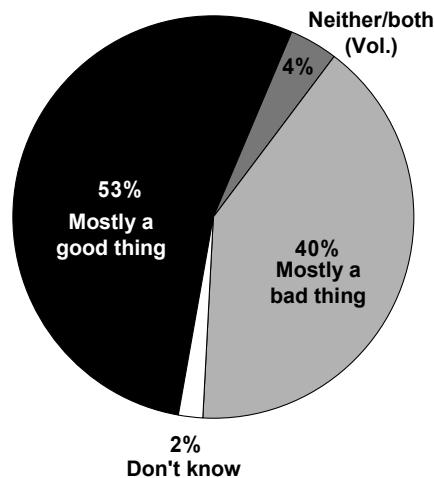
Source: USA Today/Kaiser Family Foundation/Harvard School of Public Health: *The Public On Prescription Drugs and Pharmaceutical Companies* (Jan. 3-23, 2008)



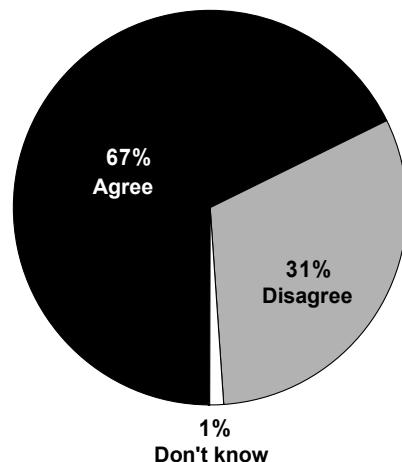
Figure 4

More View Rx Drug Ads As Positive than Negative

On balance, do you think prescription drug advertising is mostly a good thing, or mostly a bad thing?



Do you agree or disagree with this statement: Prescription drug ads educate people about available treatments and encourage them to get help for medical conditions they might not have been aware of



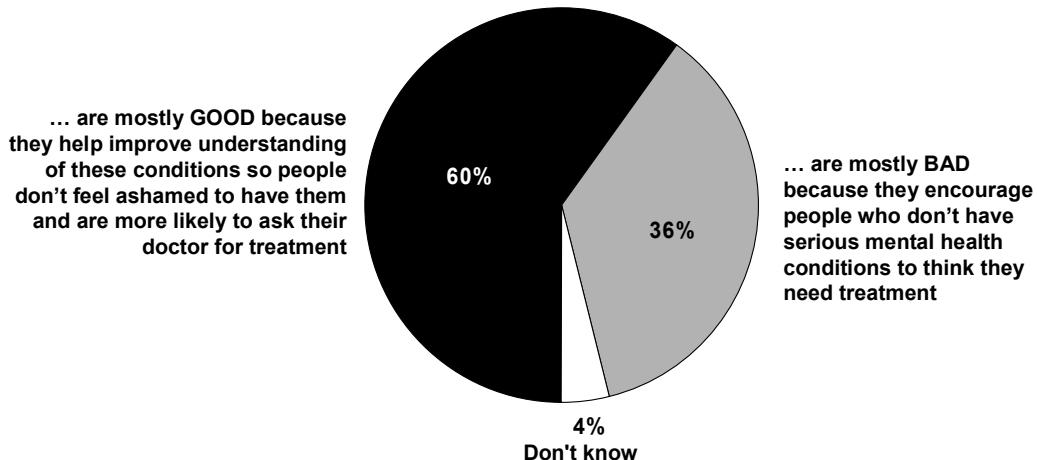
Source: USA Today/Kaiser Family Foundation/Harvard School of Public Health: *The Public On Prescription Drugs and Pharmaceutical Companies* (Jan. 3-23, 2008)



Figure 5

Perception of Drug Ads for Mental Health Conditions

Which comes closer to your view:
Advertisements for prescription drugs to treat mental health conditions like depression and anxiety...?



