

# **Critical Analysis of Pharmaceutical Incentives and Over-Prescription in Islamabad, Pakistan**

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**Abstract:** Pharmaceutical incentives are increasingly becoming a concern in the world health system, with pharmaceutical doctors, hospitals, and pharmacists who are provided with benefits by the companies. In Pakistan, nearly 90% of prescribed medications are done in brand names, which emphasizes the strength of the pharmaceutical industry. The purpose of this study was to identify the level of pharmaceutical incentives to contribute towards excess prescription at the hospitals of Islamabad and test their effects on patients. The research presented new insights into the field of healthcare marketing and can aid in creating more efficient policymaker, healthcare, and pharmaceutical company regulations. This article examined the effect of incentives by pharmaceutical companies on prescribing. within the group of healthcare professionals in Islamabad, Pakistan. The study adopts a qualitative research design approach to discuss the issue of complexities that are inherent in using incentives, analyzing how the practices affect the prescription trend and the health status of patients. The study was qualitative and encompassed face-to-face in-depth interviews of 12 respondents classified as medical representatives, patients, and doctors. Thematic analysis was used to analyze the results and reveal the article's main themes associated with the character of offered incentives, their impact on the doctors' prescribing judgments, and the ethical aspects of such associations. Findings suggested that pharmaceutical baits play a major role in the popularity of brand-name preferential treatment over generics, and this raises the issue of what it means to the care of the patient and healthcare costs. The ethical issues of the practices are also touched on, raising the problem of accountability and the loss of trust between patients and healthcare providers. The study concluded with recommendations for policy and practice to enhance ethical standards in the pharmaceutical industry, ultimately aiming to improve patient health outcomes.

**Keywords:** Pharmaceutical Incentives, Over-Prescription, Medical Representatives, Health Care Cost, Patient Care.

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## **1. Introduction**

Pharmaceutical incentives are benefits or rewards that drug companies give to doctors, hospitals, or pharmacists to encourage the use or promotion of their products. These incentives can include money, gifts, sponsored trips, or free drug samples, among other things. Overprescription occurs when doctors prescribe more medication than is necessary for a patient's condition because they are influenced by the incentives they receive. Pharmaceutical incentives are becoming a significant issue in the global health system, and promotional offers for doctors are increasing daily. In 2018, 80 percent of doctors in the United States got payments and other incentives

totaling \$2.18 billion [1]. According to World Bank data, Pakistan's out-of-pocket healthcare spending has decreased recently, falling from about 78% in the early 2000s to 56% by 2018. The value of Pakistan's pharmaceutical business has doubled in the past ten years, showing tremendous expansion. The Drug Regulatory Authority of Pakistan (DRAP) now has about 620 pharmaceutical businesses registered [2]. Due to a lack of funding and the influence of the pharmaceutical industry, Pakistan's health care system is under strain, especially in large cities like Islamabad. Given this, it is necessary to look into how pharmaceutical incentives are causing hospitals to overprescribe. The practice of prescribing unnecessary and expensive medications, medical equipment, and diagnostic tests is known as over-prescription. It results in ineffective and poor health care provision, which especially impacts the underprivileged and uninsured [3]. Nearly 90% of medications in Pakistan are prescribed by brand names, emphasizing the power of pharmaceutical companies. Most doctors, Medical Sales Representatives (MSRs), are their key source of information [2]. 57–80% of health service consumption still occurs in the private sector, and the pharmaceutical industry continues to be high-value, with yearly sales of over \$2 billion, of which two-thirds are prescription medications. Pharmaceutical companies try to promote their drugs by offering incentives to medical experts, such as cash payouts, sponsored research, and promotional bonuses. However, these incentives have the potential to encourage unethical behavior, especially when it comes to overprescription—the practice of prescribing medication that is not required for a patient's condition. Because physicians possess medical knowledge that people do not, the care always has an information imbalance. It means that physicians are supposed to act in their patients' best interests while making judgments. However, patients' health, faith in physicians, and willingness to use healthcare services can all be impacted when physicians have conflicts of interest, such as when they receive incentives from pharmaceutical firms [4]. In the cheap market of Islamabad, pharmaceutical companies often use a range of promotional strategies to encourage healthcare professionals to prescribe their products. The study conducted by Iqbal & Ahmed (2019) emphasized that due to the market's cheap nature, pharmaceutical representatives and healthcare providers interact frequently. These interactions can vary from promotional meetings to more direct incentives like financial bonuses, gifts, and travel opportunities. Though such marketing strategies are viewed as being within the legal boundaries, they can easily cross ethical lines and can undermine patient care if prescribing decisions are made driven more by the interests of the company than by a medical necessity.

