



March 27, 2017

Dear Member of Congress:

On behalf of the undersigned conservative, free-market organizations, we write in opposition to proposals calling for the importation of prescription medicines.



Importation schemes are NOT the solution to lower prices and will NOT result in a more efficient healthcare system.



Instead, implementing an importation policy is simply adopting market-distorting price controls from other countries, which would disrupt U.S. innovation of life-saving and life-preserving medicines. Over the long-term this will result in substantially higher costs to the healthcare system, because there will be fewer research dollars to reinvest, thousands of jobs will be lost, and fewer lifesaving treatments will be available that will keep people out of the hospital and enable them to lead productive lives.



The United States is a leader in medical innovation, with more than half of pharmaceutical / biotech research being conducted in this country. Even so, it costs more than \$2.6 billion and takes 10-12 years to develop a drug, conduct clinical trials, and obtain Food and Drug Administration (FDA) approval for each drug that makes it onto the market.



In contrast, almost every country in the world has excessive price controls that hinder medical innovation. In these countries, prices are often determined by politicians offering voters seemingly cheap medicines. In reality, the world rides on U.S. research and taxpayers.



Importation of prescription medicines should not be mischaracterized as an issue of free trade. Free trade means transparent prices with no tariffs, barriers, or price controls. Drug importation is the opposite of free trade.



Importation schemes are also potentially dangerous to consumers. The FDA has stated there is no way to assure the safety, authenticity, or effectiveness of imported drugs, or whether the drugs are from the country the packaging claims it to be. Even attempting to construct such a system would be incredibly costly to taxpayers. In addition to drugs being adulterated, they could be deadly. The FDA has long expressed concern with the importation of medicines for these very reasons.



While some argue that importation would increase competition and lower costs, **the solution to lower prices should be less government interference, not more.** Lawmakers need to help create an environment that encourages competition in the pharmaceutical realm. For example, Medicare Part D has provided medicines to seniors at less than half the projected costs because it facilitates private competition and encourages different stakeholders to offer savings.



Prescription drug importation would have disastrous effects on the economy, would hurt American innovation, and is dangerous to consumers. Members of Congress should reject these proposals.



Sincerely,

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