

# Byron L. Dorgan

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**It has bi-partisan support:**

## **DORGAN BILL WOULD GIVE U.S. CONSUMERS ACCESS TO LOWER PRICED PRESCRIPTION DRUGS FROM ABROAD**

(WASHINGTON, D.C.) --- U.S. Senator Byron Dorgan (D-ND) introduced legislation Wednesday which would save American consumers billions of dollars a year in prescription drug costs, by giving them access to identical supplies of those drugs, manufactured by the same company, but sold to consumers in foreign countries at a fraction of the cost imposed on U.S. consumers.

The bill has bi-partisan support. It is co-sponsored by U.S. Senator Olympia Snowe (R-ME), and Senators Paul Wellstone (D-MN), and Tim Johnson (D-SD).

"Everyone says we have a global economy and free and open markets," Dorgan said Wednesday, "but it doesn't work that way for American consumers of prescription drugs. Current law denies them access to lower priced prescription drugs, even though those drugs are identical to higher priced drugs sold in the United States, are approved by the Food and Drug Administration (FDA), are manufactured by the same companies and sold under the same brand name. It seems to me if we're going to have open markets, they ought to be open and work to the advantage of everybody."

The legislation allows U.S. pharmacists and other prescription drug distributors to purchase those same pills, manufactured by the same company, no matter where they are sold, as long as they are approved by the FDA. The savings — which would be substantial — would be passed on to U.S. consumers. Medication accounts for one-third of all health care costs for senior citizens, higher even than doctor visits and hospital stays.

In a speech on the Senate floor, Dorgan cited two examples of FDA approved medicines, manufactured by the same company and sold under the same brand name, but which are sold at substantially different prices in the U.S. and Canada. Claritin, a popular allergy fighting drug, carries a \$218 wholesale price in the United States, but is wholesale priced at just \$61 in Canada. Cipro, a prescription drug used to treat sinusitis and lower respiratory tract infections, is priced 233% higher in the United States. The wholesale price here is \$399. The wholesale cost across the border in Canada is \$171, Dorgan said.

A survey by Dorgan's staff found that the retail prices of 12 of the most commonly used drugs on both sides of the U.S. - Canadian border are significantly higher in the United States, in every instance. On average, U.S. prices were 205% higher than Canadian prices. He said the General Accounting Office (GAO) found similar results in 1991 when it surveyed 121 drugs and found, on average, they are priced 34% higher than the exact same products in Canada. The same basic results were obtained in every other foreign country surveyed.

Dorgan said the current law that restricts the import of prescription drugs into this country to only the manufacturer "looks like a sweetheart law to me. It ought to be changed. If the company that produces these pills has been inspected by the FDA and markets those pills here, why on Earth, in a global economy, can't our consumers have access to those pills at a lower price? Free trade ought to apply to consumers, not just the prescription drug companies."

— END —

*EDITORS NOTE: Four pages of charts, documenting the difference in U.S. and foreign drug prices, are available on Senator Dorgan's web page, or from Senator Dorgan's office upon request.*

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**WHAT IS THE PRICE DIFFERENCE BETWEEN**

## DRUGS SOLD IN THE U.S. AND OTHER COUNTRIES?

North Dakota consumers pay, on average, 205 percent more than their Canadian counterparts for the same prescription drugs, manufactured by the same company and frequently sold under the same brand name, and all of which are approved by the Food and Drug Administration (FDA). Here's how U.S. prescription drug prices compare to prices in foreign countries for the same drug manufactured by the same company:

COUNTRY	PRICE
United States	\$1.00
Germany	\$0.71
Sweden	\$0.68
United Kingdom	\$0.65
Canada	\$0.64
France	\$0.57
Italy	\$0.51

Provided by the Office of U.S. Senator Byron Dorgan  
For more information call Dana McCallum at  
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**Comparison of Prescription Drug Retail Prices  
North Dakota vs. Canada**

<b>Prescription Drug</b>	<b>Use</b>	<b>U.S. Manufacturer</b>	<b>Canadian Manufacturer</b>	<b>Average ND Retail Price</b>	<b>Average Canadian Retail Price<sup>1</sup></b>	<b>Percent Higher in ND</b>
Claritin <sup>2</sup> 10 mg/36 pills	Allergies	Scherer DDS, England, for Schering Corp. Kenilworth, NJ	Schering Canada Inc. Pointe-Claire, Quebec	\$76.30	\$20.08	380%
Glucophage 500 mg/100 pills	Type II (non-insulin dependent) Diabetes	Bristol-Myers Squibb Co. Princeton, NJ	Genpharm, Inc. Toronto, Ontario	\$59.24	\$22.34	265%
Premarin 0.625 mg/30 pills	Menopause	Ayerst Laboratories, Inc. (A Wyeth- Ayerst Company) Philadelphia, PA	Wyeth-Ayerst Canada, Inc. Montreal, Quebec	\$18.30	\$7.20	254%
Prozac <sup>3</sup> 20 mg/30 pills	Depression	Eli Lilly and Co. Indianapolis, IN for Dista Products Co.	Eli Lilly Canada Inc. Toronto, Ontario	\$76.10	\$29.30	260%

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<sup>1</sup> Converted into U.S. dollars, using the exchange rate on May 14, 1999.

<sup>2</sup> This drug is sold over-the-counter in Canada.

<sup>3</sup> A generic equivalent to this drug is mostly used in Canada, but Prozac is available there.

Prilosec <sup>4</sup> 20 mg/30 pills	Ulcers	Merck & Co., Inc. (West Point, PA) for Astra Pharmaceuticals (Wayne, PA)	Astra Pharmaceuticals, Inc. Mississauga, Ontario	\$113.67	\$54.92	207%
Cipro 500 mg/14 pills	Infection	Bayer Corp. West Haven, CT	Bayer Inc. Etobicoke, Ontario	\$59.66	\$31.33	190%
Lanoxin 0.25 mg/100 pills	Irregular heartbeat	Glaxo-Wellcome	Glaxo-Wellcome, Inc. Mississauga, Ontario	\$17.51	\$10.82	162%
Humulin Insulin 10 ml vial/one vial	Diabetes	Eli Lilly, Inc. Indianapolis, IN	Eli Lilly Canada, Inc. Toronto, Ontario	\$20.51	\$12.67	162%
Zoloft 50 mg/30 pills	Depression	Roerig (Division of Pfizer, Inc. New York, NY)	Pfizer Canada, Inc. Kirkland, Quebec	\$65.09	\$41.94	155%
Neoral 100 mg/30 pills	Anti-rejection for organ transplants	RP Scherer GmbH (Eberbach/Baden, Germany) for Sandoz Pharmaceuticals (East Hanover, NJ)	Novartis Pharmaceuticals Canada, Inc. Dorval, Quebec	\$184.50	\$124.29	148%
Zocor 10 mg/30 pills	High cholesterol	Merck & Co., Inc. West Point, PA	Merck Prosst Canada, Inc. Kirkland, Quebec	\$63.75	\$43.79	146%

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<sup>4</sup> This drug is known as Losec in Canada.

Norvasc 5 mg/30 pills	High blood pressure	Pfizer Labs (Division of Pfizer, Inc. New York, NY)	Pfizer Canada, Inc. Kirkland, Quebec	\$39.30	\$31.07	126%
Average Percentage Higher In ND						205%

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