As drug prices go up, some point consumers up north

Susan Jaffe

Many Americans and even government health programs are feeling squeezed by rising drug costs, with federal officials reporting last week that US health care spending in 2014 rose at the fastest rate since 2002 “in part due to the introduction of new drug treatments for hepatitis C as well as of those used to treat cancer and multiple sclerosis.”

Treatments for hepatitis C, which affects around 3 million people in the USA, can cost more than $100 000, Health and Human Services Secretary Sylvia Matthews Burwell said at an unprecedented day-long conference on drug pricing HHS hosted last month.

“And that’s an issue for both patients and the organizations and governments that serve them. Since more than three out of four infected adults are baby boomers, this disease has become one of the main cost drivers for Medicare’s prescription program. Impacts have also been significant in state Medicaid programs.”

To ease the financial pain, Democratic presidential candidates Hillary Rodham Clinton, former Secretary of State, and Vermont Senator Bernie Sanders would allow individuals to buy drugs for personal use from other countries. When he was in the House of Representatives, Sanders was the first of a handful of congressmembers who accompanied constituents to Canadian pharmacies to fill prescriptions.

Prompted by the HHS conference and recent price hikes, two leading Senate Republicans, Charles Grassley of Iowa and John McCain of Arizona want Burwell to use a provision of a 2003 law to certify that drug importation is safe and would significantly reduce drug prices. That step would permit pharmacies and wholesale retailers to import prescription drugs from Canada, the senators wrote in a letter to Burwell. They also want the FDA, which is part of HHS, to waive any prohibitions against individuals who import drugs for personal use. However, the senators recommend that Burwell limit the waiver to Canadian drugs no longer under patent in the USA, that have had “significant and unexplained” price hikes, and have no competitor, among other things.

Although FDA spokesman Christopher Kelly would not discuss the senators’ letter, he said importing drugs is risky and—with some exceptions—illegal.

“Drugs from foreign sources that are not FDA-approved do not have the same assurance of safety, effectiveness, and quality as drugs subject to FDA oversight,” said Kelly. “Such drugs have been found to be contaminated, counterfeit, contain varying amounts of active ingredients or none at all, or contain different ingredients altogether.”

FDA rules allow individuals to buy foreign-made drugs for personal use, which are not available in the US and are considered safe, along with other conditions.

Although individual US customers have relied on Canadian pharmacies for years, Canada is not the solution to high drug prices, said John Rother, president of the National Coalition on Health Care and former chief policy adviser for AARP, an advocacy group for older Americans with more than 37 million members.

“It is a way for individuals to save sometimes very substantial amounts of money,” he said. “But Canada has the population of California and they can’t supply the whole United States market.”