

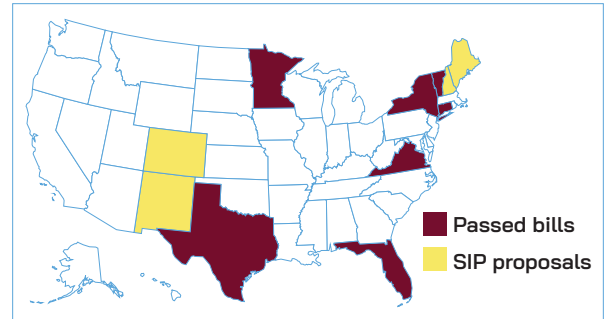
# Unsafe foreign drug importation: Proposals, failures, and pending legislation

FEBRUARY 2026 UPDATE

For over 25 years, well-meaning advocates have proposed importing unauthenticated medicine from foreign countries' drug supplies to lower prices for Americans. Past efforts didn't pay off financially and raised public health risks. Here's the state of this issue today.

## BULK CANADIAN DRUG IMPORTATION

Since the federal government [defined requirements](#) for state-sponsored Canadian drug importation programs (SIP) in 2020, [many states](#) have proposed and passed laws to study and/or implement importation. Several have submitted SIP proposals.



**US\$132  
spent**

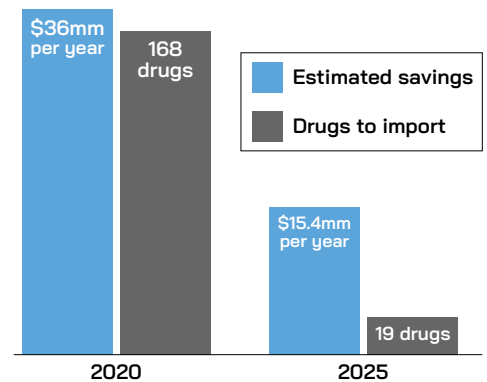
**NO medicines  
imported**

### Florida's program

Only Florida has received federal approval, with a [two-year pilot authorized in January 2024](#). By September 2025, Florida had committed more than [\\$132 million to the program](#), and was seeking \$4 million more. Despite extensions, its vendor has been unable to secure medicines from Canadian sellers.

### Colorado's program

Colorado has been paying employees to craft a shrinking program since 2020, when the state anticipated importing [168 drugs for a savings of \\$36 million to \\$60 million](#) yearly. In 2025, the state proposed importing [19 medicines to save \\$46.2 million over three years](#)—if they win federal approval.



### Canadian misgivings

Canadian manufacturers are concerned that bulk exportation would endanger the supply for Canada's own population. When [Colorado officials reached out to 23 Canadian manufacturers in 2024](#), only four agreed to meet with them. All of them declined to participate in the program.



### A few states persevere

Despite these failures, three states had introduced Canadian drug importation bills as of February 2026: MS (HB13), NY (S00371), RI (S2387).

Consult our importation resources to learn about past attempts to import unauthenticated medicine from foreign drug supplies:

<https://safedr.org/drugimportation>



# Alternative Funding Programs (AFP): Dodging insurance costs through illegal importation



Recently, employers who sponsor self-funded insurance plans are steering patients into filling high-cost medications from “alternative” sources, including importing them from foreign pharmacies, [which is illegal in almost all cases](#). “Alternative Funding Program” vendors help health plans facilitate these efforts.

PSM’s [handout](#), “[What’s an Alternative Funding Program or an Importation Program?](#)” summarizes this illegal practice and the risk to patients.

## FORCING U.S. PATIENTS TO USE UNREGULATED MEDICINE

[CNBC’s 2025 investigative documentary](#) reported that some employers require employees to use AFPs or lose coverage entirely for their medication. Some towns, counties, and school districts have used these illegal vendors and PSM has used open records laws to see the contracts, marketing materials, and invoices to understand how they operate. PSM has compiled evidence of over \$5 million in illegally imported medicine to date.



**What is an Alternative Funding Program or an Importation Program? Is it safe for Americans to get medicine from non-US pharmacies?**

Some employers are hiring consultants, sometimes called “Alternative Funding Program (AFP) vendors” or “importation program vendors,” to supply employees and their families with illegally imported and unsafe medicines.

- **How would I know if I’m affected?**  
You might be told that your health insurance no longer covers a medication unless you order it from a Canadian or other foreign pharmacy. Or you might have gotten an offer from a vendor hired by your employer that says your prescription will not have an out-of-pocket cost anymore if you shift to a foreign pharmacy.
- **Is this even legal? Is it safe?**  
**No, it is not legal.** While we know of very few cases where an individual has been prosecuted for importing medicine, it is not legal to import non-FDA-approved medications. U.S. Customs and Border Protection may exercise discretion to allow these medicines through, but this activity is still unlawful and potentially subject to civil and criminal penalties.  
It is not safe to take medicines imported from another country’s drug supply by foreign pharmacies or pharmacists. Foreign drug sellers may not even be licensed in their country; they may just exist to mail order medicines outside the country. They certainly aren’t regulated by your state Board of Pharmacy. If they make a mistake like sending you the wrong medicine and you get hurt, there may be no means to hold them liable.
- **Not even a pharmacist can tell a real medicine from a fake one without lab testing.**  
Here are some almost perfect copies of a popular blood thinner counterfeits sold to Americans in 2023 that could only be detected through lab testing. They contained no active ingredient and the bottles look legitimate.

## LEGAL CHALLENGES

In 2024, Gilead Sciences sued a chain of AFP vendors for trademark infringement when they filled a Maryland HIV patient’s prescription with medicine from a Turkish pharmacy as if it was the same as Gilead’s U.S. product ([Gilead Sciences v. Meritain Health 1:24-cv-03566-JRR](#)). The medicine in question wasn’t labeled in English, so the patient couldn’t read it. It was not a part of the U.S. track-and-trace system, so it couldn’t be authenticated. Gilead has prevailed thus far in this litigation, which PSM is tracking on its website.

Homeland Security Investigations has [launched criminal investigations into AFPs](#), warning that prescriptions shipped directly to patients from unverified international suppliers violate several U.S. laws.

Individuals with information about illegal importation of medicine by AFPs can report it to HSI by emailing [iprcenter@hsi.dhs.gov](mailto:iprcenter@hsi.dhs.gov), with “AFP” in the subject line.

To follow PSM’s work on the issue, go to <https://safedr.org/AFP> or scan this QR code:



Source: Complaint, Gilead Sciences v Meritain Health, December 2024