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SP.005

Import from Canada

Simone Ailken Testimony Senate Bill 5. 303-956-7188

Thank you Madam Chair,

The hard part of this bill isn't the vote. This bill has been passed dozens of times in the last 20 years at the state, municipal, and Federal levels. The hard part is the implementation.

Canadian drug prices are low because they are capped by law. The restrictions on prices dictated by their Patented Medicines Pricing Review Board do not apply to international trade. So the first hurdle you must overcome is manufacturers instructing Canadian wholesalers to charge American customers American prices.

Your next challenge is finding a Canadian wholesaler willing to do business with you when their manufacturer does not want them to. When the city of Boston passed this Bill in 2004 they were foiled when - after significant effort and expense - their Canadian distributor canceled the contract to supply the city. Once again I want to stress that we could have Canadian prices already if the manufacturers wanted to sell at those rates here. They do not. They will take steps to ensure their Canadian distributors do not undercut their American ones. Boston repealed their Canadian Import Bill and stopped throwing good money after bad.

If you unsuccessfully address both these issues, there is a 3rd strategy to block implementation. Take diabetes as an example. Colorado has about 20% as many diabetics as Canada. Diverting cheap insulin to us would create a shortage in Canada. All the manufacturers have to do is... nothing. The people of Canada would fill rooms like this one, demanding people like you do something to get insulin back on the shelves. If you were a Canadian legislator would you let your constituents die or force them to buy American insulin for 10x the price? Or would you outlaw ~~importing~~ exporting Rx drugs to America?

If we want Canadian prices we have to implement our own price caps. Just like they did. I ask you to consider your fiduciary duty to Colorado taxpayers and spend the \$1.4 million on something ~~useful~~ that works. Please vote 'no' on this bill or amend it to remove the fiscal note. Thank you.