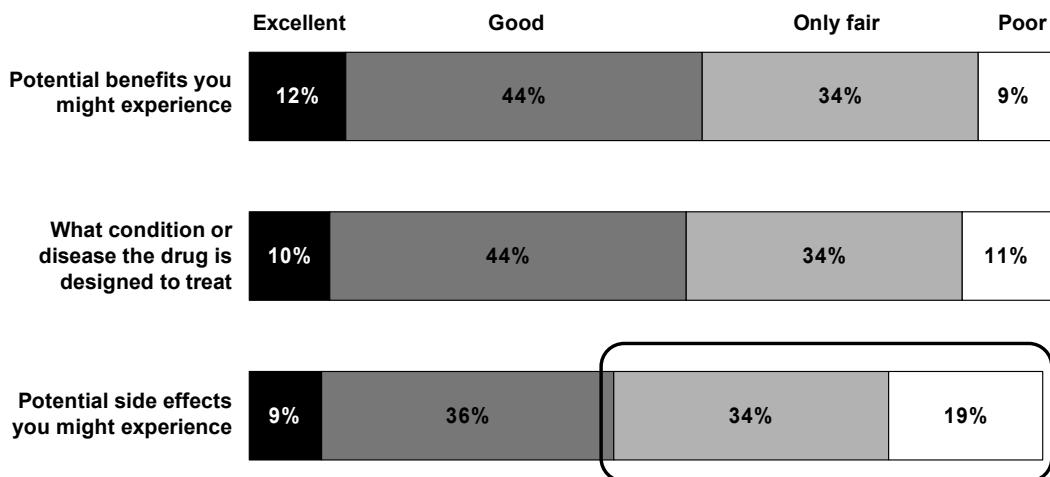
Source: USA Today/Kaiser Family Foundation/Harvard School of Public Health: *The Public On Prescription Drugs and Pharmaceutical Companies* (Jan. 3-23, 2008)



Figure 6

Most Think Drug Ads Do a Decent Job Informing the Public (except when it comes to side effects)

Do prescription drug advertisements do an excellent job, a good job, only a fair job, or a poor job telling you about the following... ?



Note: "Don't know" responses not shown

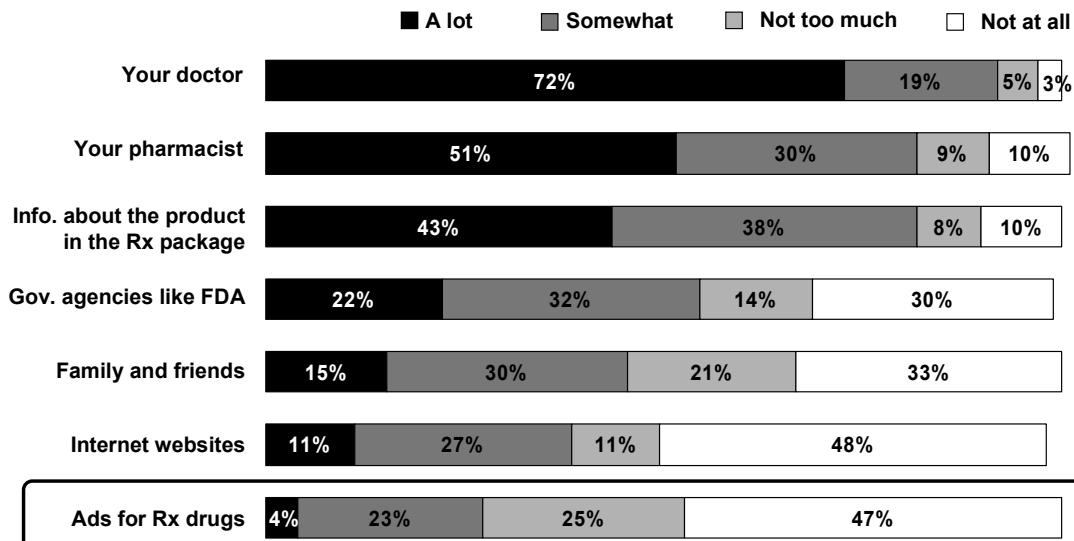
Source: USA Today/Kaiser Family Foundation/Harvard School of Public Health: *The Public On Prescription Drugs and Pharmaceutical Companies* (Jan. 3-23, 2008)



