

Dear Colleagues

PHARMAC's Consumer Advisory Committee (the Committee) invites you to comment on a draft *Voluntary Checklist for Health Consumer Organisations Considering Health Industry Sponsorship*. The idea of a checklist was mooted when the Committee surveyed health consumer organisations about health industry sponsorship in 2005. The majority of respondents to this survey supported the idea of a voluntary checklist. In response to this feedback we have produced a draft checklist for wider review. We would be very grateful to receive your feedback on the contents of the checklist by 24 October 2008.

## Background

In mid 2005, the Committee surveyed New Zealand consumer groups on their experience of, and views on, health industry sponsorship of health consumer organisations in New Zealand. We asked whether a checklist would be a useful resource for groups who were considering how to make decisions about such sponsorship. In response to strong support from respondents for the development of a voluntary checklist, the Committee proceeded to develop a draft document. The Committee looked to overseas examples where guidelines on health industry sponsorship are already in place, in particular Australia and the United Kingdom.

## Summary of earlier submissions

Sixty-one health consumer organisations responded to the 2005 survey on health industry sponsorship and, of those, over two-thirds supported the development of a checklist and voluntary guideline on health industry sponsorship of consumer groups.

Most submitters felt that a voluntary checklist would assist groups to evaluate the pros and cons of health industry sponsorship. Some submitters had qualms about the notion of a 'guideline' as this was seen as potentially prescriptive. The status of a 'checklist' was preferred and the Committee has adopted this recommendation. Many submitters felt that it made good sense for one group (the Committee in this case) to develop a checklist, rather than having many groups doing the same work. This checklist could then be used as a template for groups to customise, taking into account their specific roles and needs.

On the other hand, some submitters opposed the development of the checklist, mainly on the grounds that they did not see it as the Committee's role to provide it or they felt they were managing such relationships adequately already. As the checklist is voluntary, the Committee considers that individual groups can decide whether the checklist would be of use to them. The Committee appreciates that the checklist may be more useful for some groups than others.

## Why the Consumer Advisory Committee is preparing the checklist

The Committee is aware that entering into sponsorship relationships could give rise to conflicts of interest or at least perceptions about the organisation's independence. The Committee learned that consumer organisations in other countries have benefited from guidelines for health industry sponsorship and considers that consumer organisations in New Zealand may find a checklist of considerations for health industry sponsorship useful. It is up to individual groups to decide whether they want use the checklist, but it could help groups to think through any proposals in a considered and systematic way.

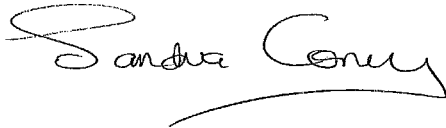
## **Introduction to the checklist**

The attached checklist is a draft and will be amended with the benefit of your feedback. Overall, the document set outs guiding principles that may usefully underpin any sponsorship arrangement between a health consumer organisation and a member of the health industry. The checklist can be used by consumer organisations to better determine whether a sponsorship arrangement is in their longer-term interest.

## **Feedback**

The Committee seeks your feedback on the draft document, including suggested wording changes or additions, by 24 October 2008. We look forward to considering any comments you would like to share. Please send feedback to the Consumer Advisory Committee Secretary, Fiona Rutherford (PO Box 10-254, Wellington 6011, or [fiona.rutherford@pharmac.govt.nz](mailto:fiona.rutherford@pharmac.govt.nz)).

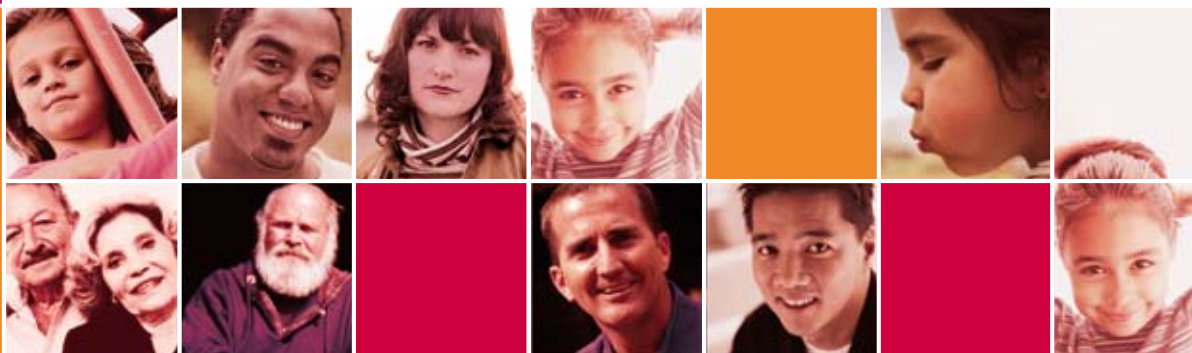
Yours sincerely

A handwritten signature in black ink that reads "Sandra Coney". The signature is written in a cursive style with a long horizontal flourish underneath the name.

