



Healthcare Distribution Alliance

HEALTH DELIVERED

6/12/2024

Chairman Mathews
House Public Health Policy Committee
1 Capitol Square
Columbus, OH 43215

Subject: Opposition to HB 92 - Prescription Drug Importation Program

Dear Chairman Mathews and members of the committee,

My name is Travis Butchello and I am the State Government Affairs Director for the Healthcare Distribution Alliance (HDA). I am here today to express our industry's firm opposition to HB 92 which proposes the establishment of a Canadian Prescription Drug Importation Program.

HDA serves as the national trade association representing primary pharmaceutical wholesale distributors, who are the essential link between 1,500 pharmaceutical manufacturers and 330,000 healthcare providers across the nation, including 9,500 entities situated across Ohio. HDA's members work tirelessly to securely distribute nearly 10 million healthcare products daily, ensuring pharmacies, hospitals, and healthcare facilities are adequately supplied with the medications required for patient care. 13 of our members have facilities located throughout the state and employ over 7,000 citizens in both suburban and rural communities.

The U.S. pharmaceutical supply chain is recognized as the world's most sophisticated, efficient, and secure drug supply chain system. The integrity and security of the pharmaceutical supply chain were significantly bolstered in 2013 with the passage of the Drug Supply Chain Security Act (DSCSA), Title II of the Drug Quality and Security Act. This landmark legislation established federal traceability and security measures for prescription medicines. Implementing state-level drug importation programs contradicts and jeopardizes the substantial efforts made by the industry and regulators.

While the FDA has recently authorized Florida's drug importation program, it is important to recognize that Florida's ability to import drugs is contingent on meeting several rigorous conditions, including comprehensive testing, reporting, relabeling requirements, and quarterly reports. As of now, none of these requirements have been fulfilled.

Moreover, there is noteworthy opposition from within Canada. HDA's counterpart, the Canadian Association for Pharmacy Distribution Management (CAPDM), shares similar concerns about the stability of medication supply. Their official statement¹ on the concept emphasizes the importance of ensuring a safe, high-quality, and stable supply of medications for Canadians, expressing opposition to any policy initiative that could threaten this stability.

¹Canadian Association for Pharmacy Distribution Management (CAPDM) Webpage on U.S. Importation Proposals, <https://www.capdm.ca/Issues/Drug-Shortages.aspx>

Health Canada has also reiterated its opposition to importation proposals, emphasizing that bulk importation is not an effective solution to the issue of high drug prices in the U.S.² This sentiment aligns with Health Canada's 2020 Interim Order, made permanent in 2021, which prohibits the distribution of drugs intended for the Canadian market outside Canada if it would cause or worsen a drug shortage.³

While HDA and our member companies support efforts to address the high cost of prescription drugs, we stand in opposition to proposals that would import medicines not intended for distribution in the United States. These initiatives present challenges to the country's secure distribution system, posing potential risks to patient safety.

In light of these concerns, we respectfully request the committee oppose this measure in its entirety. For further inquiries or a more detailed discussion of our concerns, please contact me at tbutchello@hda.org or at 716-307-4022.

Sincerely,

Travis Butchello
Director, State Government Affairs
Healthcare Distribution Alliance

² Health Canada Position on U.S. Drug Importation, https://www.capdm.ca/CAP/media/Images/News/Comment_from_Government_of_Canada.pdf

³ Health Canada Regulations on Exportation, <https://www.gazette.gc.ca/rp-pr/p2/2021/2021-09-01/html/sor-dors199-eng.html>