

For Immediate Release
December 20, 2019

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Watchdog Slams Proposed Reimportation Rule

WASHINGTON, D.C. — Today, the Taxpayers Protection Alliance (TPA) slammed the Food and Drug Administration's (FDA's) [notice of proposed rulemaking](#) (NPRM) on drug reimportation. If finalized, the rule would allow states to import drugs from Canada in collaboration with pharmacies and wholesalers. Leading [American](#) and [Canadian health experts](#) have highlighted the drawbacks and dangers of reimportation to the United States, including the undermining of intellectual property and reduced incentive for innovation.

TPA President David Williams criticized the proposed rule, noting, “lowering domestic drug prices is a noble goal that enjoys bipartisan support and would benefit all Americans. However, today’s FDA announcement is another misguided policy prescription that would jeopardize drug innovation by preventing producers from recouping the exorbitant expenses associated with drug development. These costs can be lowered, but only if lawmakers and officials address the root cause of high drug prices and commit to much-needed reforms at the FDA. Importing price controls is no substitute for comprehensive regulatory reform.”

Williams continued: “The brand-name medications that Americans rely on each and every day are needlessly expensive thanks to a byzantine FDA approval process that rejects promising drugs for minor application issues. Thanks to risk-averse FDA regulators, it now takes more than 10 years and \$2 billion to get a medication to market. This is the single largest issue driving drug prices, and until the federal government streamlines this process, Americans will continue to pay prices that are far too high. Drug reimportation would not only do nothing to address this critical issue, it would make the problem even worse by drying up the pipeline of promising drugs that have saved and bettered countless lives.”

Williams concluded: “Americans can and do enjoy low, predictable prices for generic medications, but producers cannot continue to sell these affordable drugs to Americans if they cannot recoup expenses for brand-name products. Lawmakers and bureaucrats must respect the intellectual property of producers and allow them enough flexibility to price products to reflect the costs of bringing these life-saving medications to market. America enjoys some of the lowest generic drug prices in the world, and brand-name costs can go down if the FDA cleans up its act. There’s simply too much at stake for half-baked ‘solutions’ that would come at an enormous cost to patients.”

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Taxpayers Protection Alliance (TPA) is a non-profit, non-partisan organization dedicated to educating the public through the research, analysis and dissemination of information on the government's effects on the economy.