**Sandra Coney**  
Chair  
Consumer Advisory Committee

# Voluntary Checklist for Health Consumer Organisations Entering into Health Industry Sponsorship

Draft for Consultation



## Contents

- 1. Introduction
- 1. Guiding principles to consider if entering into health industry sponsorship:
- 2. Checklist
- 2. Deciding whether to enter into a relationship
- 2. Formalising the agreement
- 3. Making the relationship work
- 3. Concluding the relationship
- 3. Evaluating outcomes of the relationship
- 3. Being transparent about the relationship
- 3. Acknowledgement

## Introduction

In 2005, the Consumer Advisory Committee conducted a survey on health industry sponsorship of health consumer organisations in New Zealand. Most of the groups who responded indicated they had some sort of policy for managing the support they received from health industry groups. The majority of respondents supported the development of a voluntary checklist on health industry sponsorship of consumer groups.

This voluntary checklist includes a set of guiding principles and a checklist of questions to think about when entering into health industry sponsorship.

## Guiding principles to consider if entering into health industry sponsorship

### Benefit

- The Health Consumer Organisation gains from the relationship as well as contributing to it.

### Independence

- The Health Consumer Organisation retains control over its own governance, policies, practices and decision making.
- There is no expectation that the Health Consumer Organisation will promote the products or interests of the sponsor, nor is preferential treatment expected.
- The Health Consumer Organisation retains the right to express independent views about the sponsor company or its products if this is in the best interest of their health consumer constituents.
- The Health Consumer Organisation maintains the right to have an opinion that is different to that of the sponsor.

### Integrity

- The relationship is based on sound moral principles, trust, and honesty.
- The partnership is able to withstand public and professional scrutiny.

### Transparency and openness

- The objectives, roles, responsibilities and rules of the relationship are clear to everyone at the outset.
- The nature and extent of the relationship is made known to constituents and the outside world.

### Building sustainability

- The partnership may build the long term capacity and strength of the Health Consumer Organisation.

### Equitable relationship

- There is mutual respect between the consumer organisation and health industry group (parties).
- Resources may be provided to allow small organisations to confidently contribute to and maintain an effective relationship.
- Partners give on-going attention to building the relationship.

### Acknowledgement

- The contributions that all parties make are specified and acknowledged.

## Checklist of questions to consider

Each relationship between a health consumer organisation and a health industry company will differ, so the same approach may not work for all of them. The following checklist highlights questions that are often important to consider when determining health consumer organisation and health industry relationships.

### Deciding whether to enter into a relationship

- What are our goals?
- What are the goals of the other party?
- What objectives do we have in common?
- What will we each do to achieve agreed objectives?
- Is this relationship consistent with our overall organisational goals?
- Will any funding arrangement be perceived as appropriate?
- Who will own the products of the relationship?
- How will we measure the results of the relationship?
- Have we considered the sustainability of the project?
- What will we do to ensure our independence?
- What is the best department of the health industry company to work with?
- What acknowledgement or endorsement does the health industry company expect?
- Do we have the required resources to achieve the goals of the relationship?
- Have we considered the benefits and risks of the specific type of funding or sponsorship?
- If the funding for the relationship ceases, what impact will it have on the sustainability of the organisation?
- What are the risks of entering into the relationship?

### Formalising the agreement

- How will we record our agreement? (for example, a contract, a statement of agreement, an exchange of letters, an invoice or a verbal agreement)
- Who will have the authority to make decisions for our organisation?
- Have we agreed on a process for conflict resolution?
- Have we agreed on an evaluation methodology?

## Making the relationship work

- How will we support the relationship/project?
- What will we need to contribute? (for example, time, people, funds, information, other resources)
- What do we want the other party to contribute?
- What, if anything else, does the other party expect from us?
- Who will be the main points of contact in each organisation?
- What is the overall timetable of activities?
- How will contributions be acknowledged?
- How will confidential and private information be kept secure?
- Have we agreed what information will be private and what will be public or shared?
- How will we keep stakeholders, including our members, informed of our work?
- How will we provide our members with the opportunity to participate in any evaluation of the relationship?
- How will we evaluate the success of the relationship?
- How will we ensure that intellectual property is protected?
- How will we manage any changes in the company that may alter the relationship and compromise the consumer organisation (e.g. a change of ownership; new activity or product of the company)?

## Concluding the relationship

- How long is the relationship intended to last?
- How will we check whether our objectives have been met?
- If we need to conclude early, how will the relationship be managed?
- If there are ongoing activities, how will these be managed?

## Evaluating outcomes of the relationship

- Were the goals achieved?
- Were we treated fairly?
- Was the investment of time, resources and people worthwhile?
- If the opportunity arose would we be willing to work together again?

## Being transparent about the relationship

- How will we consult our members about entering the relationship?
- How will we inform our members and the public of this relationship, the extent of funding and purposes to which this will be put?
- How will we provide opportunities for our members and the public to provide feedback on the relationship

## Acknowledgement

The Consumer Advisory Committee acknowledges *Working Together, The Guide*, developed by the Consumers' Health Forum of Australia and Medicines Australia to help health consumer organisations and the pharmaceutical industry to work together appropriately.



Level 9, Cigna House, 40 Mercer Street, PO Box 10-254, Wellington 6143, New Zealand

Phone: 64 4 460 4990 - Fax: 64 4 460 4995 - [www.pharmac.govt.nz](http://www.pharmac.govt.nz)

**Freephone Information line (9am-5pm weekdays) 0800 66 00 50**