

<b>For Immediate Release</b>	<b>Contact:</b>
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## **New “Moreland Monday” analysis: “Prescription for Influence” — Big Pharma’s NYS Campaign Contributions**

### **Since 2005, top pharmaceutical companies have paid out over \$5 million to New York politicians and committees**

NEW YORK, NY (10/28/13): Today, Common Cause/NY released the latest in a series of “Moreland Monday” analyses, this week focused on political giving from the pharmaceutical lobby since 2005.

“Big Pharma” – the Pharmaceutical Research and Manufacturers of America (PhRMA) and the top pharmaceutical companies – is among the most powerful special interest groups in the United States. At the federal level in Washington, Big Pharma has spent nearly \$70 million on campaign contributions since 2005 and over \$1.2 billion on lobbying<sup>1</sup> for policies favorable to the industry. But Big Pharma is also a major player at the state level, a prolific donor and a leader of the American Legislative Exchange Council’s (ALEC) efforts to directly influence state legislation.<sup>2</sup>

In New York, Big Pharma has made over \$5 million in political contributions since 2005.<sup>3</sup> As the third most populous state in the union and the second largest Medicaid spender, with nearly 5.1 million residents eligible<sup>4</sup> and annual spending in excess of \$50 billion,<sup>5</sup> New York is a crucial state for Big Pharma’s legislative agenda.

The industry is not particularly interested in helping specific candidates get elected – less than 25% of Big Pharma contributions in New York go to candidates. Instead, nearly 75% of Big Pharma campaign contributions go to the Republican and Democratic Party committees at the legislative and statewide level. Over 90% of this money -- nearly \$3.5 million since 2005 -- is funneled directly to the soft money “housekeeping” slush funds controlled by the party leaders. New York’s soft money loophole allows Big Pharma interests to bypass the state’s campaign contribution limits and write five and six figure checks directly to the party leaders, a highly effective “prescription for influence.”

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<sup>1</sup> <http://www.opensecrets.org/industries/indus.php?Ind=H4300>

<sup>2</sup> [http://www.sourcewatch.org/index.php?title=Pharmaceutical Research and Manufacturers of America](http://www.sourcewatch.org/index.php?title=Pharmaceutical_Research_and_Manufacturers_of_America)

<sup>3</sup> This analysis includes only contributions directly from corporations/PACs, it does not include affiliated executives or board members.

<sup>4</sup> [http://www.health.ny.gov/statistics/health\\_care/medicaid/eligible\\_expenditures/el2012/2012-cy\\_enrollees.htm](http://www.health.ny.gov/statistics/health_care/medicaid/eligible_expenditures/el2012/2012-cy_enrollees.htm)

<sup>5</sup> <http://kff.org/medicaid/state-indicator/total-medicaid-spending/>

In return for its investment, Big Pharma has won a powerful role in shaping policy, stifling meaningful price controls,<sup>6</sup> preventing imports from other countries like Canada where the same drugs can cost half the price<sup>7</sup>, gaming the patent system<sup>8</sup>, maintaining the right to market directly to doctors<sup>9</sup>, and preventing the implementation of “take-back” drug recycling programs<sup>10</sup>.

