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United States Senate

COMMITTEE ON THE JUDICIARY
WASHINGTON, DC 20510-6275

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May 4, 2011

Via Electronic Transmission

Douglas G. Jacobs, M.D.
President and Chief Executive Officer
Screening for Mental Health, Inc.
One Washington Street, Suite 304
Wellesley Hills, MA 02481

Dear Dr. Jacobs:

In December 2009, I asked for an accounting of industry funding that the Screening for Mental Health, Inc. (SMH) receives from pharmaceutical and medical device companies as well as foundations established by these companies or the insurance industry. I appreciate your response, which I have attached to this letter. I write today to follow up on any efforts by your organization to improve transparency and accountability in its relationships with the pharmaceutical and device industries.

As I stated in my previous letter, I started my inquiry, in part, as a result of accounts documenting the lack of transparency in financial relationships between the pharmaceutical industry and nonprofit health and medical organizations. Specifically, I cited the April 2008 article in *The Wall Street Journal*, which reported that industry representatives, including ten major drug companies, had formed a coalition to promote looser restrictions on off-label marketing.¹ The coalition had asked the National Alliance on Mental Illness (NAMI) to speak in favor of this issue.

In response to my concerns in my April 2009 letter to NAMI, NAMI began to voluntarily disclose to the public any amount of funding exceeding \$5,000 that it received from pharmaceutical companies and foundations on its website. Further, NAMI began to provide a brief description of the purpose of the funding on its website. I commend NAMI for its leadership and had hoped that when I reached out to your organization and 32 others, your organization would follow NAMI's example and begin posting similar funding information on SMH's website.

As of the date of this letter, it appears that no additional information regarding your organization's industry funding has been posted on the SMH's website. If SMH is currently

¹ Alicia Mundy, "Off-Label Use of Drugs Gets a Push --- Big Pharma Lobbies Washington to Relax Rules on Marketing," *The Wall Street Journal*, April 18, 2008.

taking steps to enhance the transparency of its financial relationships with the pharmaceutical and device industries, I would appreciate information regarding those steps. If not, please explain why your organization does not support the disclosure of funding it receives from pharmaceutical and device companies.

The Medicare Payment Advisory Commission (MedPAC) recommended in a report to Congress in March 2009 that Congress require that pharmaceutical and device companies report their financial relationships with physician groups, patient organizations, and others. More specifically MedPAC said the following:

Given the potential benefits of public reporting, we recommend that the Congress mandate the reporting of comprehensive information on industry relationships with physicians and other health care entities and that the Secretary post this information on a public searchable website.²

MedPAC then went on to say in Recommendation 5-1 that:

The Congress should require all manufacturers and distributors of drugs, biologicals, medical devices, and medical supplies (and their subsidiaries) to report to the Secretary their financial relationship with: . . . physician groups and other prescribers . . . patient organizations; and professional organizations.³

I look forward to working with you and other health and medical organizations to further increase sunshine on financial relationships.

Thank you for your cooperation and attention in this matter. I would appreciate a response by May 25, 2011. If you have any questions, please do not hesitate to contact Brian Downey for the Committee on the Judiciary at (202) 224-5225.

Sincerely,



Charles E. Grassley
Ranking Member

Attachments

² Medicare Payment Advisory Commission, "Public reporting of physicians' financial relationships," Report to Congress: Medicare Payment Policy, March 2009.

³ *Id.*

Attachment

Memo

To: Senator Charles E. Grassley-Ranking Member United States Senate
Committee on Finance

From: Douglas Jacobs, MD-President & Chief Executive Officer Screening for
Mental Health, Inc.

Date: 12/17/2009

Re: Funding from Pharmaceutical Industry

In response to your request for information regarding funding from the pharmaceutical industry, I have attached PDFs of Form 990 for the years 2006-2008.

Our policies specifically state that all pharmaceutical funds will be educational grants in aid and be unrestricted. There is no input that any pharmaceutical company has on any materials that SMH develops or distributes. No product branding appears on any materials distributed by SMH. Since we are a 501(c)(3) all sources of funding are referred to in the 990. None of our board members other than myself receive compensation. My compensation and other top executives in Screening for Mental Health, Inc. are listed in the 990.

I have responded to your request with the enclosed documents. Please contact me if additional information is needed.

Respectfully yours,



Douglas Jacobs, MD

President & Chief Executive Officer