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Michigan Senator Will Lead Democrats in Prescription Drug Debate

By ROBERT PEAR

WASHINGTON, July 14 — When the Senate begins a two-week debate on prescription drugs on Monday, Senator Debbie Stabenow will be at the center of the action, leading Democratic efforts to provide Medicare drug benefits and rein in pharmaceutical costs.

Ms. Stabenow, a lifelong resident of Michigan, personifies the political power of the issue. She rode it to victory in 2000, and many other Democrats hope to do so this fall.

More significant for consumers, and more ominous for the brand-name drug industry, is the fact that Ms. Stabenow also symbolizes a change in Congressional attitudes. Growing numbers of lawmakers say they are willing to use the power of the government to make drugs available at more affordable prices.

Ms. Stabenow was named several months ago by the majority leader, Senator Tom Daschle of South Dakota, to head the Democrats' prescription drug task force, a "message team" that would harp on the issue, giving voice to voters' frustration over drug prices, while assembling data to rebut arguments by drug manufacturers.

"We have an industry that is the most profitable in the world," Ms. Stabenow said. "And I don't begrudge that in any way. But when an industry is allowed to make 18 to 20 percent a year, at the same time it's raising prices three times the rate of inflation, and people who need life-saving medicine cannot afford it, I think it's time to ask where the corporate responsibility is."

The pharmaceutical industry topped the Fortune 500 list of the most profitable industries, providing investors with an 18.5 percent return on revenues last year. But many drug companies report sagging profits this year.

The bill before the Senate would expand access to low-cost generic medicines, deemed by the government to be just as safe and effective as brand-name drugs. Senators plan to offer amendments to add drug benefits to Medicare, the federal health insurance program for 40 million people who are elderly or disabled. The Senate will also vote on proposals to allow commercial imports of prescription drugs from Canada, where government regulation often keeps prices lower than in the United States.

Ms. Stabenow's populist crusade disturbs drug industry executives, who dispute her assertion that they spend more on marketing and advertising than on research.

"We admire Senator Stabenow's energy, but believe she puts politics ahead of good public policy," said Alan F. Holmer, president of the Pharmaceutical Research and Manufacturers of America. "The proposals she promotes are shortsighted, misguided and potentially dangerous for American patients."

Brand-name drug makers oppose the bill to speed the marketing of generic drugs. They say it would undermine patent protections, reducing incentives for the discovery of new treatments beneficial to patients. Generic competition often causes precipitous drops in sales of brand-name products.

Drug companies also oppose efforts to import cheaper prescription drugs from Canada. Inevitably, they say, such imports will include products that are counterfeit, contaminated, adulterated or misbranded.

The first bill introduced in the Senate by Ms. Stabenow, in January 2001, was a bill to permit imports of prescription drugs. "Keeping the Canadian border closed is an obstacle to competition and is serving to maintain artificially high prices for drugs in the United States," she said.

Although Ms. Stabenow has spoken to Mr. Holmer and other drug company representatives, she said: "I've gotten more and more frustrated because they fight everything. I would love to find a way to work together on something meaningful. But they have the financial capacity, and a financial incentive, to fight everything, because so much money is at stake."

Mr. Holmer said that the drug industry favored Medicare coverage of prescription drugs, "offered through competing private insurance plans that rely on marketplace competition to control costs."

Ms. Stabenow said such coverage would be unreliable and unstable, like the coverage provided by health maintenance organizations. Many H.M.O.'s have found federal payments inadequate and pulled out of Medicare, dropping 2.2 million beneficiaries since 1998.

Senator Stabenow (pronounced STAB-uh-now), 52, speaks with a quiet intensity.

"When you talk to her about something that is causing you pain, it almost seems to affect her breathing," said Richard T. Cole, senior vice president at Blue Cross and Blue Shield of Michigan, who has known Ms. Stabenow for more than 25 years.

In 1974, at the age of 24, Ms. Stabenow ran against a local official who was trying to close a county nursing home with many low-income residents near Lansing, Mich. "I ran against my county commissioner, who referred to me as

`that young broad,' and I beat him," Ms. Stabenow said. "That's really what got me into politics. I've been involved in health care and mental health care ever since."

In 2000, she narrowly defeated the incumbent Republican senator, Spencer Abraham, even though he spent nearly 60 percent more than she did.

"The drug companies did everything humanly possible to stop me from winning my election," Ms. Stabenow said. "They spent millions of dollars in my race. In the last three weeks, they gave money to the Chamber of Commerce to run ads against me. They threw everything at me, including the kitchen sink, but the public stood with me."

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