The major aims of this research are to determine and define the definitions of the types of pharmaceutical incentives being provided to healthcare professionals in Islamabad, with a focus on their forms and prevalence, e.g., monetary rewards, gifts, and sponsored trips. The research also seeks to examine how these incentives affect the prescription decision-making of physicians, in particular, by concentrating on the propensity toward more favorable attitudes toward brand-name drugs in comparison to generic ones, even in cases where cheaper alternatives are present. Moreover, this paper aims to investigate the moral problems that health care professionals encounter when they have to handle the forces of pharmaceutical advertising, specifically with regard to their professionalism and dedication to patient welfare. In addition, the study will evaluate the impacts of such prescribing practices on patient health outcomes and the example of how financial incentives can drive over-prescription and jeopardize the quality of medical care.

## **2. Literature Review**

This is due to the fact that over the last few decades, the percentage of the total expenditure of healthcare on medications has grown in most countries [5]. Over-prescription is becoming a greater problem in the world, which causes several problems, including antibiotic resistance, drug abuse, and higher medical expenses. Sepsis and respiratory tract infections were the most common reasons for antibiotic use, and medical problem prevention, as a study conducted in Punjab, Pakistan, found out review the use of antibiotics among infants and children [6]. According to research by Not only is it motivated by outside incentives, but over-prescription by Hoffman et al. (2016) occurs quite often negatively impacts patient outcomes and puts pressure on healthcare systems by causing unnecessary pharmaceutical use.

According to WHO estimates from 2018, the global pharmaceutical market was valued at USD 1.4 trillion annually [2]. Pharmaceutical marketing tactics are intended to persuade physicians to prescribe particular drugs. These tactics include direct-to-physician advertising, promotional gifts, sponsorships of medical conferences, and financial incentives (Willis & Delbaere, 2021). Interactions between doctors and pharmaceutical salespeople, as well as their acceptance of gifts, can have a significant impact on how they prescribe, favoring name-brand medications over generic ones or better therapies [7]. Physicians' prescribing practices are greatly influenced by pharmaceutical marketing, which shapes how they use and suggest medications [8].

Pharmaceutical firms utilize medical sales representatives (MSRs) to market their goods. These MSRs employ a wide range of tactics to slightly and intentionally influence doctors' decisions to increase sales of their companies' products and meet predetermined sales goals [2]. Representatives are an essential part of the marketing initiatives that pharmaceutical corporations extensively invest in [7]. Often called "drug representatives," these individuals participate in various activities designed to change doctors' prescription practices (Fugh-Berman & Ahari, 2007). A doctor's choice to prescribe a certain medication is influenced by a number of factors in addition to the marketing budget. The interaction between doctors and pharmaceutical representatives is among the most crucial elements [9].

Prescription use or excessive use of medication leads to wastage at stores and a poor health and well-being impact on patients financially [10]. Physician fraud has an array of malpractices that may lead to huge expenses for patients and society [11]. Similar to most third-world countries, prescribers in Islamabad, Pakistan, are dealing with a complex web of related challenges, including financial constraints of patients, institutional pharmaceutical marketing approaches, and pressures. These factors could lead to behaviours including over-prescribing or prescribing name-brand medications instead of less costly generic ones (Saeed et al., 2020).

An analysis of the available literature indicates the presence of an increasing body of evidence that points to the importance of the negative impact of pharmaceutical advertisements on the quality of healthcare. Research has shown that financial incentives will have a great impact on the prescribing habits of physicians, who tend to overprescribe and use more expensive brand-name medications instead of less costly generic equivalents or successful generic substitutes. In addition to that, there are the ethical considerations of taking such incentives, which have grown more worrisome, as studies have shown that this trend can destroy patient trust and clinical judgment.

The studies that are specifically aimed at are significantly lacking. The pharmaceutical incentives of the developing countries' healthcare systems, such as those in Pakistan. Therefore, this study will address this gap by offering localized information on the correlation between the pharmaceutical marketing strategies and medical practices. The theoretical framework used in this study is a combination of various theoretical viewpoints to examine the role of pharmaceutical incentives on the issue of prescribing behavior. At the core of this framework is

the rational choice theory, which assumes that individuals make choices based on the basis of perceived costs and benefits of available options.

Healthcare professionals can choose between the possible benefits of taking incentives and the implications of excessive prescription that are ethical. Also, the framework includes the theory of planned behavior that analyzes the extent to which attitudes, subjective norms, and perceived behavioral affect an individual. Decision-making in the healthcare environment is determined by control shape. By utilizing a qualitative methodology and involving in-depth interviews with medical professionals dealing with healthcare representatives, and patients, this paper aims to have a subtle insight into the motivations behind prescribing behavior and its implication to healthcare integrity in general. Ultimately, the discoveries should enlighten policymakers and healthcare facilities concerning the necessity of ethical standards to control the pharmaceutical activities and protect the well-being of patients.

