

**TESTIMONY
OF
MARY JORGENSEN
Before
THE SENATE SPECIAL AGING COMMITTEE
INTERNET PHARMACY & DRUG REIMPORTATION:
Exploring Risks & Benefits
January 26, 2005**

Good Morning. My name is Mary Jorgensen and I am representing the Coalition of Wisconsin Aging Groups located in Madison, Wisconsin. CWAG (Coalition of Wisconsin Aging Groups) is a grassroots, nonpartisan elderly advocacy organization whose mission for the past 28 years has been to work on behalf of frail and elderly who are unable to speak for themselves on issues affecting their quality of life in Wisconsin.

My current position with the Coalition of Wisconsin Aging Groups (I'm in my 16th year of employment with CWAG) is the Prescription Drug Information Center Coordinator. For the past 2 ½ years the Coalition of Wisconsin Aging Groups has provided a clearinghouse for our 600 member groups and 12,000+ individual members of our organization.

BACKGROUND OF CWAG'S PRESCRIPTION DRUG INFORMATION CENTER

As far back as 1998, CWAG's members have been concerned about the high cost of prescription drugs in the United States. As an elderly advocacy organization we began to look for affordable options for seniors other than the ones available in Wisconsin. We also wanted to be able to counsel folks on the various cost-saving

options available to seniors in Wisconsin. These choices include Wisconsin's SeniorCare program (CWAG was very instrumental in getting this legislation passed into law). This state program provides low-income seniors the opportunity to purchase their drugs at \$5/prescription for generic drugs and \$15/prescription for brand name drugs. Another option includes the special programs offered by various pharmaceutical companies and then, of course, the purchase of drugs from Canada. Because of our geographic location several of our 600 member groups were able to organize bus trips to Canada to purchase their drugs, where they saved substantial amounts of money. This led to discussion and collaboration with our counterparts in Minnesota, Indiana and Pennsylvania to pursue additional options for seniors to save money on their ever-increasing costs of prescription drugs. After actual visits to Canada by CWAG staff and our counterparts, the decision was made to enter into an agreement with CanadaRX, Ontario, Canada where we would be able to assist seniors (or any of our members for that matter) in purchasing their drugs. Our decision to work with CanadaRX was precipitated on several things. Number one was cost since this is the main concern of our members. Another consideration was the fact that CanadaRX had been in existence for over five years providing drug reimportation to the United States with a good reputation. The other consideration was that they are a licensed Canadian pharmacy.

AN OPTION THAT WORKS

In August 2002 CWAG began to offer an additional membership benefit of the Prescription Drug Information Center where seniors could access an internet site to do cost comparisons on their own or call CWAG for assistance. This provided a wonderful opportunity, especially for seniors, who have high prescription drug costs, were afraid to check into purchasing drugs from Canada or didn't have access to computers. CWAG provided all the tools necessary, including price quotations, to enable consumers to purchase their drugs from a reputable Canadian pharmacy and save as much as 60% of their drugs costs.

Within the past year we have added another vendor, Canada Drug Service, to our drug purchasing options because several of our members were unable to use the

services of CanadaRX due to their ordering process that involved the physician's signature on the order form as well as on the prescriptions. With Canada Drug Service, the process is much simpler and requires the doctor's signature only on the prescription. Canada Drug Service is also a licensed Canadian pharmacy. They are not an internet accessible provider—they have a presence in Wisconsin where consumers have a one-on-one contact.

Many of our inquiries are from low-income seniors who do not qualify for other programs—many of whom told me they could not continue to eat and buy their prescription drugs and still afford to live! Others have told me they take their medications only every other day so their monthly supplies last longer. This is a travesty! We believe that unaffordable drugs are neither safe nor effective. People are being forced to choose between drugs and nutrition—through prescription drug reimportation they are able to afford both.

Many of the seniors I speak with fall into a few typical scenarios—they have cardio-vascular disease, have suffered a heart attack or stroke, diabetes, etc. that require several expensive drugs they simply cannot afford any longer from their local pharmacy.

An example of the kind of savings seniors experience is with a couple living in southern Wisconsin. Bill's wife, Mary Lou, has suffered severely with asthma her entire life, along with other health problems. Mary Lou's medications cost approximately \$4,900 each year. Bill does extensive price comparisons and has found that using Canadian pharmacies, he has been able to save approximately 35% in prescription drug costs each year. The Prescription Drug Information Center has received approximately 3,900 inquiries from seniors within the past 2 ½ years of its existence. Over 1,200 of our members have saved significant dollars on their prescription costs by purchasing their drugs from Canada and a few other countries such as New Zealand.

Safety seems to be the number one concern of the FDA regarding reimportation. These drugs are shipped in the manufacturer's sealed packaging (usually a three-month supply). The drugs sold in our U.S. pharmacies are being manually counted out by pharmacy technicians. The chance of the wrong drug being

dispensed is much greater than if the drug was shipped in its original packaging. As a matter of fact, I have an 81 year old friend who takes about 9 different pills each day. Within the past three years she has had two separate instances where the wrong drug was dispensed. Thankfully she was of sound mind and noticed the difference in color and shape of the pills and called this huge, nationally known pharmacy before ingesting the wrong drug that could have killed her (as she later discovered). Purchasing drugs in the United States does not make it any safer than purchasing drugs from another country where the drugs are carefully manufactured and regulated.

As a grassroots organization of seniors, CWAG is more concerned about affordability than the reimportation issue. CWAG continues to believe that unaffordable drugs are neither safe nor effective. It's important to mention that we realize that reimportation is not for everyone. Not all drugs are available through reimportation—insulin as an example. Some drugs are not necessarily cheaper either.

THE MAIN PURPOSE OF MY BEING HERE TODAY IS TO SUPPORT THE LEGALIZATION OF PRESCRIPTION DRUG REIMPORTATION SO THAT PEOPLE HAVE A CHOICE TO OBTAIN THEIR DRUGS THROUGH THIS PROCESS IF THIS IS THE BEST WAY OF SAVING PRESCRIPTION COSTS ON AN INDIVIDUAL BASIS.

IMPACT OF THE MEDICARE MODERNIZATION ACT—WHAT ELSE CAN BE DONE?

With the implementation of the Medicare Modernization Act (without going into great detail), seniors will experience huge cost increases on their prescription drugs due in large part to the “donut hole” in prescription drug benefits. Why are seniors being asked to participate in such a confusing, unclear program when life should become simpler in their old age. A simple solution CWAG believes would be for the federal government to be able to negotiate prices with the drug companies just as they do in Canada and New Zealand for instance. The state of Wisconsin is experiencing great success in reducing Rx drug costs for Medicaid enrollees and state employees, and will soon make these savings available to individual Wisconsin citizens. If states can successfully negotiate prices with drug companies it seems that the federal government would have exponentially more clout in negotiating prices for

Medicare recipients, not to mention reducing the cost of the Medicare Part D Rx drug benefit. If drugs were affordable, we wouldn't need to go elsewhere.

IN SUMMARY, the Coalition of Wisconsin Aging Groups will continue to advocate in support of Wisconsin's senior population. We again want to emphasize we do not believe drug reimportation is for everyone, but for those seniors (and those of all ages, for that matter), we will continue to fight for legislation to assure that safe reimportation of prescription drugs as an OPTION for those who choose to use it in order to save money on their prescription drugs. Thank you for the privilege of being able to speak to you on behalf of Wisconsin seniors.