



**1600 K Street, 4th Floor
Sacramento, CA 95814**

Telephone: 916-322-5630
Fax: 916-327-1859
E-Mail: CCoA@ccoa.ca.gov
Web Site: www.CalAging.org

Executive Director
Ray Mastalish

PRESS RELEASE

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Pacific Grove
Jorge Lambrinos, **Vice Chair**
Los Angeles

CALIFORNIA COMMISSION ON AGING CALLS FOR END OF PRESCRIPTION DRUG EXTORTION

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For more information contact: Ray Mastalish – 916-322-5630

Sacramento, CA – Nancy Dolton, Chair of the California Commission on Aging (CCoA), calls for an end of prescription drug extortion of seniors and the State of California. She announced today that the Commission has endorsed state leadership efforts to save individuals and the State money on prescription purchases through importation of drugs from Canada.

"The overwhelming burden of prescription drug costs is of great concern to individual California seniors, and is an issue for us as a State already under tremendous budget strains. We join Assembly Members Dario Frommer (Los Feliz) and Fran Pavley (Agoura Hills), and Senators John Burton (San Francisco) and Deborah Ortiz (Sacramento) in their legislative efforts to research and act on drug importation from Canada. By the State taking action, it will result in curbing wasteful State prescription drug spending and aid California consumers" stated Dolton

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in announcing the Commission's action. That action specifically calls for:

1. State leadership to explore the establishment of a State sanctioned web site that would provide information and allow California citizens to purchase prescription drugs from Canada, or elsewhere, without fear of quality and legal repercussions.
2. The Governor, as part of his challenge to get the state's budget under control, to explore the purchasing of prescription drugs for the State system, i.e., Corrections, State run hospitals, MediCal program, retirement system, etc., from sources offering lower cost, including re-importation from Canada.
3. Governor Schwarzenegger to attend a Prescription Drug Summit convened by the Governor of Illinois, in Washington, DC, on February 24.
4. The State Attorney General to look into possible anti-trust action against pharmaceutical companies who threaten to restrict the supply of prescription drugs to pharmacies in Canada who resell to California customers.

"While recognizing the legal issues of drug importation, California and its senior residents can ill afford to squander precious dollars on their life-saving drugs. Denying seniors access to such drugs is an act of extortion. Saving California \$30 million per year during this budget crisis should get attention and action," stated Ray Mastalish, CCoA Executive Director.

Senator Burton's office estimates that savings would be realized by the State Department of General Services in their purchases of prescription drugs for the Department of Corrections, Youth Authority, State Hospitals, and Developmental Centers. "Imagine the savings that could be realized if we added those covered under the State's MediCal and Retirement Systems," added Commissioner Dolton. "Since there is no evidence that the quality of prescription drugs sold in Canada is compromised, as stated in testimony by the Canadian International Pharmacy

Association during a recent hearing convened by Assembly Member Frommer, we urge Governor Schwarzenegger to take action as his peers have done in New Hampshire, Illinois, Minnesota, and other states and cities. The State and its senior citizens cannot afford to wait on this crucial issue. We believe by California joining with others, it will pressure officials in Washington, DC, to take action that is right for the people, not for pharmaceutical companies.”

As an example, Nancy Axford, 79, of Sacramento says that seven prescriptions that she and her husband need, and for which there is no generic version, cost on average 92% more from the lowest cost Sacramento source than from a reputable Canadian source. One medication costs almost five times as much in Sacramento. “For those living on retirement income, this is not only significant, it can be the difference between life and death,” stated Axford, as she prepared to place a web site order.

The Commission believes that ensuring the “safety” of US prescription drugs does not have to be synonymous with sky-high costs resulting in limited access of seniors and other consumers. We also urge serious consideration of Federal policies that offer comparable solutions to the US prescription drug affordability/accessibility issue other than re-importation from Canada.

As provided for in State statute, the California Commission on Aging is to act as the principal advocate and advisor to the Governor, State Legislature, and State Departments and Agencies on behalf of the 4+ million seniors living in California. The 25 member Commission is made up of 19 appointees by the Governor, 3 by the Chair of the Senate Rules Committee, and 3 by the Speaker of the Assembly.

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