

HOUSE WRITTEN TESTIMONY SHEET

DATE: 4/17/19  
BILL #: SB19-000  
PRIME SPONSORS: \_\_\_\_\_

NAME: Cheyenne Ferguson  
PHONE #: 720-544-5507  
FOR: \_\_\_\_\_ AGAINST:

WRITTEN TESTIMONY:

Lined area for written testimony.

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on Lontine and Members of the Health & Insurance Committee, thank you for the here today, my name is Cheyenne Fergerstrom and I am here today sharing testimony : & CEO of the Jefferson County Economic Development, Kristi Pollard who was unable in.

conomic development organization for Jefferson County, we represent over 7,228 presence jobs in Jefferson County.

We understand and applaud the efforts by you and other members of the state legislature who have undertaken the difficult and complex task of working to lower the cost of health care in our state. Few if any issues more directly impact every individual citizen, and few if any have proven as challenging to solve.

Senate Bill 19-005, the prescription drug importation bill, encapsulates many of the difficulties you as lawmakers face in tackling the cost of health care. Here in Colorado, and around the country, so-called solutions to the high cost of prescription medicines gain popular support and policy traction because so many are dealing with the consequences of rising prescription drug prices.

Drug importation is one such issue. Misguided stories of major savings through Canadian drugs permeate social media. Individual patients find the occasional 'good deal' from a purported Canadian pharmacy. Policy makers without substantial data assert major savings are to be had from importation. Even a small number of physicians suggest patients improperly look to source drugs from outside our borders.

The realities of these narratives, however, present a far more dangerous story. In fact, 95% of so-called Canadian drugs are not from the legally regulated supply of drugs going to Canadians. These knock-off medicines are transshipped from countries with lax or even non-existent regulatory standards. In other words, most American patients today aren't getting real Canadian drugs.

Even more serious, legalizing importation from Canada into Colorado creates not only a lawful pathway but a criminal highway for drug counterfeiters to endanger Coloradans. Drug counterfeiting is an awful, growing problem that federal, state and local authorities acknowledge they have not been able to get their arms around. SB19-005 invites more counterfeiters into our state with a legalized system tailor-made for criminals to exploit.

Aside from the human dangers, fiscal and business damage would be inflicted on our state by SB19-005. Because of the uncertainty and potential toll on American health, a waiver from federal law is required to erect a drug importation system in any state. Not a single jurisdiction has been granted a waiver, including the plan outlined in the Colorado bill. That means we would be spending \$3 million over the course of two years without knowing whether our drug importation system would be approved.

Equally disturbing is the fact that not a single pharmaceutical wholesaler in Colorado has agreed to participate in the program. In addition to spending \$3MM on a program that is likely not to receive approval, we would squander these funds on a program with no one to distribute product. This on top of repeated assertions by nearly every member of the Canadian supply chain saying they would not provide the medicines to begin with. In a high-stress budget environment, we believe there are ample ways to better spend taxpayer dollars such as transportation funding or K-12.

The impetus behind SB19-005 to address the cost of prescription medicines is completely understandable. But in the realm of effective policies that actually **reduce** the cost of life-saving medicines, this bill ranks near the bottom of the choices. There is little to no comprehensive data that drug importation results in substantial savings. But there is irrefutable data that the problem of counterfeit drugs is growing, which would only be abetted by legalizing drug importation to Colorado.

We ask that -- unless significant improvements in the bill are made to ensure Coloradans will be guaranteed safe and effective drugs, and that the federal government will grant a waiver to allow the program to go forward -- the members of the Health & Insurance Committee vote no on Senate Bill 19-005.

We appreciate the opportunity to be heard and welcome the chance for further dialogue with the Jeffco business community.