

Congressman Gil Gutknecht
First District, Minnesota
Summer 2004

Today's problems.
Tomorrow's solutions.

Rising Drug Costs



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**CONGRESSMAN GIL GUTKNECHT
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U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515**



PRESORTED STANDARD

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American consumers are held hostage in a market that forces them to pay substantially more for the same prescription drugs than our friends in Canada and Europe. This is a matter of basic fairness. It is unfair for pharmaceutical companies to take advantage of American consumers.

The problem:

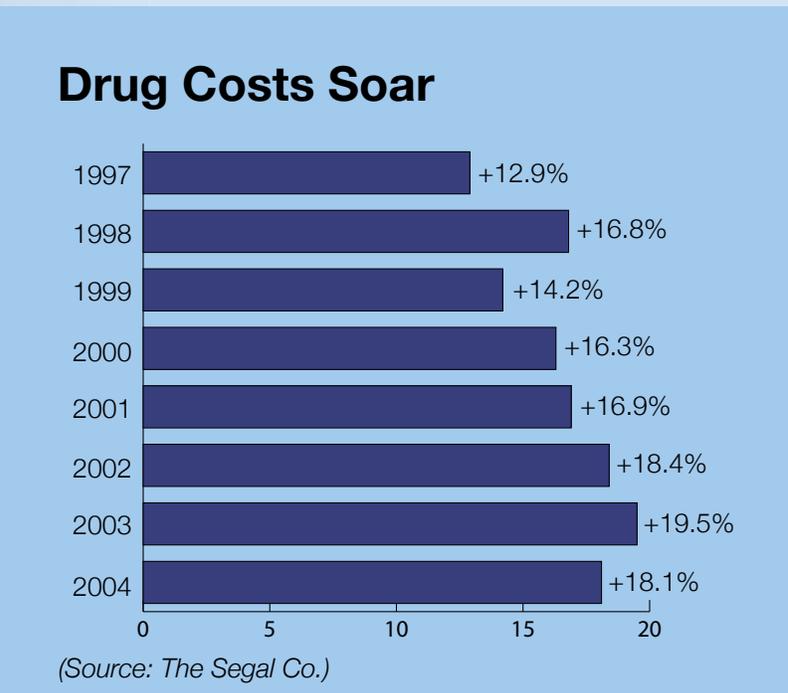
As you can see by the first chart, American consumers pay, on average, 35-55 percent more for the same prescription drugs than do consumers around the world. And as the second chart shows, our prescription drug costs continue to rise at alarming rates!

This chart shows the price comparison between drugs purchased in the United States and drugs purchased in Munich, Germany (March 2004).

Outrageous Drug Prices

Drug	U.S.	Germany
Cipro	\$53.80	\$47.07
Coumadin	\$92.66	\$28.44
Glucophage	\$45.21	\$15.50
Pravachol	\$159.47	\$91.48
Synthroid	\$21.52	\$14.60
Tamoxifen	\$102.19	\$56.34
Zestril	\$75.12	\$39.83
Zocor	\$82.35	\$48.05
Zoloft	\$139.66	\$88.31
TOTAL	\$771.98	\$429.62

This chart shows the percent increase in the cost of prescription drugs over previous years. Double digit increases every year are unsustainable.



Below, Congressman Gutknecht visiting with representatives of the Minnesota Senior Federation about the high cost of prescription drugs after the unveiling of the State of Minnesota's Rx Connect web site.

I authored the Pharmaceutical Market Access Act of 2003 (HR 2427).

The measure, which passed the House 243-186, allows American consumers and pharmacists access to FDA-approved prescription drugs from FDA-approved facilities in 25 industrialized countries.



The solution:

Open market

A Few Basic Points:

1. This bill allows access ONLY to FDA-approved drugs from FDA-approved facilities.
2. Pharmaceuticals are the only product in the entire American consumer chain to have such a blanket ban.
3. Not all countries have price controls.
4. In a day and age when we import millions of pounds of food daily, we can safely import highly controlled products such as pharmaceuticals.

There's also some good news finally from the Senate. In April, a bipartisan group of Senators introduced similar legislation to my bill.

Their bill allows consumers access to FDA-approved prescription drugs from FDA-approved facilities in Canada. One year following enactment, the measure expands to other countries, including members of the European Union.

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Taking My Case Coast to Coast

I have had the privilege of taking my message around our great country. In January, I joined a bipartisan health policy conference hosted by Harvard's John F. Kennedy School of Government. I also debated Nobel Prize winner Milton Friedman at a Pacific Research Institute health care debate titled, "Border Wars: The Prescription Drug Battle With Canada."

In February, I joined my colleagues in the House and Senate, along with governors from across the country, to share stories and further promote market access at the National Governor's Association Rx Summit. And in the past few months, I ventured to Chicago, Denver, Fayetteville (NC), Indianapolis and Oklahoma City for town hall meetings.



Above left, Congressman Gutknecht asking tough questions about market access at a House committee hearing. Above right, Congressman Gutknecht sharing some information with constituents at a town hall meeting.

It's important to share the message with as many people as possible. But, nothing compares with the visits and time spent right here in southern Minnesota. From Pipestone to La Crescent, it's the good folks of the First District whose personal stories and comments continue to inspire me.

Minnesotans know there is no justification for holding Americans captive in a pharmaceutical market that forces them to pay significantly more for the same prescription drugs than our friends in Canada and Europe. We deserve access to world class drugs at world market prices.