Figure 7

Ads Rank Low as a Source of Information for Rx Drugs

Please tell me how much you rely on each of the following sources to provide accurate information about prescription medicines:



Note: "Don't know" responses not shown

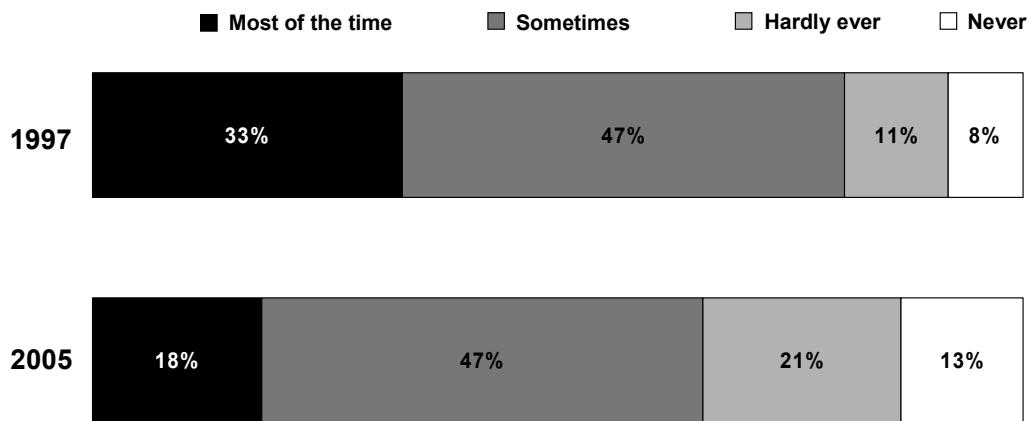
Source: USA Today/Kaiser Family Foundation/Harvard School of Public Health: *The Public On Prescription Drugs and Pharmaceutical Companies* (Jan. 3-23, 2008)



Figure 8

Trust In Pharmaceutical Company Advertisements Declined Between 1997 and 2005

Percent saying they can trust what pharmaceutical or drug companies have to say in their advertisements...



Note: "Don't know" responses not shown

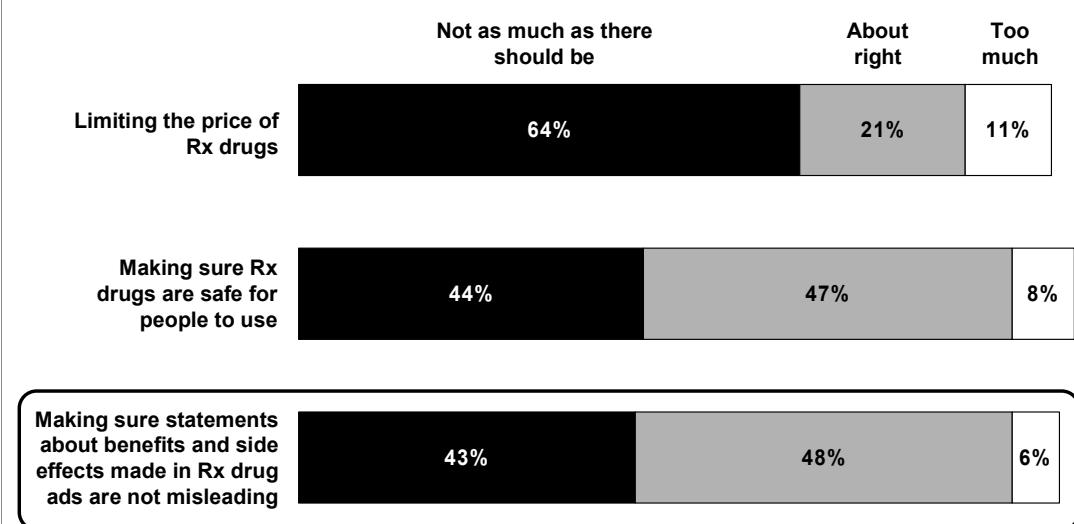
Sources: Kaiser Family Foundation/Harvard School of Public Health *Views on Managed Care Survey* (Aug. 22-Sept. 23, 1997);
Kaiser Family Foundation *Health Poll Report Survey* (Feb. 3-6, 2005)



Figure 9

Most Think There is Enough Government Regulation of Rx Drug Ads, Though Many Would Like to See More

Percent saying the amount of government regulation in each area is...



