

Product/Service Review Reprint # 46-05

A Strategic Approach to CME Offers High Return on Education Investment

By John Mack

Commercial support from pharmaceutical companies for continuing medical education (CME) accounted for 51.1% of the \$2.042 billion income received by CME providers in 2004 (see FIGURE

More Effective Than Sales Reps

The data that Heybroek speaks of relate to changing physician behavior and adopting the therapeutic options discussed by the learned faculty of CME programs. When compared with many other techniques for changing physician behavior – such as detailing by sales reps – CME is very effective in educating physicians on patient management approaches.

Sixty percent (60%) of physicians surveyed immediately after taking an Imedex CME program, for example, say they intend to change their patient management practice based on the information provided. One year later nearly the same percent (56%) indicate they actually have changed the way they treat patients. Over 90% also share the information they learned with colleagues. See FIGURE 2 for more data on the impact of Imedex programs on disease management decisions of physician attendees.

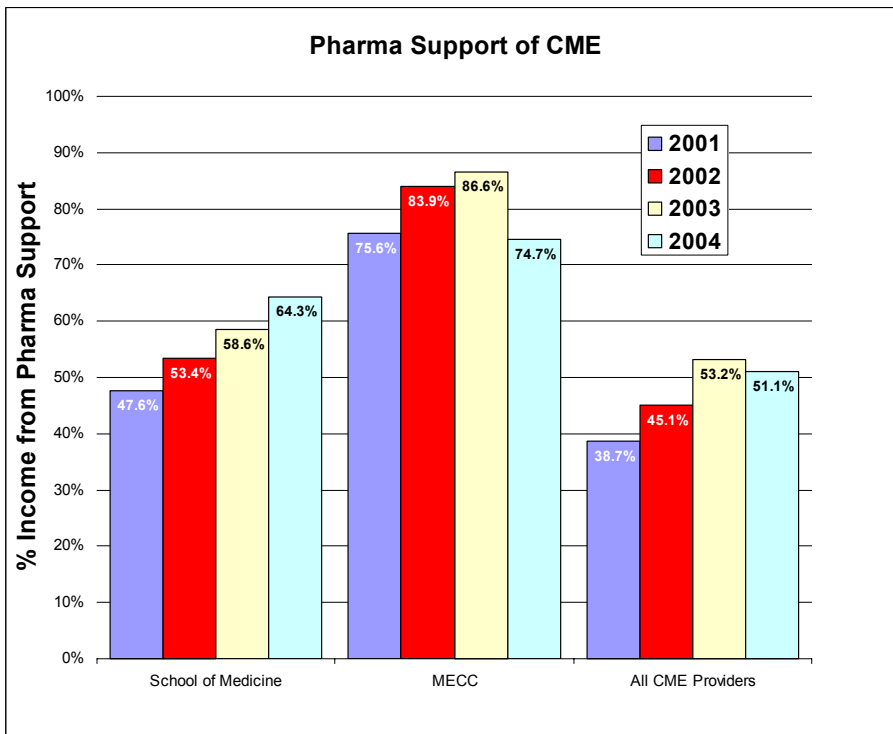


FIGURE 1: Pharma Support of CME. Source: ACCME Annual Reports.

1). Although this represents a decrease from 53.2% in 2003, the absolute amount of money that pharmaceutical companies invest in CME is considerable. As a famous US Senator once said, “A billion here, a billion there, and pretty soon you’re talking about real money.”

Jan Heybroek, Vice President at Imedex®, Inc., an accredited worldwide CME provider located in Alpharetta, Georgia, estimates that pharmaceutical companies spend about 7% of their marketing budget (excluding samples) on educational activities. “However, many pharma companies lack interest in the return on education investment or ROEI data our programs are able to provide,” says Heybroek.

“Compared to the effectiveness of sales reps, which is about 8%,” says Heybroek, “our CME programs offer incredible return on investment.” He was citing the McKinsey Consulting 2002 Quarterly Report, which claimed that out of 100 sales reps calling on physicians, only 8 actually speak to a physician and are remembered. Each call, by the way, cost \$142 (in 2002) regardless of the outcome.

“We believe our high ROEI is due to the fact that our programs are developed independently based on scientific evidence and are recognized as being unbiased (more than 90% of surveyed physicians perceive no bias),” says Heybroek, “even though the programs are supported by pharmaceutical companies.”

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Unbiased Proprietary CME Programs

The three major sources of CME—medical schools, publishing/ education companies, and non-profit physician societies—accounted for 87% of the income generated by CME in 2004. The publishing/education company grouping includes medical education and communication companies (MECCs), which develop advertising communication programs as well as CME programs, and purely medical education companies like Imedex, which only produce CME programs.

