





March 6, 2019

Dear Senators:

As women-focused organizations, we represent mothers, wives, heads of household, business owners, employers, and caregivers who are likely the persons primarily responsible for making health care decisions for ourselves, our employees, and our families.

Nearly three million women live in Colorado, making up 49.8 percent of the state's 2019 population. As entrepreneurs and employers, we are primary stakeholders in keeping the American economy vibrant, competitive, and growing. Specifically, there are 194,508 women-owned businesses in Colorado, generating \$26.5 billion of receipts. Nationwide, women businesses are growing at twice the rate of other businesses, generating \$1.45 trillion in sales. In 2016 alone, women-owned businesses created 9.4 million jobs.

We are writing to express our concern about current legislative proposals before the Colorado legislature that would enable the importation of pharmaceuticals from Canada into the State of Colorado. Such measures would not offer helpful solutions to rising health care costs because they would undermine the safety of our medicine supply. Importation initiatives have been advanced many times over the last two decades, yet none have been successfully implemented because there is no practical way to guarantee the safety of the imported medicines nor overcome the other adverse outcomes that importation could cause.

It is also important to realize from the perspective of women's health that the 1987 federal law<sup>1</sup> that banned importation and created the modern supply chain that ensures safety and purity was specifically enacted because of the importation of fake, ineffective birth control pills. As the United States Senate Finance Committee found, "The presence of diverted, adulterated, and misbranded drugs in the prescription drug distribution system is a national problem. At least one drug store in every city, town, and village involved in the FBI investigation was found to be dispensing such medications. These adulterated and misbranded drugs included blood pressure and heart medications, as well as thyroid pills, ulcer solutions, birth control pills, and antibiotics—almost any type of noncontrolled prescription medication. Some had been expired for more than five years."<sup>2</sup>

As a result of the 1987 law, the U.S. has the safest medicine supply in the world, and we certainly do not want to go back to the pre-1987 environment, particularly since the power of medicines and the complexity of medical care has increased significantly since then. Currently, the U.S. supply system is a closed network of manufacturers, suppliers, and retailers overseen by the Food and Drug Administration (FDA). Even with these protections in place, tragic

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<sup>2</sup> U.S. Senate Finance Committee Hearing Report 100-402, June, 15, 1987, p. 6.
<u>https://www.finance.senate.gov/download/1987/06/15/prescription-drug-marketing-act-of-1987-subcommittee-on-international-trade</u>
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<sup>&</sup>lt;sup>1</sup> In 1987, the Prescription Drug Marketing Act limited the importation of drugs by those other than authorized drug manufacturers except in emergency cases and as approved by the FDA.

counterfeit and importation activities can happen. For example, in April of last year, a company called Canada Drugs was found guilty of distributing an estimated \$78 million in counterfeit cancer drugs, Avastin and Altuzan, to the United States.<sup>3</sup> Canada Drugs used U.S. companies such as Montana HealthCare to further its illegal operations. This recent situation shows that simply limiting imports from Canada does not effectively ensure a safe drug supply because neither Canada nor the U.S. has a system in place to certify the safety and authenticity of imported medicines. Moreover, the practice of "trans-shipping," where medicines come into a country but never actually enter that countries pharmacy distribution system before being shipped to a third country, can make it difficult—if not impossible—to pinpoint with certainty the origin of these shipments.

Importation is not a new idea. In fact, it is one that originated in the last century and was found unworkable, which is why, even when given the authority to allow it, Secretaries of the federal Department of Health and Human Services have not acted because they were required to first certify that such importation would be safe. This has not changed.

And lastly, allowing importation could also exacerbate the ongoing opioid epidemic crisis in the United States by making it easier for dangerous illegal drugs such as heroin and fentanyl to enter the country. As a sobering report on counterfeit medicines by former FBI Director Louis Freeh states, "Additionally, with illegal drug traffickers producing and distributing fake opioids, including fentanyl laced with other drugs, which contribute to a national crisis worsening by the day, it is my strong belief that any efforts on the part of our elected officials should focus on improving and enhancing existing law enforcement capacities to prevent potentially dangerous products from entering the U.S. drug supply in the first instance."<sup>4</sup>

As employers—and health care decision makers for ourselves, our families, and our employees—we are the first to applaud health care reforms necessary to make 21st-century medical breakthroughs accessible to patients who need them. We encourage the Colorado legislature to focus on sustainable, practical, forward-looking ideas that will work now—and in the future—and urge you to vote against SB 5.

Sincerely,

Candace Matornac

Candace Waterman, President & CEO Women Impacting Public Policy

BETH BATTALINO

Beth Battaglino, RN, CEO HealthyWomen

Eliza to Chin, MD

Eliza Lo Chin, MD, MPH, Executive Director American Medical Women's Association

<sup>4</sup> Freeh, Sporkin, and Sullivan LLP and Freeh Group International Solutions, LLC, "Report on the Potential Impact of Drug Importation Proposals On U.S. Law Enforcement," June 2017.

https://storage.googleapis.com/m1738/20170605\_Report%20on%20Counterfeit%20Drugs.pdf

<sup>&</sup>lt;sup>3</sup> <u>https://www.justice.gov/usao-mt/pr/canadian-drug-firm-admits-selling-counterfeit-and-misbranded-prescription-drugs</u>