<b>Top 10 Recipients of Big Pharma Contributions 2005 – July 2013</b>	<b>Contributions</b>
<b>1. NYS SENATE REPUBLICAN CAMPAIGN COMMITTEE</b> (hard and soft money committees combined)	<b>\$1,587,482.48</b> (94% soft money)
<b>2. NYS DEMOCRATIC ASSEMBLY CAMPAIGN COMMITTEE (DACC)</b> (hard and soft money committees combined)	<b>\$645,450.00</b> (91% soft money)
<b>3. NYS DEMOCRATIC SENATE CAMPAIGN COMMITTEE (NYS DSCC)</b> (hard and soft money committees combined)	<b>\$636,562.00</b> (91% soft money)
<b>4. NEW YORK STATE DEMOCRATIC COMMITTEE</b> (hard and soft money committees combined)	<b>\$455,368.00</b> (94% soft money)
<b>5. REPUBLICAN ASSEMBLY CAMPAIGN COMMITTEE</b> (hard and soft money committees combined)	<b>\$365,679.78</b> (91% soft money)
<b>6. FRIENDS FOR THE ELECTION OF DEAN SKELOS</b>	<b>\$88,350.00</b>
<b>7. CITIZENS FOR HANNON</b>	<b>\$78,400.00</b>
<b>8. ANDREW CUOMO 2014 INC.</b>	<b>\$62,700.00</b>
<b>9. NEW YORK REPUBLICAN STATE COMMITTEE</b> (hard and soft money committees combined)	<b>\$48,500.00</b> (78% soft money)
<b>10. FRIENDS OF SILVER</b>	<b>\$37,208.15</b>

As we have seen with other special interest groups, contributions are made not according to political ideology but to maximize influence among those in power. Among the party committees, contributions accrue to the majority committees with nearly \$1.6 million going to the Senate Republicans, more than twice the amount contributed to Senate Democrats (\$637,562), and \$645,450 going to Assembly Democrats compared with \$365,680 for Republicans. Looking at the state level party committees which are closely affiliated with incumbent governors, the New York State Democratic Committee collected \$455,368 compared to only \$48,500 for the Republican State Committee, reflecting the monopoly on the Governor’s office held by the Democrats during this period.

The top candidates receiving Big Pharma contributions represent Albany’s “three men in a room” – the Senate Majority Leader Dean Skelos (R) with \$88,350, Governor Cuomo (D) with \$62,700, and Speaker Silver (D) with \$37,208. Other than the “three men,” the fourth candidate on the top ten list is Kemp Hannon (R), the veteran Chair of the Senate Health Committee at \$78,400.

<sup>6</sup> <http://www.nytimes.com/2013/10/13/us/the-soaring-cost-of-a-simple-breath.html>

<sup>7</sup> <http://www.publicintegrity.org/2013/02/11/12175/opinion-big-pharmas-stranglehold-washington>

<sup>8</sup> [http://money.cnn.com/2007/03/21/news/companies/drug\\_patents/](http://money.cnn.com/2007/03/21/news/companies/drug_patents/)

<sup>9</sup> [http://alecexposed.org/w/images/2/2d/5S10-Resolution\\_In\\_Support\\_of\\_the\\_PhRMA\\_Code\\_and\\_Corporate\\_Self-Regulation\\_Exposed.pdf](http://alecexposed.org/w/images/2/2d/5S10-Resolution_In_Support_of_the_PhRMA_Code_and_Corporate_Self-Regulation_Exposed.pdf)

<sup>10</sup> <http://www.nytimes.com/2012/12/07/business/drug-makers-challenge-pill-disposal-law-in-california.html>

Compared to other special interest groups, Big Pharma overwhelmingly concentrates its giving to the State Legislature, with over \$3.2 million in total going to the State Legislature party committees and an additional \$1.1 million to State Legislative candidates, accounting for 85% of all contributions. Big Pharma's giving to candidates for the statewide offices of Governor, Attorney General, and Comptroller is comparatively very low compared to other interest groups.

