



Theodore R. Kulongoski
Governor

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Governor Announces Three-Part Effort to Help Oregonians Afford Prescription Drugs

Governor's efforts include plan to enable Oregonians to import medications from Canada, review of agency Rx purchasing and new consumer web site.

(Salem, OR) - During a visit to the Salem Senior Center, Governor Ted Kulongoski today announced three efforts to combat the skyrocketing prices of prescription drugs and help Oregonians afford needed medications. The governor's announcements include a plan to seek federal approval to enable Oregonians to import medications from Canada; a new consumer-education web site to help Oregonians reduce their drug costs; and a comprehensive review of the state's prescription drug purchasing in order to keep costs down.

"I am committed to helping all Oregonians - especially seniors - afford the medications they need," said the governor. "Clearly, the issue of affordability of prescription drugs is one that will not go away. With health care costs escalating, we have to look at every possible way to help individuals and state agencies cut costs. Today's actions will give Oregonians a better chance to take control of their health care expenses."

First, the governor announced that he plans to seek approval from the federal government to allow for the legal importation of FDA-approved medications from Canada. Today, he sent a letter to Oregon's congressional delegation asking for their assistance in this effort; a copy of the letter is attached.

"I have been working with the Oregon Board of Pharmacy to develop a plan that will assure both safe importation as well as the opportunity for consumers to continue using their trusted local, licensed pharmacists," said the governor.

Under the governor's plan, Oregon pharmacists would be allowed only to import those pharmaceutical products approved by the Board of Pharmacy and supplied by approved wholesalers in a safe and regulated manner.

The Board of Pharmacy would license and inspect Canadian pharmaceutical wholesalers to assure that they meet the same safety standards as are required of U.S. wholesalers.

The Board would ensure that medicines originate only from approved manufacturing locations; routinely test medicines for safety; establish safe shipping procedures; and closely monitor compliance with established rules and procedures.

The governor has asked Bruce Goldberg, Administrator of the Office of Health Policy and Research, to lead a small delegation of Oregon representatives on a trip to Canada to establish appropriate links with Canadian officials and wholesalers.

Once that is completed, the governor will finalize the details of the proposal and submit a request for approval to the federal administration. He plans to make such a request as soon as possible, but no later than the next 90 days.

The governor also announced the launch of oregonrx.org, a new and improved consumer-friendly website that provides information and resources to help Oregonians reduce their prescription drug costs. The website includes evidence-based research to help consumers compare pharmaceutical options, as well as information on generic drugs, patient assistance programs for low-income individuals, safety tips and links to information from the FDA, Medicare and AARP.

"Helping consumers and health professionals find the right prescription drugs at affordable prices is an important building block for prescription drug cost containment," said the governor.

Finally, the governor announced that he has commissioned a comprehensive review of the state's purchasing, led by the Heinz Foundation and Mercer Human Resources, to help the state maximize its purchasing power as prescription drug costs increase. The governor has asked the review team to provide recommendations by fall 2004.

In Oregon's Medicaid program alone, drug expenditures increased from \$189 million during the 99-01 biennium to \$288 million during 01-03. The review team will assist the state to develop a coordinated drug purchasing program across all state agencies that provide prescription drug coverage. It will also help the state design the new SB 875 bulk purchasing pool.

This same review team has worked successfully with several other states. The team recently made recommendations to Rhode Island that will result in a 32% savings in their prescription drugs cost with no change in the availability of drugs and better value for consumers.

"New drugs that help improve health and save lives are being developed all the time," said the governor. "Unfortunately the skyrocketing rise in the costs of prescription drugs makes these advances unaffordable to many Oregonians. This team will help the state institute any changes necessary to ensure we keep our costs down and get the most value for our spending."