Recent ACCME, OIG, and FDA guidelines have tremendously impacted how publishing/education companies produce CME and how pharmaceutical companies fund CME. All accredited MECCs and most pharma CME supporters have erected “firewalls” between their educational and promotional activities to prevent conflicts of interest (see article in this issue for more details). Imedex does not need a firewall because it does not also produce promotional programs. It’s only focus is accredited CME programs.

Another difference between Imedex and other commercial CME providers is that Imedex provides significantly more CME hours per live event, which provides excellent value for supporters and attendees (see FIGURE 3). “We believe that this is one of several factors contributing to the success of Imedex programs,” says Heybroek.

Deep Reach Into Multiple Therapy Areas

Another reason is the high quality of the faculty and scientific programs devoted to current and relevant topics. Imedex can produce unbiased CME programs with a high ROEI because its programs are similar to the kinds of programs developed by non-profit medical associations. However, Imedex does not focus on just one or two therapeutic areas as is the case with medical societies. It has developed CME programs in oncology, infectious diseases, gastroenterology, urology, psychiatry, cardiology, and endocrinology.

With over 200,000 physicians in its database, Imedex’s reach into these therapy areas is deep. For example, Imedex can reach about 80% of oncologists by direct mail and survey them regarding trends and issues critical to them. This helps Imedex develop appropriate educational programs and draw more physicians to their live events than their competitors do (see FIGURE 4).

Multiple Supporters

As with medical association programs, most of the programs Imedex offers are supported by multiple pharma companies. “We had over 100 supporting

companies for our CME programs last year,” says Heybroek. “Our top 20 supporters represent about 60% of our total revenue. None of them are so critical to our income that they cloud our focus or unduly influence our decisions.”

“We seek support from pharma only after we have determined that there is a need for a program and we have established our own internal scientific committee,” says Heybroek. “We then draft a program based on the need and we identify a chairperson who we believe is a thought leader in the field who comments on the program and supports its execution.”

Trend Towards More CME

A trend noticed by Imedex is that more pharma-supported educational programs are being offered as CME events. Proverbial dinner meetings, in which physicians are invited to hear speakers over dinner at restaurants, are now becoming CME dinner meetings. In one case, Imedex organized twenty single-supported dinner meeting programs, supported with teleconferences and a webcast about the impact of the Medicare Modernization Act on oncology practice. Approximately 600 physicians, coding specialists, and nurses attended.

Given that the return on CME is comparable or greater than that for sales reps or even DTC, Heybroek is surprised that more pharmaceutical companies are not using physician education as a strategic tool for communicating educational messages that fit the scientific profile of their products. “The science, along with reimbursement considerations,” says Heybroek, “are the two biggest influencers of physician prescribing behavior that ultimately benefit patient care.”

Although decisions regarding CME are now often made by an independent committee at pharmaceutical companies rather than marketers, Heybroek says it is not harder to get support from pharma, at least not for Imedex programs. Often, however, it is not clear how these decisions are being made. Heybroek suggests that pharma companies adopt a consistent strategic approach to supporting CME. “Some companies recognize the value of CME better than others,” says Heybroek.

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See FIGURES 2, 3, and 4 on the next page...

FIGURE 2: Three-month post-conference survey of 27 Imedex conferences with total of 722 respondents. Source: Internal data. Number of respondents varies per question from 448 to 722.

