

# Citizens Against Government Waste Disappointed in President Trump's Comments on Foreign Importation of Prescription Drugs

For Immediate Release

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**(Washington, D.C.)** – Today, Citizens Against Government Waste (CAGW) President Tom Schatz released the following statement expressing disappointment that President Donald Trump's May 9, 2019 comments that his administration would allow prescription drug importation from foreign countries if a state could purchase them at a "substantially" lesser price, such as, "40, 50, 60% less."

The statement reads:

"Allowing drugs to be brought in from other countries based solely on their cost would import their price controls and validate their socialized healthcare systems, neither of which have ever been U.S. policies. These countries use price controls and rationing to keep costs low. Equally if not more important, no secretary of Health and Human Services or commissioner of the Food and Drug Administration (FDA) has ever certified that the federal government can ensure that drugs imported from another country are safe and effective.

An importation scheme would require significant taxpayer resources to make sure that the drugs being imported are not counterfeit or adulterated. The U.S. already has a massive problem with illegal drugs entering the country. Taxpayers will not have much confidence that state governments can keep track of imported drugs, a task that would require a new, untested, and large bureaucracy."

"President Trump's Council of Economic Advisors (CEA) February 2018 [report](#), 'Reforming Biopharmaceutical Pricing at Home and Abroad,' shows that the United States both conducts and finances much of the biopharmaceutical innovation that the world depends on, allowing foreign governments to enjoy bargain prices for such innovations. This indicates that our current policies are neither wise nor just. Simply put, other nations are free-riding, or taking unfair advantage of the United States' progress in this area. We agree with the CEA that enhanced trade policy that protects intellectual property would help address the cause of the problem, not importing drugs from other countries.

"Importing drugs from other countries would exacerbate current government policies and actions that distort the pharmaceutical marketplace, including Medicaid drug rebates, the 340B drug discount program, Medicare Part B, the VA healthcare system, and the donut hole in Medicare Part D, all of which use some form of price control to lower drug costs. Instead of trying to cut prices through foreign imports, elected officials need to make sure the FDA continues to reduce the backlog of generic drugs, incentivize generic manufacturers to develop a drug to compete with the more than [500 off-patent brand](#) drugs that have no competition, and make sure the agency is adopting the policies found in the 21st Century Cures Act that will modernize and speed up the drug approval process for innovative drugs. More competition reduces prices, not price controls. We urge President Trump to reconsider this idea."

Citizens Against Government Waste is the nation's largest nonpartisan, nonprofit organization dedicated to eliminating waste, fraud, abuse, and mismanagement in government.

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