

Fwd – BIG PHARMA'S DIRTY LITTLE SECRET

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Fwd – BIG PHARMA'S DIRTY LITTLE SECRET

[Subject: Big Pharma's Dirty Little Secret

[From: "veracare" <veracare@ahrp.org>

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FYI

Dr. Peter Rost, Vice–President marketing, Pfizer, has taken a principled stand by speaking out against his industry's "dirty little secrets:"

"Our dirty little secret is that the drug industry already sells its products, right here in the U.S., at the same low prices charged in Canada and Europe. It's done through rebates."

Additional dirty little secrets:

1. Prices for patented drugs in 25 other top industrialized nations were 35% to 55% lower than in the United States.
2. Americans spend about twice as much per person for healthcare as do Canadians, Japanese or Europeans
3. American's have a shorter life expectancy and higher infant and child mortality rates than Canada, Japan and all of Western Europe except Portugal.
4. Elderly people who use a Medicare discount card and have to pay \$1,299 annually for a drug that the Department of Veterans Affairs purchases for \$322.

5. Middle-class families that lose health insurance and have to pay \$29,500 for an overnight hospital stay, when Medicaid would have paid only \$6,000.

6. Americans without insurance— 67 million—who pay double the prices paid by the most-favored customers.

7. "It is outrageous to claim, as politicians and drug companies have done, that the U.S. wouldn't be able to safely and cost-effectively handle re-importation. A key trade association for European pharmaceutical companies claims there has never been a confirmed case in Europe of a counterfeit medication reaching a patient as a result of re-importation."

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The complete article can be viewed at the Los Angeles Times:

<http://www.latimes.com/news/opinion/sunday/commentary/la-oe-rost26dec26.1.5557120.story?coll=la-sunday-com>

Big Pharma's Dirty Little Secret

By Peter Rost

December 26 2004

The American healthcare system is the best in the world. Or so we are often told. But is it really true?

It is certainly the best system for drug companies, which can charge the highest prices in the world to some U.S. consumers. The Congressional Budget

Office has estimated that average prices for patented drugs in 25 other top industrialized nations were 35% to 55% lower than in the United States.

And it is a pretty good system for hospitals, insurance companies and others

that deliver healthcare services. Americans spend about twice as much per person for healthcare as do Canadians, Japanese or Europeans, according to the World Health Organization.

But it's not a good system for American citizens. The U.S. has shorter life expectancies and higher infant and child mortality rates than Canada, Japan and all of Western Europe except Portugal, according to the

WHO.

I'm a drug company executive who has spent 20 years marketing pharmaceuticals. And I'm troubled. I'm most troubled by the fact that we stick it to the people who can afford it the least.

For instance, elderly people who use a Medicare discount card and have to pay \$1,299 annually for a drug that the Department of Veterans Affairs purchases for \$322, according to a comparison by Families USA. Or middle-class families that lose health insurance and have to pay \$29,500 for

an overnight hospital stay, when Medicaid would have paid only \$6,000, according to the Wall Street Journal.

It just doesn't make any sense. And, not surprisingly, the companies with the biggest profits – those in the drug industry – have been fighting hardest to maintain the status quo.

Our dirty little secret is that the drug industry already sells its products, right here in the U.S., at the same low prices charged in Canada and Europe. It's done through rebates. These are given to those with enough power to negotiate drug prices, such as the VA.

A 2001 study by the consumer advocacy group Public Citizen found that drug companies' favorite customers paid just a little over half the retail price.

This leaves the 67 million Americans without insurance to pay cash, with no rebates, at double the prices paid by the most-favored customers.

The fight against re-importation of drugs is a fight to continue to charge our uninsureds full price while giving everyone else a rebate.

But what about all those programs drug companies provide to help the indigent pay for drugs? If they really worked, the Kaiser Family Foundation wouldn't have reported that 15% of uninsured children and 28% of uninsured adults had gone without prescription medication in 2000 because of cost, and

87% of uninsured individuals with serious health problems reported trouble obtaining medication.

People today have to choose between drugs and food. The journal Diabetes Care recently reported on a study of older adults with diabetes. One in three said they went without food to pay for drugs.

As a drug company executive, I care about profits. When I was responsible for a region in Northern Europe, I doubled sales in two years by lowering drug prices, and in the process increased my company's sales ranking in Sweden from No. 19 to No. 7 in less than two years. I proved that it is possible to do good business with lower prices.

It's encouraging to see that the American Medical Assn. recently came out in

favor of a system that would allow U.S. pharmacies and wholesalers to re-import drugs safely from other countries. This is exactly what Europe has

had for more than 20 years. It is outrageous to claim, as politicians and drug companies have done, that the U.S. wouldn't be able to safely and cost-effectively handle re-importation. A key trade association for European

pharmaceutical companies claims there has never been a confirmed case in Europe of a counterfeit medication reaching a patient as a result of re-importation. In Germany, this was verified last year by the Federal Ministry of Health.

In the next five years, branded drugs with annual sales of \$72.9 billion are

expected to lose patent protection. So we in the drug industry are fighting re-importation because we're worried about the bottom line. But when we have

to choose between that and the lives of those who can't afford drugs, we have to choose life.

I joined this industry to save lives, not to take them. And that's the reason I've chosen to speak out.

Peter Rost is a vice president of marketing at Pfizer. The views expressed here are his own and do not reflect those of his employer.

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End of forwarded message from

Jai Maharaj

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Om Shanti

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<http://www.hindunet.org>

The truth about Islam and Muslims
<http://www.flex.com/~jai/satyamevajayate>

The terrorist mission of Jesus stated in the Christian bible:

"Think not that I am come to send peace on earth: I came not so send peace, but a sword.

"For I am come to set a man at variance against his father, and the daughter against her mother, and the daughter in law against her mother in law.

"And a man's foes shall be they of his own household.
– Matthew 10:34–36.

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