DRUG IMPORTATION THREATENS U.S. SUPPLY CHAIN SECURITY AND PATIENT SAFETY

The Issue: In recent years, some policymakers have been misguided by the myth that importing drugs from foreign countries can help address the drug pricing crisis in the United States. In November 2020, the Trump Administration's Importation of Prescription Drugs Final Rule went into effect, compromising the U.S. drug supply chain and creating the dangerous false perception that all foreign or "Canadian" pharmacies online are regulated, legitimate and safe. Alarmingly, in July 2021, President Biden followed suit and included importation in a sweeping Executive Order aimed at boosting competition in the American economy. Specifically, the action included a directive to the Food and Drug Administration (FDA) to engage with states interested in importing prescription drugs from Canada.

The Solution: The Alliance for Safe Online Pharmacies (ASOP Global) supports policies that prioritize protecting patients from illegal online drug sellers masquerading as "Canadian pharmacies" and close illicit internet markets. We urge Congress to encourage the Biden Administration to rescind the Importation of Prescription Drugs Final Rule.

Drug Importation Isn't Safe

- Permitting individuals to bring drugs from Canada for personal use and creating wholesale purchasing programs introduces new health risks to patients by allowing unapproved, substandard, falsified, and counterfeit medicines to infiltrate the closed, highly regulated U.S. drug supply chain.
- Importation directly contradicts more than 20 years of science-based, bipartisan leadership at the FDA, whose own research shows that upwards of 85% of so-called "Canadian" drugs actually come from other countries.
- At any given time, tens of thousands of online pharmacies exploit patients to push dangerous even deadly –
 products, including fake COVID-19 treatments, opioids, insulin, anti-inflammatories, fertility drugs, antibiotics,
 antivirals, birth control, and other medications used for chronic conditions, health maintenance, and infections.

It Doesn't Save Patients Money - It Profits Criminals

- The <u>Congressional Budget Office</u> and scores of <u>public health, trade association, industry, and research groups</u> all
 agree that sourcing foreign medicine is a dangerous scheme that will not solve our domestic political and drug
 pricing issues.
- Canadian drugs are not necessarily cheaper than those available in the U.S.
- Any potential cost savings would likely be negated by additional expenses for wholesalers and other supply chain intermediaries for the packaging, labeling, and liability insurance required to ensure foreign-sourced drugs' safety.
- Annual counterfeit pharmaceuticals sales are a \$200 billion criminal enterprise the most lucrative sector of the illicit global market.

It Won't Work

- The Canadian government and other Canadian stakeholders have expressed serious concerns about the Importation of Prescription Drugs Final Rule's impacts and impracticality.
- Canadian regulators have consistently said that they will not certify the integrity and safety of drugs exported from Canada into the U.S.
- Past U.S. importation schemes have failed in states like Illinois, Minnesota, and Vermont, where the Vermont
 Agency of Human Services estimated that costs for operating the program in accordance with health regulations
 would far eclipse any potential patient savings.

Please visit ASOP Global's website for additional information on drug importation.