

**Key Dates for  
“Sunshine” Data  
Collection & Reporting!**



- ◆ **August 1- December 31, 2013:** Manufacturers must begin collecting and tracking transfers of payment and ownership information.
- ◆ **March 31, 2014:** Manufacturers and GPOs must report data to CMS for 2013.
- ◆ **August 2014:** CMS must provide physicians with consolidated reports of all manufacturer and GPO reports for the prior calendar year by mid-August of the subsequent calendar year.

Physicians may access these reports through an online website portal maintained by CMS. They will be provided a 45 day period to review the report and, if necessary, initiate disputes with the applicable manufacturer or GPO, and if necessary, a 15 day period to resolve any disputes. (**Note:** If the challenged payment is not resolved during this timeframe, CMS will publish the payment, flagging it as “disputed.” Failure to challenge an alleged mistaken payment within this timeframe will result in CMS’s acceptance of the payment as accurate).

- ◆ **September 30, 2014:** CMS publishes the reported data on a public Open Payments website at <https://go.cms.gov/openpayments>.

**Go to the link below to get further guidance on “Sunshine” reporting?**

[www.psychiatry.org/sunshineact](http://www.psychiatry.org/sunshineact)



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## Understanding the



## Physician Payment Sunshine Act



## CMS Puts Physician Payment in the “SUNSHINE”

Section 6002 of the Affordable Care Act, known as the **Physician Payment “Sunshine” Act**, seeks to enhance transparency in financial interactions occurring between drug and medical device manufacturers and physicians and teaching hospitals.



The “Sunshine” Act requires applicable manufacturers of drugs, devices, biologicals, or medical supplies covered under Medicare, Medicaid, or CHIP and operating in the United States, as well as applicable group purchasing organizations (GPOs), to report annually to the Secretary of the Department of Health and Human Services certain payments or other transfers of value made to physicians and teaching hospitals. Applicable manufacturers and GPOs are subject to civil monetary penalties ranging from \$1,000 to \$1,000,000 if they fail to comply with the reporting requirements of the statute.

### Who must submit reports?

- Manufacturers of drugs, devices, biologicals, and other medical supplies covered under Medicare, Medicaid, or CHIP, that operate in the United States.
- Manufacturers and GPOs must report ownership interests held by physicians and their close family members.

### Who gets reported on?

- “Covered recipients,” which CMS defines as physicians and teaching hospitals.

**Note:** Residents are excluded from CMS’s definition of “covered recipients.”



## What payments or transfers of value trigger reporting?

- Any direct payments or transfers of value to physicians and/or teaching hospitals of \$10 or more.
- Indirect payments or transfers of value that a third party indicates are intended to be passed through to a physician.
- Indirect payments or transfers of value when manufacturers make a payment to a third party, such as a physician organization, and then *require, instruct, or direct* the payment or transfer of value to be a provided to a *specific physician or intended generally for physicians* (in the latter case without regard as to whether specific physicians are identified in advance).

### What information must be reported?

*For each payment or transfer of value, applicable manufacturers and/or applicable GPOs must report:*

- The covered recipient’s name and address; the covered recipient’s specialty, NPI, state license and number; amount of payment; date of payment; form of payment; nature of payment; name of the drug, device, biological, or medical supply associated with payment; National Drug Code, if possible; as well as the context of each transaction.

*For each ownership and investment interest, applicable manufacturers and/or applicable GPOs must report:*

- The covered recipient’s name, address, specialty, NPI, and state license and number; dollar amount, value, and terms of ownership or investment interest; whether payment is held by an immediate family member of the physician; any payments or other transfers of value made to the physician owner or investor.

For each payment related to research, applicable manufacturers and/or applicable GPOs must report:

- The name of the institution receiving the payments and the principal investigators.



## What is excluded from reporting?

- Certified and **accredited CME**.
- **Buffet meals, snacks, soft drinks, or coffee** generally available to all participants of **large-scale events**.
- **Product samples** which are not intended for sale and are **intended for patient use**.
- **Educational materials that directly benefit patients** or are intended for patient use (excludes textbooks).
- In-kind items used for the provision of charity care.
- **A dividend or other profit distribution from, or ownership or investment interest in, a publicly traded security and mutual fund**.
- Discounts (including rebates).
- **A transfer of anything of value to a physician when the physician is a patient** and not acting in his/her professional capacity as a physician.
- **The loan of a medical device for a short-term trial period**, which does not exceed 90 days, to permit the evaluation of the covered device by the covered recipient.
- **Items or services provided under a contractual warranty**, including the replacement of a covered device, where the terms of the warranty are set forth in the purchase or lease agreement for the covered device.
- An applicable manufacturer who offers a self-insured plan, **payments for the provision of health care to employees under the plan**.
- In the case of a physician who is a licensed non-medical professional, a transfer of anything of value to the physician if **the transfer is payment solely for the non-medical professional services of such licensed non-medical professional** i.e. (Payments to a physician who is licensed to practice law and is retained by the manufacturer to provide legal advice).
- A covered recipient who is a physician, **the transfer of anything of value to the covered recipient if the transfer is payment solely for the services of the physician with respect to a civil or criminal action or an administrative proceeding**.
- A transfer of anything for which the **value is less than \$10**, unless the aggregate amount transferred to, requested by, or designated on behalf of the covered recipient by the manufacturer during the calendar year exceeds \$100 (subject to increase each year using the consumer price index).