



Oregon

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ORAL PRESENTATION

Gary Schnabel

Senate Special Committee on Aging

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Mr. Chair, Senator Kohl,

My name is Gary Schnabel and I am Executive Director for the Oregon State Board of Pharmacy located in Portland, Oregon. I would like to thank you for the opportunity to appear before the Special Committee on Aging to take part in its discussion of "Internet Pharmacies and Prescription Drug Importation". I am delighted and honored to be here on behalf of the Oregon Board of Pharmacy to describe the Board's recent experience in that regard.

I am also currently serving as a member of the Executive Committee of the National Association of Boards of Pharmacy, the NABP. My appearance here today is in no way connected with or related to my position or responsibilities with the NABP. I am appearing solely on behalf of the Oregon Board of Pharmacy in my capacity as the Board's executive director.

I have submitted a written statement generally describing the Oregon Board of Pharmacy's activities over the past several years in relation to foreign drug importation and Internet drug distribution. With the exception of the Board's work with Governor Kulongoski and his staff on the Pioneer Prescription Drug Project, the Oregon Board's experience is similar to what state boards of pharmacy all across the country have experienced.

I understand the focus of the Committee is directed more toward drugs purchased over the Internet than on the general subject of drug importation. To that end, I will focus my comments on the Board's experience with the Internet.

The topic of prescription drug distribution via the Internet is broad and complex. A tendency exists to confuse the related public policy issues in the absence of a fairly strong understanding of the terms used in the professional jargon and the details of drug distribution. To most effectively identify and analyze the policy issues that exist, this broad context can be dissected into distinct manageable components.

Those who sell drugs over the Internet fall into one of three categories. They are either pharmacists dispensing drugs through legitimate licensed pharmacies regulated by the state boards of pharmacy, they are licensed physicians or other legitimate prescribing practitioners regulated by their state professional regulatory agencies (boards of medical examiners, boards of dentistry, etc.), or they are neither authorized dispensers nor authorized prescribers.

Individuals in this third category are most deserving of the Committee's focus. They are operating fraudulent rogue web sites deceiving consumers into believing they have some authority to prescribe, dispense or distribute prescription drugs. These are the sites advertising prescription drugs without a prescription. They may be pharmacists or doctors who are not licensed, or who are licensed and operating in violation of state and/or federal drug distribution laws. They may not be pharmacists or doctors at all. They may be providing real approved drugs, unapproved imported drugs, counterfeit drugs, or out dated, contaminated or inappropriately manufactured drugs. They may be operating from locations anywhere in the world. These are the criminal elements that evade the individual state boards, not only because of the boards' limited resources and authority, but because of the invisibility and anonymity afforded by the Internet. These sites have become pervasive, and they can be very professional and convincing in appearance.

The regulation of legitimate pharmacy and medical practice web sites currently falls under the jurisdiction of the state professional regulatory boards. A pharmacy using the Internet and intending to operate in compliance with the laws of the states in which it does business is no different from any mail order pharmacy currently licensed by the states that uses more traditional forms of communication, such as telephones, faxes and mail. The Internet site is simply a means of communication.

Put another way, any pharmacy licensed by the Oregon Board of Pharmacy to do business in the state, regardless of its location, can use the Internet as long as it maintains compliance with the prescription record keeping, licensing and professional practice requirements of the Board. The key is not the method of communication. The key is compliance with licensure, record keeping and other professional practice requirements. The Internet has simply made life easier for those who want to violate the law and avoid detection.

If I walk down the street here in Washington, or in any city in the U.S., I can tell if the shop I am entering is a pharmacy because of existing pharmacy regulations. If I go onto the Internet, I can not tell if the web site I see is a pharmacy or not. I think that is the simplest statement of the problem. The solution would be to create a method by which a person could identify positively whether a web site representing itself as a pharmacy was actually a legitimate licensed pharmacy, just as if the person were seeing the sign on the street corner.

The NABP's Verified Internet Pharmacy Practice Site, or VIPPS program, provides one such solution. Only a pharmacy operating in full compliance can display the secure VIPPS seal. Consumers who understand the importance of confirming the legitimacy of a pharmacy website can do so by looking for the seal. Public education is very important in providing this understanding. Other possible solutions could include mechanisms to require that the credentials of the pharmacy be confirmed before being allowed to display a pharmacy web page, or before credit card payment could be authorized.

This is where the Board believes the resources and authority of the federal government and Congress is sorely needed. The state boards of pharmacy and medicine can handle the regulation of pharmacists and doctors in the U.S. However, foreign drug sources, legitimate or not, fall outside the states' jurisdiction. And, the states regulatory efforts are disabled in the face of the invisibility, anonymity and covert mobility enjoyed by the operators of rogue Internet sites.

The Oregon Board of Pharmacy has stated that it does not believe federal licensure or regulation of pharmacies is necessary. The Board believes that if the legitimacy of a pharmacy must be documented or confirmed, it can be done so by or through the state Boards where the pharmacies and pharmacists are currently licensed and a traditional regulatory structure already exists.

Finally, the Board believes that to allow consumers to freely import prescription drugs from foreign sources via the Internet without a massive public education effort would subject consumers individually and our population generally to an unprecedented risk of the introduction of contaminated counterfeit or otherwise unconfirmed drug products. And, it would provide unprecedented opportunities for unscrupulous individuals to take advantage of unsuspecting U.S. consumers.

Legislation providing tools to assist in the prevention, detection and prosecution of the unlicensed, illegitimate prescription drug “traffickers” over the Internet would be strongly supported and encouraged.

I appreciate your attention. I will be happy to respond to your questions.