<b>Big Pharma Donors</b>	<b>Total Campaign Contributions 2005 - July 2013</b>
<b>PhRMA (Pharmaceutical Research and Manufacturers of America)</b>	<b>\$1,340,800.00</b>
<b>Pfizer</b>	<b>\$838,064.50</b>
<b>Eli Lilly</b>	<b>\$496,070.00</b>
<b>AstraZeneca</b>	<b>\$406,725.00</b>
<b>Merck</b>	<b>\$335,036.50</b>
<b>GlaxoSmithKline</b>	<b>\$301,685.78</b>
<b>Johnson &amp; Johnson</b>	<b>\$225,275.00</b>
<b>Abbott Laboratories/AbbVie</b>	<b>\$179,625.15</b>
<b>Novartis</b>	<b>\$139,550.00</b>
<b>Wyeth<sup>11</sup></b>	<b>\$126,922.48</b>
<b>Schering Plough<sup>12</sup></b>	<b>\$81,500.00</b>
<b>Hoffman La Roche / Genentech</b>	<b>\$81,425.00</b>
<b>Astellas</b>	<b>\$66,458.00</b>
<b>Allergan</b>	<b>\$61,675.00</b>
<b>Boehringer Ingelheim</b>	<b>\$56,875.00</b>
<b>Amgen</b>	<b>\$56,000.00</b>
<b>Takeda</b>	<b>\$53,750.00</b>
<b>Bristol Myers Squibb</b>	<b>\$52,250.00</b>
<b>Daiichi Sankyo</b>	<b>\$50,099.00</b>
<b>Amylin<sup>13</sup></b>	<b>\$38,250.00</b>
<b>Bayer</b>	<b>\$33,819.40</b>
<b>Vertex</b>	<b>\$17,000.00</b>
<b>Teva</b>	<b>\$15,000.00</b>
<b>Sanofi Aventis</b>	<b>\$14,500.00</b>
<b>TOTAL:</b>	<b>\$5,068,355.81</b>

<sup>11</sup> Wyeth was bought by Pfizer in 2009 for \$68 billion

<sup>12</sup> Schering Plough was bought by Merck in 2009 for \$41 billion

<sup>13</sup> Amylin was bought by Bristol-Myers Squibb in 2008 for \$7 billion

In addition to the Pharmaceutical Research and Manufacturers of America (PhRMA), the powerful industry trade group, Common Cause/NY identified contributions from 23 top pharmaceutical corporations. Nearly 90% of the industry total was given by PhRMA and the top 9 corporations which gave in excess of \$100,000: Pfizer, Eli Lilly, AstraZeneca, Merck, GlaxoSmithKline, Johnson & Johnson, Abbot Laboratories/Abbvie, Novartis, and Wyeth.

## **What Does Big Pharma Get in Exchange?**

The following four bills from 2013 provide a snapshot of Big Pharma's influence in the New York State Legislature. These bills addressed key public health and public access problems relating to the pharmaceuticals industry, yet died at the committee level in the Legislature after Big Pharma lobbied against them.

Of particular note is A1527-A/S2308-A sponsored by Kemp Hannon (R) in the Senate. When the bill was introduced previously, there were multiple Senate co-sponsors, whereas in 2013 Hannon was the sole sponsor. This lack of support is likely by design, a bill shepherded to oblivion by the Health Committee Chairman able to exert substantial influence on its fate.

## **Four Key New York State Legislature Bills Killed by Big Pharma in 2013**

**A1527-A (Cahill-D), S2308-A (Hannon-R)** – “This bill prohibits the sale of physician identified prescription records when such records will be used to market prescription drugs to doctors and other medical personnel who write prescriptions... By eliminating this pressure, the state seeks to reassure the public that the patient's best interest remains the most prominent factor considered by doctors when prescribing”

- The bill's intent is to prevent the massive marketing campaigns, including gifts and payment, which use this information to sway doctors with regard to prescribing different medications.
- An ALEC resolution clearly opposes any regulations on the interactions between pharmaceutical companies and doctors in favor of a voluntary industry code of ethics.<sup>14</sup>
  - ASSEMBLY SPONSORS: Cahill (D), Abinanti (D), Boyland (D), Brennan (D), Crouch (R), Galef (D), Glick (D), Peoples-Stokes (D), Raia (R), Schimel (D), Sweeney (D), Titone (D), Titus (D), Weisenberg (D), Gottfried (D), Gunther (D), Jacobs (D), Rosenthal (D), Colton (D), Paulin (D), Clark (D), Brook-Krasny (D), Maisel (D), Jaffee (D), Englebright (D), Cymbrowitz (D), Weprin (D), Montesano (R), Perry (D), Weinstein (D)
  - SENATE SPONSORS: Hannon (R) (Also introduced in 2012 – in 2012 the bill had additional Senate sponsors Johnson (R), Krueger (D), and Ranzenhofer (R))
    - o **MOVEMENT: Died in committee in both houses**
    - o **BIG PHARMA LOBBYERS:** Abbott Laboratories, Abbvie, Bristol-Myers Squibb, PhRMA, Takeda, AstraZeneca, Pfizer, Eli Lilly

