

March 7, 2008

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Dan Starks
Chairman, President
And Chief Executive Officer

## Via Electronic Transmission

The Honorable Charles E. Grassley United States Senate Ranking Member Committee on Finance Washington, DC 20510-6200

Dear Senator Grassley:

We are in receipt of your letter dated February 26, 2008, to St. Jude Medical. I appreciate that as a senior member of the United States Senate and a Ranking Member of the Finance Committee, that you have a special responsibility to protect the health of Medicare and Medicaid beneficiaries and to conduct oversight of medical device industry companies such as St. Jude Medical.

St. Jude Medical's mission is to make life better for cardiac, neurological and chronic pain patients worldwide. The Company has five major focus areas of treatment that include: cardiac rhythm management, atrial fibrillation, cardiac surgery, cardiology and neuromodulation. We employ approximately 12,000 people worldwide who are dedicated to researching, developing, and manufacturing the best products possible to help patients live longer, more productive lives.

Before I address your specific question related to disclosure of payments to patient groups and medical societies, I would like to state St. Jude Medical's position on the proposed Physician Payments Sunshine Act introduced by yourself and Senator Herb Kohl.

In principle we support the appropriate disclosure of relationships between medical technology companies and physicians, medical societies or patient groups. At St. Jude Medical, we believe strongly that high ethical standards are critical to ensuring appropriate collaboration between the medical device industry and physicians, particularly since we must rely on their experience and feedback in order to advance treatments for patients.

St. Jude Medical is very supportive of the intent of the Physician Sunshine Act – curbing real or perceived inappropriate relationships or conflicts of interest between industry and physicians. We have a strong internal Code of Ethics at St. Jude Medical and we support the AdvaMed Code of Ethics. We would also enthusiastically support the Physician Payment Sunshine Act with the recommended changes proposed by AdvaMed, the primary medical

device industry trade association. As a member of the AdvaMed Board, I voted in favor of supporting the legislation with the recommended changes, and I appreciate your openness and consideration. I believe that this bill, if those recommendations are included, can help level the playing field for all companies by ensuring that we all operate under the same disclosure requirements.

## Disclosure of payments to patient groups and medical societies

Thank you for the helpful information that Eli Lilly and Company provides a voluntary disclosure of the contributions that it makes to patient groups and medical societies. We have reviewed the Eli Lilly website, and we believe that each individual drug and device company designing its own reporting mechanism may not be the best approach to providing meaningful information to patients. Rather, we would actively support an effort to develop uniform reporting guidelines covering what should be disclosed, how and when, and to develop consistent definitions and explanations that make the information more easily understood and more meaningful. We would be pleased to work with your staff as part of a cross-industry work group or committee to help develop these uniform definitions and guidelines.

In closing, I fully support the transparency goals of the Physician Sunshine Act. I look forward to continuing to work with you and your staff to achieve these goals and at the same time ensure that our company is operating on a level playing field with our competitors across the industry.

Sincerely,

Daniel J. Starks Chairman, President, CEO

St. Jude Medical. Inc.

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