

**\*\*\*NEWS RELEASE\*\*\***

For Immediate Release  
August 5, 2019

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## **Trump’s Drug Importation Plan Doesn’t Address the Real Reason Behind High Drug Prices**

*Citizens’ Council for Health Freedom Says Once Third-Party Payers Are No Longer in Control, Drug Costs Will Be Manageable for Patients*

**ST. PAUL, Minn.**—The Department of Health and Human Services (HHS) [announced](#) last week that, in cooperation with the Food and Drug Administration (FDA), it would publish a “Safe Importation Action Plan” outlining a pathway for the “safe importation of certain drugs originally intended for foreign markets.”

The plan, however, misses the mark on why drug prices are so high in the first place, says [Citizens’ Council for Health Freedom \(CCHF\)](#).

“President Trump has been clear: for too long American patients have been paying exorbitantly high prices for prescription drugs that are made available to other countries at lower prices,” said Health and Human Services Secretary Alex Azar. “When we released the [President’s drug pricing blueprint](#) for putting American patients first, we said we are open to all potential solutions to combat high drug prices that protect patient safety, are effective at delivering lower prices, and respect choice, innovation and access.”

*“While the Trump administration offers solutions, it can only do so much,” said CCHF president and co-founder Twila Brase, “because the President cannot change many of the third-party-payer laws that have created the growing problem of unaffordable drug prices.”*

Likewise, the importation proposal, albeit innovative, does not address the primary cause of high drug prices, Brase said. However, she noted the second pathway seems especially innovative, in that it appears to allow drug companies to bypass the Pharmacy Benefit Manager (PBM) rebate and other contracts with drug manufacturers, which could result in lower out-of-pocket spending and better patient adherence to medication.

A major concern, Brase noted, is that the plan uses the socialized medicine systems of other countries to lower prices in America, which sets a bad precedent and brings socialized medicine into America through the back door.

*“Price controls, whether American-made or imported, are anathema to health freedom and constitutional values,” she said. “The bottom line is that until patients pay their own bills, the prices associated with ‘big pocketbook’ third-party payment will be sky-high and will continue to rise.”*

As the [Lown Institute](#) notes, “Drug prices in the U.S. don’t seem to be based on how much it costs to manufacture the drug, nor how much the drug is valued (if that can even really be measured). The price is just

whatever the market will bear. Making other countries pay more for drugs would not lower the ceiling on what we will pay for drugs, or what companies will charge.”

Another central problem, Brase said, is that America has no real and competitive market for medications.

***“Markets require large numbers of individuals paying out of their pockets for the items and services they want,” she said. “They ask for prices, they are cost-conscious, and they decide accordingly. But today, most medications are paid for by large third-party payers with multi-million-dollar and billion-dollar pocketbooks, including state and federal governments. Socialized countries refuse to pay what these third-party payers choose to pay, and often refuse to provide access to medications to avoid the costs.***

***“Counterintuitively, for health plans, which Congress has given legal authority to deny care, high drug prices can mean the ability to charge higher premiums while maximizing profits through restrictive drug formularies and denying access to medical care, including medications.”***

The similarities in this scenario are clear, Brase added. Socialized medicine systems also don’t have markets. These countries limit access to medications and use price controls to negotiate with pharmaceutical companies.

***“As a country that prizes freedom and free-markets, America shouldn’t turn to socialized medicine to get lower prices—in America or elsewhere,” she said. “Congress, along with the Trump administration, should instead restore market forces, repeal the Affordable Care Act (ACA) prohibition on catastrophic indemnity insurance policies, which pay the patient directly, and advance a system of cost-conscious first-party payment. This would return the primary focus to the patient, resurrect the charitable mission of medicine, and eliminate the cast and crew of corporations that prey on patients and their pocketbooks.”***

Brase writes about the real reason behind high drug prices in her award-winning book, ***[“Big Brother in the Exam Room: The Dangerous Truth About Electronic Health Records,”](#)*** which also discusses socialized medicine, the federal HIPAA “no-privacy” rule (Section IV) and the stealing of Baby DNA, as well as exposes how the mandated, government-certified electronic health record technology has negatively affected doctors and patients. Learn more at [www.BigBrotherintheExamRoom.com](http://www.BigBrotherintheExamRoom.com).

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