

Q: Does the new Medicare drug law make importing drugs from Canada legal?

A: Not really. Prices in Canada for drugs are 30% to 70% below U.S. prices, because they are regulated by the government's Prices Review Board. Although the new Medicare law appears to make it easier for seniors to get lower-priced prescription drugs from Canada, the law gives the government a way to avoid the issue entirely.

The Secretary of the Department of Health & Human Services can grant individuals a waiver to import prescriptions from Canada, as long as the drug is imported from a licensed pharmacy registered with the U.S. government, is accompanied by a valid prescription, and is on an approved list.

But there's a catch. The law says the importation of prescriptions "shall become effective only if the Secretary certifies to the Congress that the implementation...will pose no additional risk to the public's health and safety." So far, the U.S. government has said that Canadian drugs are creating safety problems.

Hundreds of thousands of seniors in the United States currently buy their medications from Canada by cross-border trips, or on the internet. The city of Springfield, Massachusetts has been importing Canadian drugs for city employees. The Mayor of Boston is planning to save his city money by going north of the border for drugs.

But drug-makers have been working to make it harder for seniors to import from Canada. Executives of major pharmaceutical companies say they are concerned about the safety of imported drugs. A spokesperson for drug-maker Pfizer explained that drugs can be contaminated. "I would not want to take one of those drugs," he said.

Critics say all the big drug companies care about is the fact that cheaper medicine will pressure U.S. prices downward. The drug-makers have stopped selling drugs to Canadian pharmacies known to fill U.S. prescriptions, but elderly consumers are not easily deterred from trying to import drugs. Even with all the recent interest in Canadian drugs, the cross-border trade is less than one-half of 1% of the American drug market.

One Canadian internet company, TheCanadianDrugStore.com, which fills prescriptions for about 100,000 Americans, says the U.S. Food & Drug Administration (FDA) is the one harming people's health. "Ask the 75-year-old woman who has breast cancer who is saving 50% to 60% on her medication. What is more important, the anger of the FDA or helping that woman move on with dignity?"

The new Medicare drug plan does not take effect until 2006. In the meantime, seniors keep buying their drugs across the border, and the federal government has not tried to stop them. ####