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<sup>14</sup> [http://alecexposed.org/w/images/2/2d/5S10-Resolution\\_In\\_Support\\_of\\_the\\_PhRMA\\_Code\\_and\\_Corporate\\_Self-Regulation\\_Exposed.pdf](http://alecexposed.org/w/images/2/2d/5S10-Resolution_In_Support_of_the_PhRMA_Code_and_Corporate_Self-Regulation_Exposed.pdf)

**S642 (Stavisky-D), A1584 (Maisel-D)** “An act to amend the public health law, in relation to establishing the drug manufacturer collection program”

- “The bill would require manufacturers of both prescription and over the counter drugs to be responsible for establishing drug take-back programs for these drugs from hospitals and residential health care facilities. The bill prohibits the disposal of any drug by hospitals and residential health care facilities as mixed solid waste in a landfill; and only allows drug disposal through a drug collection program established by this bill. The bill would create a drug collection program which would be the responsibility of drug manufacturers who market their drugs in NYS. Each manufacturer would be responsible for all costs and the security of its drug collection program.”
- The bill would end the practice of flushing excess pharmaceuticals down toilets, a practice that has contaminated public drinking water with discernible levels of pharmaceuticals.
  - o SENATE SPONSORS: Stavisky (D), Kennedy (D), Latimer (D), Serrano (D)
  - o ASSEMBLY SPONSORS: Hevesi (D), Hooper (D), Kearns (D), Millman (D), Weisenberg (D), Cymbrowitz (D), Jaffee (D), Englebright (D), Roberts (D), Colton (D), Schimel (D), Kavanagh (D)
    - **MOVEMENT: Died in committee in both houses**
      - BIG PHARMA LOBBYERS: Abbott Laboratories, Abbvie Inc. , Allergan Inc., Merck, PhRMA, Pfizer Inc., Eli Lilly, Takeda

**A180 (Hevesi-D), S4050 (Robach-R)** – “An act to establish the taxpayer access to publicly funded research act”

- Establishes the taxpayer access to publicly funded research act requiring any executive branch agency, commission or authority that funds direct research to establish a public access policy that would provide access to certain published works that were funded by the state.
- “New York State proudly supports its dedicated funding to research which helps create scientific, environmental, and cultural breakthroughs; however it is unacceptable that that the taxpayers who provide the money for this research should encounter any barrier in accessing it. This bill will provide a window for 6 months of exclusive protection to the research, at which point it is only just that the general public be free to share in the information generated from the research. Passing this law will give New York the honor of being the first state in the country to require public access to research generated from taxpayer dollars”
  - o ASSEMBLY SPONSORS: Paulin (D), Palmesano (R), Jaffee (D), Stirpe (D)
  - o SENATE SPONSORS: Robach (R), Grisanti (R), Krueger (D), LaValle (R)
    - **MOVEMENT: Died in committee in both houses**
      - BIG PHARMA LOBBYERS: AstraZeneca, Pfizer Inc., Eli Lilly

**A308 (Dinowitz-D), S1387 (Diaz-D)** –“ Relates to establishing the NYS prescription medication cost containment program”

- Would allow elderly NY State residents ability to order medicine from a Canadian mail-order company (Canadian pharma companies selected by bidding process) so they can save on their medicinal costs.
  - o ASSEMBLY SPONSORS: Dinowitz (D)
  - o SENATE SPONSORS: Diaz (D)
    - **MOVEMENT: Died in committee in both houses**
      - BIG PHARMA LOBBYERS: Abbott Laboratories, Pfizer, PhRMA, Takeda, Eli Lilly