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# Drug-Import Plan Cut Back

## Montgomery Moving Ahead in Face Of Questions About Legality, Savings

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A plan to offer Montgomery County employees and retirees the option of importing lower-cost prescription drugs from Canada has been significantly scaled back amid questions about its legality and whether it would produce the savings its proponents promised.

The County Council passed a resolution in September 2004 supporting a Canadian drug option. Its principal sponsor, now-council President Tom Perez (D-Silver Spring), anticipated offering the benefit to 85,000 employees and retirees, including 27,000 affiliated with the school system.

But the plan suffered a setback last month when the county school board declined to pursue a contract with Canusa, a privately held health benefits company based in Windsor, Ontario, largely because of concerns that the program would violate federal law.

So now, Perez is focusing on the county government, with 12,500 workers and retirees, in part because it is the entity over which the council has direct con-



County Council President Tom Perez's bill has six of nine members as co-sponsors.

trol. Yesterday, he relaunched the initiative, introducing a bill that would supersede the resolution by requiring the county to institute the drug option. With six of the council's nine members listed as co-sponsors, the bill is almost assured of becoming law.

The remainder of Montgomery's public employees work for the planning agency, Montgomery College, and the Washington Suburban Sanitary Commission, and Perez said he hoped that they would follow the county's lead.

# Montgomery Scales Back Drug Plan

MONTGOMERY, *From B1*

But Perez — who once spoke of saving \$15 million to \$20 million a year, assuming broad participation in what has always been conceived of as a voluntary program — said yesterday that he would be happy with less. “If I can only save us \$2 million, well, that’s a gym,” he said.

Officials at the U.S. Food and Drug Administration have long said that importing prescription drugs would violate federal law. But Perez and other supporters note that the government so far has failed to prosecute or sue any local government for creating an import scheme. “The FDA does not have the courage of its convictions,” said council member Howard A. Denis (R-Potomac-Bethesda).

School board members, citing a variety of legal opinions, said the county should seek a waiver from the federal government or wait for Congress to authorize import programs. “The only way we will do anything is if there is no risk to board members or to federal funding” for the school system, the board president, Patricia O’Neill (Bethesda-Chevy Chase), said yesterday.

In advising the board on the issue in a memo last month, Superintendent Jerry D. Weast questioned the savings possible under the Canusa plan. “Fluctuating

prices have made the savings analysis challenging, especially since potential savings are eroded during times when the U.S. dollar is weak compared to Canadian currency,” he wrote.

County Executive Douglas M. Duncan (D) has expressed reservations about any county action that would violate federal law. Last year, he asked Gov. Robert L. Ehrlich Jr. (R) to seek a waiver, a request the governor ignored.

This week, Duncan wrote to Maryland Attorney General J. Joseph Curran Jr. and U.S. Health and Human Services Secretary Mike Leavitt, again seeking a waiver that would allow the program to proceed without fear of legal challenge.

Duncan, who is expected to announce his candidacy soon for the 2006 gubernatorial nomination, said in a statement yesterday that “the time has come to do more to reduce prescription drug costs, and I am committed to working with the Council to do it.”

Perez said federal officials have said that current law does not allow them to issue the sort of waiver Duncan is seeking.

“It’s really time for action,” he said, adding that Montgomery’s unions supported a drug-import program. A half-dozen union representatives appeared at the council building yesterday to endorse Perez’s bill. On this issue, Perez said, “the people are ahead of the politicians.”