Note: "Don't know" responses not shown

Source: USA Today/Kaiser Family Foundation/Harvard School of Public Health: *The Public On Prescription Drugs and Pharmaceutical Companies* (Jan. 3-23, 2008)

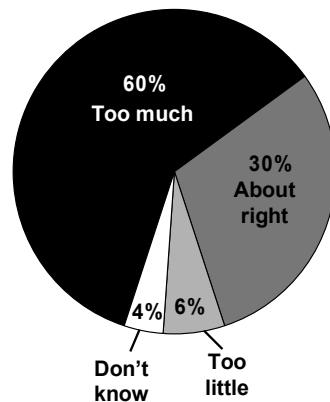


Figure 10

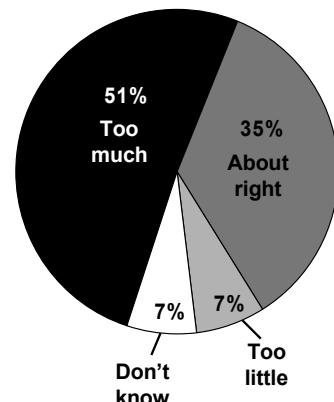
Perception of Pharmaceutical Companies' Spending on Advertising and Marketing

Do you think pharmaceutical companies spending too much, too little, or about the right amount of money on...

...Advertising to patients



...Marketing their products to doctors



Source: USA Today/Kaiser Family Foundation/Harvard School of Public Health: *The Public On Prescription Drugs and Pharmaceutical Companies* (Jan. 3-23, 2008)



Figure 11

Some Negative Views of Rx Drug Ads

Negatives of prescription drug ads	% who agree with each statement	% who say each bothers them "a lot"
The cost of ads makes Rx drugs too expensive	77%	41%
Ads for Rx drugs encourage people to take medicine they don't need	66%	34%
There are too many Rx drug ads on television	68%	27%
Many Rx drug ads are too sexually explicit	46%	20%

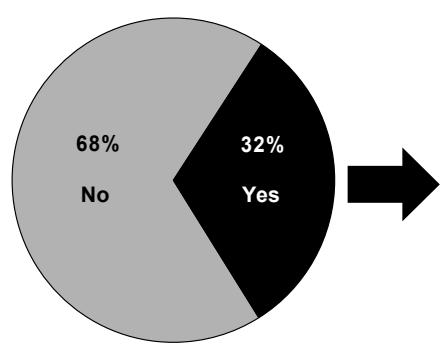
Source: USA Today/Kaiser Family Foundation/Harvard School of Public Health: *The Public On Prescription Drugs and Pharmaceutical Companies* (Jan. 3-23, 2008)



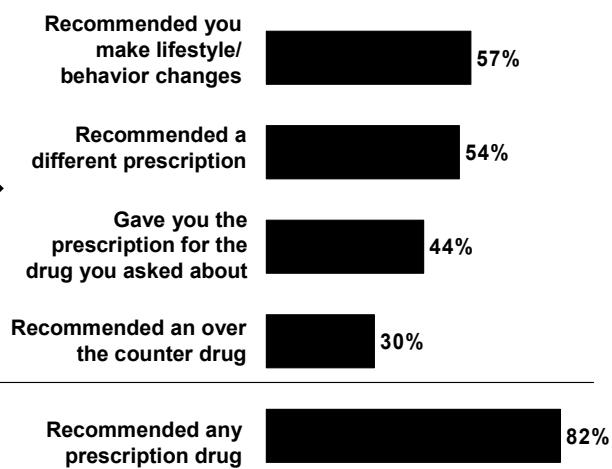
Figure 12

Outcome of Talking to a Doctor as a Result of Ads

As a result of seeing an ad for a prescription medicine, have you ever talked with a doctor about the specific medicine you saw or heard advertised, or not?