### **3. Methodology**

The thesis approach to the methodology is a qualitative research approach based on the interpretive research paradigm, which will seek to have a deep-seated insight into the multifaceted matters associated with pharmaceutical incentives and their impact on the prescribing behavior of Islamabad medical practitioners in Pakistan. The method most used in data collection was interviews, which are semi-structured with the help of the interview guide that is specially developed to investigate the subjective experiences of the participants on three major areas: the subjective experiences of the influence of such incentives provided by pharmaceutical representatives to the doctors, incentives to doctors on prescription behavior and the ensuing effects on health of patients outcomes. Three different groups, which are pharmaceutical, were interviewed in depth, making it possible to have a multi-perspective knowledge in the area of the research. A thematic approach was utilized in the data analysis to systematize the coding of the interview data and classify them into themes of relevance, find patterns and relationships that are compatible with the research objectives. Ethical considerations they were the most important during the research process; all of them were informed of the fact that they agreed to participate interviews, participants were informed of the purpose of the study properly, before the interviews, as they had to be fully aware of the purpose of the study assurance of confidentiality and the right to pull out of the study any time. This rigorous methodological framework highlights the participation of the researcher in ethical research

practices as he tries to understand the complicated forces at work in the relationship between pharmaceutical prescription practice and marketing.

**4. Results**

Question	Doctors' Responses	Patients' Responses	Medical Representatives' Responses
<b>What is your view on incentives given to doctors?</b>	Some consider incentives acceptable if they support education (conferences), while others find cash incentives acceptable. Unethical.	Strong disapproval; seen as a practice that compromises patient trust and well-being.	Incentives are a marketing strategy; companies prioritize profit over ethics.
<b>Do incentives influence prescription choices?</b>	Some deny influence, others acknowledge potential impact in Private practice.	Believe prescriptions are often influenced by incentives, leading to unnecessary medications.	Acknowledge that incentives heavily influence prescriptions.
<b>How do doctors justify accepting incentives?</b>	Doctors claim professionalism and ethics guide prescriptions, but some raise fees to avoid Influence.	Patients feel doctors prioritize profit over patient care if incentives are accepted.	Doctors agree to incentives based on personal financial gain or clinic improvement.
<b>How do patients perceive doctors taking incentives?</b>	Patients strongly disapprove, considering it unethical and a Conflict of interest.	Distrust in doctors increases; some patients research medications before Purchase.	Not a concern for them; their role is to sell medicines through any means.
<b>What are the most common incentives offered?</b>	Conference sponsorships, cash bonuses, furniture, international trips, and school fees.	Patients are generally unaware of specific incentives but suspect over-Prescription.	Cash payments, prescription quotas, clinic infrastructure, and family tours.
<b>How frequently are incentives given?</b>	Depends on targets; some get monthly incentives, others quarterly.	Patients do not directly know the frequency, but feel doctors are financially Benefiting.	Depends on the doctor; can be monthly or quarterly, based on Performance.
<b>What impact do incentives have on healthcare quality?</b>	Patients believe it leads to over-prescription and unnecessary medications.	Compromised healthcare, higher costs, and unnecessary drug consumption.	Directly impacts prescriptions, making doctors prioritize incentivized drugs.
<b>What steps should be taken to prevent undue influence?</b>	Hospitals should regulate interactions; doctors should prioritize ethics and evidence-based prescriptions.	Patients should research medications, seek second opinions, and consult reputable doctors.	Pharmaceutical companies will continue; only hospital regulations and doctor ethics can counteract this.

Findings of the research shed some light on the high impact of pharmaceutical incentives. On the prescribing practice amongst the doctors in Islamabad. In the qualitative analysis, it was indicated that. Pharmaceutical companies often provide a number of incentives, such as monetary gifts, and so on sponsored travels, and medical supplies, which make quite a significant difference in the choices of doctors. Many respondents admitted that such incentives tend to promote the use of name-brand prescription medications above similarly useful generic alternatives, which is an ethical issue. Honesty of their prescribing. Such prescription behavior change can lead to over-prescription and undermine patient care, converting the issues of the ethical dilemmas of the prescription behavior of the professionals into the realization of healthcare professionals. The paper highlights the necessity of having an ethical framework and improving it.

Policies to inform the healthcare providers on how to handle these forces without compromising patient welfare comprehensively. The results highlight the complicated correlation of pharmaceutical marketing and prescription behaviours, with the critical necessity to have systematic changes to enhance moral principles in the health system.

## **5. Conclusion**

The study ends with a conclusion highlighting the ethical challenges of healthcare. Islamabad professionals on pharmaceutical incentives and their effects on undermining patient care and medical decisions. It repeats the great impact that these incentives have on influencing prescribing habits, which results in over-prescription of name-brand drugs over competent generic substitutes. The study shows that there is an urgent need to improve healthcare providers' maintenance of ethics in their prescribing activities in the face of drug companies' marketing. It promotes the creation of sound ethical guidelines and regulatory principles that can guide healthcare workers in working towards the best interests of patients. Overall, the findings are the result of a complicated interplay of ethics, patient care, and healthcare economics, highlighting the need to make systemic changes in order to strengthen ethical practices in the healthcare system.

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