

State of Vermont Prescribed Products Law - Gift Ban and Reporting Requirements - August 13, 2010

Nature of Expenditure	Health Care Providers		Non-HCP Recipients *
	Allowed?	Reporting Required?	Reporting Required?
Clinical Trials / Research			
Bona fide clinical trial expenses of (1) gross compensation for the Vermont location or locations involved, (2) direct salary support per principal investigator and other health care professionals per year, and (3) expenses paid on behalf of investigators or other health care professionals paid to review the clinical trial.	Yes; 18 V.S.A. § 4631a(a)(1)(C)	Yes; 18 V.S.A. § 4632(a)(1)(A)(iii); See FY11 <i>Guide</i> at V(f)	Yes; 18 V.S.A. § 4632(a)(1)(B)(iii); See FY11 <i>Guide</i> at V(f)
Research project of significant interest or value to scientists or health care professionals; limited to (i) gross compensation; (ii) direct salary support per health care professional; and (iii) expenses paid on behalf of each health care professional.	Yes; 18 V.S.A. § 4631a(a)(1)(D)	Yes; 18 V.S.A. § 4632(a)(1)(A)	Yes; 18 V.S.A. § 4632(a)(1)(B)
Conferences / Seminars			
Discount coupon , or voucher , for conference or annual meeting.	No; 18 V.S.A. §§ 4631a(a)(5), 4631a(b)(1)	N/A	N/A
Honoraria and payment of the expenses of a health care professional serving in the faculty at a bona fide significant educational, medical, scientific, or policy-making conference or seminar.	Yes, provided statutory requirements are met; 18 V.S.A. § 4631a(a)(1)(B)	Yes; 18 V.S.A. § 4632(a)(1)(A)	N/A
Scholarship or other support for medical students, residents, and fellows to attend a significant educational, scientific, or policy-making conference or seminar of a national, regional, or specialty medical or other professional association.	Yes, if the recipient of the scholarship or other support is selected by the association; 18 V.S.A. § 4631a(b)(2)(E)	Yes; 18 V.S.A. § 4632(a)(1)(A)	N/A
Sponsorship of a significant educational, medical, scientific, or policy-making conference or seminar.	Yes, but not to a health care professional or pharmacist, and conference must meet statutory requirements; 18 V.S.A. §4631a(a)(1)(A)	Yes; 18 V.S.A. § 4632(a)(1)(A)	Yes; 18 V.S.A. § 4632(a)(1)(B)
Educational Materials			
Articles or journals and other educational items provided to a health care provider (peer-reviewed academic, scientific, or clinical articles or journals, or other items that serve a genuine educational function and are for the benefit of patients.)	Yes; 18 V.S.A. § 4631a(b)(2)(D)	Yes; 18 V.S.A. § 4632(a)(1)(A)	Yes; 18 V.S.A. § 4632(a)(1)(B)

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Financial Contributions			
Financial contribution to HCP recipients other than free clinics.	No; 18 V.S.A. §§ 4631a(a)(5), 4631a(b)(1)	N/A	Yes; 18 V.S.A. § 4632(a)(1)(B)
Financial contributions to a free clinic.	Yes; 18 V.S.A. § 4631a(b)(2)(H)	Yes; 18 V.S.A. § 4632(a)(1)(A)	N/A
Food			
Dinner at a seminar or conference at which the meal is organized and paid for by the manufacturer.	No; 18 V.S.A. §§ 4631a(a)(5), 4631a(b)(1)	N/A	N/A
Food, including but not limited to the following: lunch provided in a doctors office at which information on a drug is discussed; coffee and donuts for non-prescribing staff in a physician's office in Vermont; dinner provided in New Hampshire to a physician who regularly practices in Vermont; food provided at a manufacturers display in Vermont other than at of a conference or seminar.	No, unless the HCP reimburses the pharmaceutical manufacturer for fair market value of the food; 18 V.S.A. §§ 4631a(a)(5)(B)(ii), 4631a(b)(1)	NEW: No. An expenditure that has been reimbursed is neither a permitted gift nor an allowable expenditure and need not be reported.	N/A
Refreshments, including coffee or other snacks at a booth at a conference or seminar.	Yes; 18 V.S.A. § 4631a(b)(2)(K)	No; 18 V.S.A. § 4632(a)(1)(A)(v)	N/A
Medical Devices			
NEW: Loan of a medical device for a short-term trial period, not to exceed 90 days, to permit evaluation of a medical device by a health care provider or patient.	Yes; 18 V.S.A. § 4631a(b)(2)(B)	Yes; 18 V.S.A. § 4632(a)(1)(A)	N/A
Reasonable expenses necessary for technical training of individual health care professionals on the use of a medical device if the commitment to provide such expenses and the amounts or categories of reasonable expenses to be paid are described in a written agreement between the health care provider and the manufacturer.	Yes; 18 V.S.A. § 4631a(a)(1)(E)	Yes; 18 V.S.A. § 4632(a)(1)(A)	N/A
Reasonable quantities of medical device demonstration or evaluation units to a health care provider to assess the appropriate use and function of the product and determine whether and when to use or recommend the product in the future. These devices are typically provided for patient education purposes or as a single-use instrument.	Yes; 18 V.S.A. § 4631a(b)(2)(C)	Yes; 18 V.S.A. § 4632(a)(1)(A)	N/A

