

# **National Retiree Legislative Network (NRLN) on Prescription Drug Pricing**

## **NRLN's position on prescription drug importation:**

Other countries that practice socialized medicine exact low prices for people served in their countries by demanding below market pricing from American pharmaceutical manufacturers.

**There are two counter measures to our manufactures being forced to take losses:**

**A. Pharma companies should exit these markets, thus protecting Americans and our economy from subsidizing socialized medicine.**

**B. To the extent pharma and Congress don't eliminate this unethical practice of absorption and passing of losses on to the Americans and the US economy, Congress must pass laws allowing importation of safe prescription drugs from Canada and elsewhere so that Americans and our economy benefit. Start with Canada NOW.**

## **NRLN's position on prescription drug competitive bidding:**

Members of Congress have quoted CBO studies to wrongly justify a claim that the CBO and others have said that there would be very little savings if HHS required competitive bidding of Medicare's drug business. These are old irrelevant claims. Other than two letters written in the 2006-2007 period by two incumbent CBO Directors to Senator Wyden and others, there are no published relevant studies to support this claim made available. It has been said that the HHS Secretary would have to be authorized to set (not competitively bid) prices. In some cases, such as in chronic and fatal disease treatment drugs, this may be even more problematic today.

Since 2007, generic drug availability has mushroomed from < 20 % of drugs dispensed in the U.S. to where today they represent around 75% of the pills, capsule and injected drug units sold. A growing number of these drugs treat the same ailments! And, a growing number will treat even more as drug patents expire. This data is not speculation or political rhetoric. It's time to start competitive bidding.

The patent on Crestor expired and competition is salivating to take share away from the price gouging manufacturer who is now suing the FDA to obtain extended patent protection because 800 Americans use Crestor to treat another illness. We are stooping very low to avoid what's good for America.

**There is only one solution to this problem:**

**Congress should remove the prohibition on competitive bidding and replace it with a competitive bidding mandate to be applied wherever two or more FDA approved generic drugs, or two or more brand drugs, or a generic and brand drugs (upon patent expiration) treat the same medical condition.**

**HHS shall be authorized to award percentages of the business to up three vendors so as to maintain continued supply and competition by competing products. This provision does not preclude single sourcing and sourcing decisions shall be the exclusive right of HHS.**

## **NRLN's position on prescription drug Pay for Delay:**

**Pass legislation to stop all forms of this anti-competitive practice immediately.**