



# Montgomery County Council

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**For Immediate Release**

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## **COUNCIL APPROVES OPTION FOR COUNTY EMPLOYEES & RETIREES TO BUY PRESCRIPTION DRUGS FROM CANADA**

***County Would Follow Lead of Other Cities, States Already  
Operating Such Programs***

***Safety Concerns Addressed by Carefully-Crafted Program for  
90-Day, Maintenance Drugs***

The Montgomery County Council today overwhelmingly approved a resolution that could give 85,000 County employees, retirees, and their dependents the choice of buying safe, high-quality, lower-priced prescription drugs from Canada. Depending on the rate of participation, County taxpayers could save \$15 to \$20 million annually.

The County spends an estimated \$70 million annually on prescription drugs for employees, retirees, and their families. In the Montgomery County Public Schools system alone, prescription drug costs for active employees have more than doubled over the past six years (from \$883 per employee to \$1,992) and nearly doubled for retirees (\$1,513 to \$2,913).

"A voluntary program that allows County agency employees, retirees, and their dependents to order maintenance drugs from an approved Canadian supplier makes a common sense solution to inaction on the federal and state levels," said Councilmember Tom Perez.

"We have exhaustively worked to explore the safety, cost, and legal issues involved with purchasing Canadian drugs. We have carefully crafted a plan that

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will enable us to carry out such a program safely and effectively. Just last week, Springfield, Massachusetts mayor Michael Albano paid us a visit. Springfield has had a program such as the one we'll implement in place for over a year. Guess what? No safety problems. And no legal problems either. Over half of their employees and retirees are participating in the program -- with cost savings of over \$6 million projected for this year."

"The County's strong commitment to and support for the biotech industry will remain a high priority," said Councilmember Marilyn Praisner. "That's why any County drug importation program would be limited to certain maintenance drugs and would exclude bio-medications. Should there be any demonstrated negative impact on the biotech industry, the Council has committed to assist the affected firms.

"We have worked very carefully with County agencies to design a practical program to ensure safe, high-quality prescription drugs for our employees and retirees."

Today's action was the culmination of months of study, initiated in February by a committee composed chiefly of County agency benefits experts and union representatives and convened by Council Vice President Perez. It examined extensive information on prescription drugs from Canada, including actions taken or contemplated by states and localities elsewhere, statements by the Food and Drug Administration, and the perspectives of such groups as the Biotechnology Industry Organization and the BioAlliance.

The Committee also convened a February public forum that featured an overview by the benefits experts of prescription drug costs for both agencies and employees; an expert panel with diverse perspectives on the safety, legal, and cost issues; and a panel of employees with concerns about prescription drugs. Federal Food and Drug Administration commissioner William Hubbard participated in the forum.

A survey of nearly 400 County employees indicated that 68 percent of respondents would take advantage of the choice to buy Canadian drugs. More than 70 percent believed the County should offer a Canadian mail-order option.

Interest in importation programs has mushroomed over the past year. Springfield, Massachusetts and Montgomery, Alabama initiated programs in 2003. Boston is implementing a similar program later this year and other towns and cities are also moving in that direction. Minnesota, Illinois, and Wisconsin have already established websites linking state residents to Canadian

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pharmacies and other states have also indicated interest. Legislation in favor of importation has already passed the U.S. House of Representatives with bipartisan support, and enjoys overwhelming support in the U.S. Senate. It is also an issue in the current U.S. presidential campaign.

“Reimportation of high-quality drugs from Canada draws enormous bipartisan support,” said Councilmember Howard Denis. “Republican and Democratic governors and Republican and Democratic mayors are moving ahead to give their employees and retirees the choice – the choice – to buy high-quality drugs at good prices. We shouldn’t give the Food and Drug Administration a pass on this. We didn’t defer to the Justice Department on the USA Patriot Act. We didn’t defer to the Department of Education on the ‘No Child Left Behind Act’. Asking the FDA for permission on this, when they’ve consistently said ‘no’ is nothing but a stalling tactic. What’s next? Asking Kofi Annan and the United Nations for their permission? It’s time for Montgomery to take action now.”

The resolution approved today urges County agencies – Montgomery County government, the Montgomery County Public Schools, Montgomery College, Maryland National- Capital Park & Planning Commission, and the Washington Suburban Sanitary Commission – to implement a health benefits program for employees and retirees that includes the option of safely ordering FDA-approved prescription drugs from Canada at significantly reduced cost. The program would be limited to a 90-day supply of certain maintenance drugs, and would exclude bio-medications.

“Leadership is not about hiding behind contested legal opinions or passing the buck to somebody else,” said Councilmember Perez.

“Leadership is about moving ahead. Leadership is about saying ‘no’ to our friends in the FDA in our backyard and our friends in the biotech industry when the public interest – and the taxpayers’ interests – clearly outweigh private interests. “

“There has been no evidence presented that prescription drugs from Canada are any less safe than those we buy in the United States,” said Councilmember Phil Andrews. “In fact, in most cases, they are U.S. drugs to begin with. We do know that the high price of prescription drugs is a major safety issue – because people often don’t have access to the drugs they need because of cost.”

“Our action today is part and parcel of the Council’s concerted campaign to improve access to health care for all County residents and save money for

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County taxpayers,” said Councilmember George Leventhal, who chairs the Health & Human Services Committee.

”We are working more closely with our network of non-profit clinics and County hospitals who serve the 80,000 County residents who are uninsured. We initiated and approved a ‘Community Pharmacy’ to provide these clinics with the common drugs they use and need. And we are moving ahead on a drug discount card for all County residents that can mean 15 to 30 percent off prescription drug costs.”

“From the very start, we have worked with all County agencies in exploring the potential issues involved,” said Councilmember Perez. “What we approved today is as much their product as ours. Now we’ll turn our attention to work closely with them to implement the necessary changes. All of our County unions have provisions in their collective bargaining agreements to help make this happen. They are enthusiastic about changes that can help cut the County’s compensation costs.”

Voting in favor of the Canadian drug reimportation program were Councilmembers Perez, Praisner, Denis, Andrews, Leventhal, Steve Silverman, and Nancy Floreen. Voting against were Councilmembers Michael Subin and Michael Knapp.

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