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Plan to Import Drugs From Canada Passes in Senate

By ROBERT PEAR

WASHINGTON, July 17 — The Senate today approved a proposal that could make it easier for Americans to import prescription drugs from Canada, where drug prices are often lower than in the United States. But the Bush administration said it would not carry out the plan because it would endanger public health.

The proposal is contingent on a finding by the secretary of health and human services that imports from Canada would pose "no additional risk to the public's health and safety."

The vote in favor of the plan was 69 to 30. It was the first action by the Senate in a wide-ranging two-week debate on increasing access to prescription medicines, especially for the elderly.

Senator Byron L. Dorgan, Democrat of North Dakota, who wrote the proposal to ease the imports, said, "Lifesaving prescription drugs save no lives if you cannot afford to purchase them."

The proposal has broad support in the House, too. It would let licensed pharmacists and drug wholesalers in the United States import prescription drugs from Canada, if the Food and Drug Administration approves the medicines.

Congress passed a similar measure in 2000, a law that allowed imports from 26 countries. The Clinton and Bush administrations refused to issue rules to carry it out. They said they could not certify that it would be safe or save money for consumers.

The measure approved today applies just to Canada. Supporters said the safety risks were minimal, because Canada had a system of drug safety regulation similar to the system in the United States.

Still, drug companies resisted the proposal, saying Canada could become a conduit for counterfeit and contaminated drugs.

Senator Orrin G. Hatch, Republican of Utah, said, "If this proposal becomes law, we are just placing our country in the hands of foreign terrorists who could easily get hold of various prescription drug products and spread

desolation and disease."

At a presidential campaign debate in October 2000, Mr. Bush said it "makes sense" to ease the rules on importing prescription drugs.

But today his administration opposed Mr. Dorgan's proposal. In a letter to the Senate today, Dr. Lester M. Crawford, deputy commissioner of the F.D.A., said:

"The bill would create an incentive for unscrupulous individuals to find ways to sell unsafe or counterfeit drugs that while purported to be from Canada may actually originate in any part of the world. Canada could become a transshipment point for legitimate or nonlegitimate manufacturing concerns throughout the world. In many cases, we would not be able to determine the true country of origin."

Counterfeit drugs could easily be commingled with authentic products, and "there is no sampling or testing protocol sufficient" to detect them, Dr. Crawford said.

The Senate debated that and other proposals to lower drug costs while it searched for a consensus on legislation to help elderly people buy prescription medicines under Medicare. Democrats and Republicans have developed competing plans to add drug benefits to Medicare, the federal health insurance program for the elderly and disabled. Neither plan has the majority needed to pass it.

Last month, the House passed a Republican bill to provide drug benefits under Medicare at a cost of \$320 billion over 10 years. Experts said that would be the largest expansion of Medicare since its creation in 1965.

Democrats, who control the Senate, say that amount is inadequate to address the problem.

One proposal debated today would expand access to low-cost generic copies of brand-name medicines. That proposal would limit the ability of brand-name drug companies to delay the approval of generic drugs by repeatedly filing new patent claims and then suing to enforce those patents. The bill would also outlaw collusive agreements under which brand-name drug companies pay generic companies to keep generic products off the market.

The generic drug bill was written by Senators Charles E. Schumer, Democrat of New York, and John McCain, Republican of Arizona.

"The drug companies have mounted a massive attack on this legislation," Mr. McCain said. "Absent the overwhelming, huge campaign contributions of the drug companies, absent that, we could reach an agreement that would be fair to the patent prescription drug companies, fair to the generic companies and fair to the American public."

The Senate Republican leader, Trent Lott of Mississippi, said he believed that the Senate would eventually pass the generic drug bill in some form.

Other Republicans opposed the bill, saying it would discourage the research conducted by brand-name drug companies to discover cures and treatments. Mr. Hatch said that if Congress disrupted the delicate balance between generic and brand-name drug companies, it could "take away the incentives" for such research.

Mr. Hatch is an author of a 1984 law that stimulated the growth of the generic drug industry. "That law," he said, "is one of the finest pieces of consumer legislation in the last 50 years. It saves consumers \$8 billion to \$10 billion a year."

Behind the scenes today, the majority leader, Senator Tom Daschle, Democrat of South Dakota, encouraged colleagues to strike a deal on Medicare drug benefits.

"While I can't define it," Mr. Daschle said, "I think that there is a real possibility that some compromise is within our grasp."

Moreover, Mr. Daschle said, "There are a lot of Republicans who, if given the choice of nothing at all or something that they're not as comfortable with as they'd like to be, will vote for it."