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Samples / Free Products			
Samples of prescribed products, including starter packs and coupons or other vouchers that enable an individual to receive a prescribed product free of charge or at a discounted price, for distribution to patients.	Yes; 18 V.S.A. § 4631a(b)(2)(A) See <i>FY11 Guide</i> at V(g)	Yes; 18 V.S.A. § 4632(a)(2)(A)(i) See <i>FY11 Guide</i> at V(g)	Yes; 18 V.S.A. § 4632(a)(1)(B) See <i>FY11 Guide</i> at V(g)
Donation to a free clinic of free prescription drugs or over-the-counter drugs, medical devices, biological products, medical equipment or medical supplies.	Yes; 18 V.S.A. § 4631a(b)(2)(H)	Yes; 18 V.S.A. § 4632(a)(1)(A)	N/A
Free Product - Over-the-counter drugs, nonprescription medical devices or nonprescription durable medical equipment provided to a health care provider for free distribution to patients.	Yes, but only of reasonable quantities, unless to a free clinic; 18 V.S.A. § 4631a(b)(2)(A)	Yes; 18 V.S.A. § 4632(a)(2)(A)(i)	N/A
Labels , including package inserts, approved by the FDA for prescribed products.	Yes; 18 V.S.A. § 4631a(b)(2)(G)	Yes; 18 V.S.A. § 4632(a)(1)(A)	N/A
Free prescription drugs provided to a HCP on behalf of an individual through the manufacturer's patient assistance program .	Yes; 18 V.S.A. 4631a(b)(2)(I)	Yes; 18 V.S.A. § 4632(a)(1)(A)	N/A
Rebates and discounts for prescribed products provided in the normal course of business.	Yes; 18 V.S.A. § 4631a(b)(2)(F)	No; 18 V.S.A. § 4632(a)(1)(A)(ii)	No; 18 V.S.A. § 4632(a)(1)(B)(ii)
Miscellaneous			
Fellowship for a Residency.	Yes, if it meets the criteria of 18 V.S.A. § 4631a(b)(2)(J)	Yes; 18 V.S.A. § 4632(a)(1)(A)	N/A
Membership fees/dues paid by a manufacturer to a professional, educational or patient organization.	N/A	N/A	Yes, for organizations representing or serving health care providers or consumers in Vermont; 18 V.S.A. § 4632(a)(1)(B)
Reasonable expenses related to the interview by a manufacturer of prescribed products in connection with a bona fide employment opportunity.	Yes; 18 V.S.A. § 4631a(a)(1)(G)	NEW: No; 18 V.S.A. § 4632(a)(1)(A)(iv)	N/A
NEW: Labels on prescribed products.	Yes. Required by FDA.	No. AG does not consider this a gift or allowable expenditure requiring reporting.	No. AG does not consider this a gift or allowable expenditure requiring reporting.
Royalties and licensing fees paid to a health care provider in return for contractual rights to use or purchase a patented or otherwise legally recognized discovery for which the health care provider holds an ownership right.	Yes; 18 V.S.A. § 4631a(a)(1)(F)	No; 18 V.S.A. § 4632(a)(1)(A)(i)	No; 18 V.S.A. § 4632(a)(1)(B)(i)

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