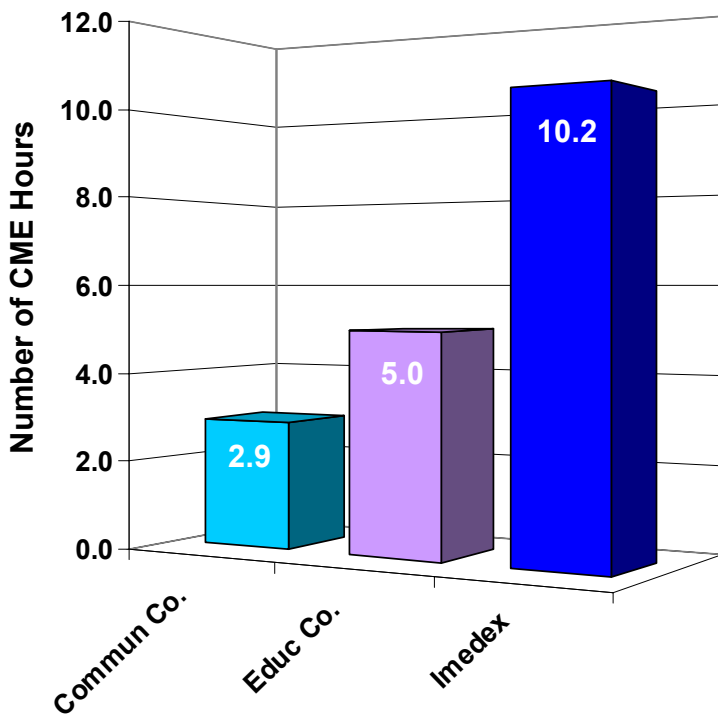
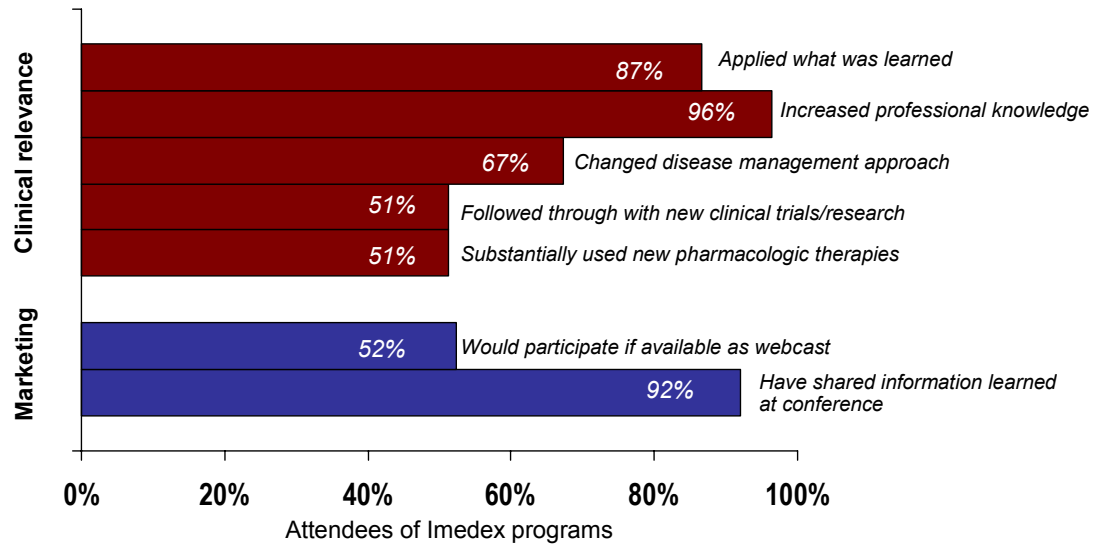


FIGURE 3: Average Number of CME Hours per Live Event. Source: Internal data and ACCME 2003 annual report.

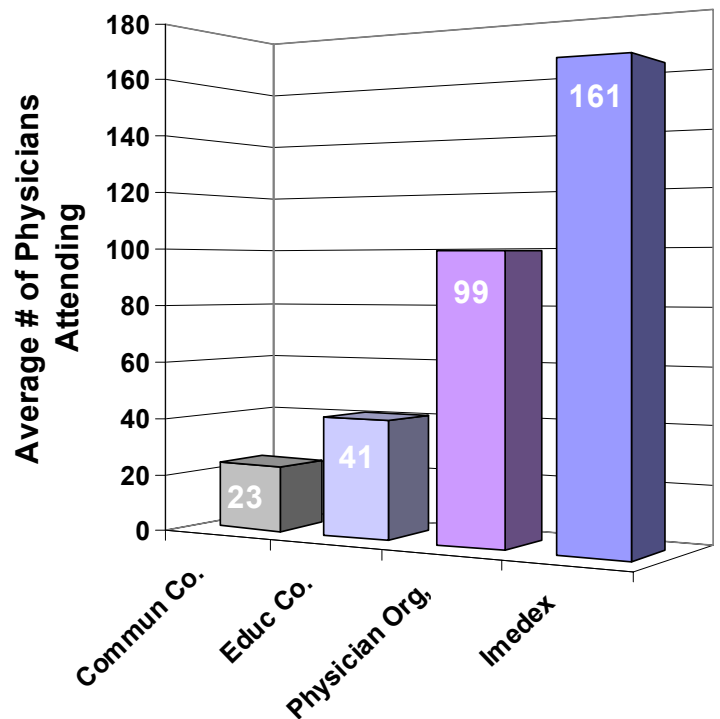


FIGURE 4: Average Number of Physicians Attending CME Events. Imedex draws 4 times more physicians than competitors and 62% more physicians than specialty physician organizations. Source: Internal data and ACCME 2003 annual report.

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