Among the 32% who have talked to a doctor as a result of seeing an Rx drug ad: Percent who say the doctor did one or more of the following...



Source: USA Today/Kaiser Family Foundation/Harvard School of Public Health: *The Public On Prescription Drugs and Pharmaceutical Companies* (Jan. 3-23, 2008)



Figure 13

Physicians' Reports of Patients Asking About Rx Drugs They've Seen Advertised

How often do patients talk with you about specific diseases or treatments they heard about from...

■ Frequently ■ Sometimes ■ Rarely □ Never

Friends or family members 37% 52% 9% 1%

Advertisements for prescription drugs 28% 52% 16% 2%

The general news media 27% 57% 13% 2%

The Internet 23% 48% 23% 5%

Entertainment TV like "ER" or "House" 10% 26% 41% 22%

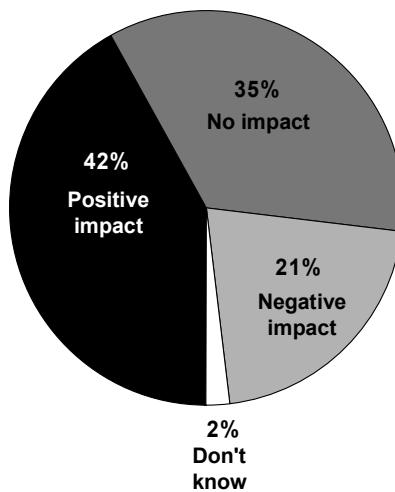
Source: Kaiser Family Foundation *National Survey of Physicians* (April 25-July 8, 2006) [Note: "Don't know" responses not shown]



Figure 14

Physicians' Opinions of Patient Inquiries from Ads and Other Sources

Overall, do you think these inquiries from patients have a positive or negative impact on your interactions with patients, or do they have no effect?



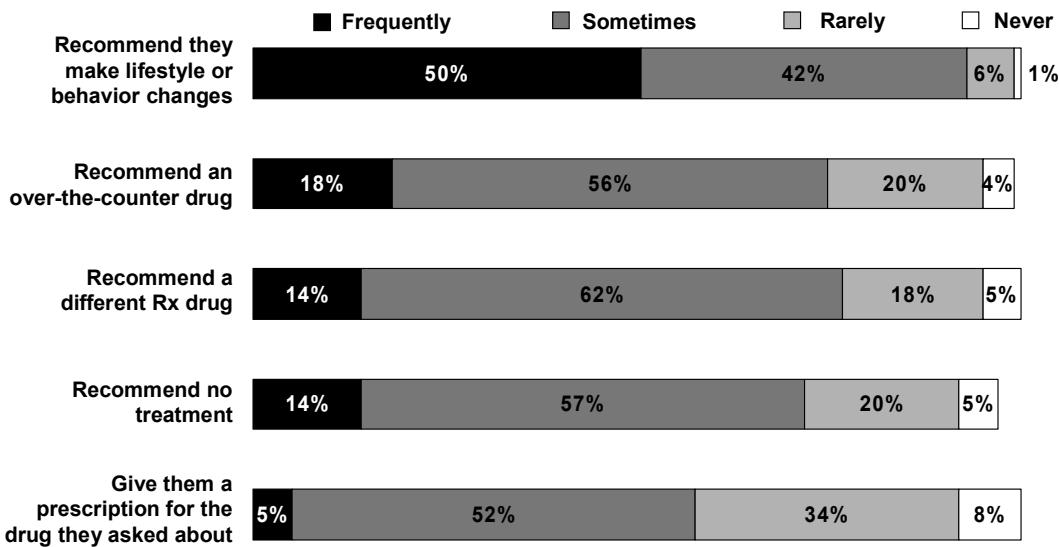
Source: Kaiser Family Foundation *National Survey of Physicians* (April 25-July 8, 2006)



Figure 15

Physicians' Reported Actions When Patients Inquire About Prescription Drugs

When a patient talks to you about a specific treatment they heard about from the media or other sources, how often do you...



Source: Kaiser Family Foundation *National Survey of Physicians* (April 25-July 8, 2006) [Note: "Don't know" responses not shown]





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