

I Made a Drug Deal, and My City Thanks Me

By MICHAEL ALBANO

SPRINGFIELD, Mass.

Last March, I did something a lot of Americans are doing these days—I went to Canada to buy some inexpensive prescription drugs.

You see, my 15-year-old son, Mike, is diabetic, and he needs a constant supply of insulin, syringes, ketostrips, and test strips. With his prescription in hand, I went to CanaRx—a pharmacy in Windsor, Ontario, that turned out to be pretty much indistinguishable from my neighborhood CVS. I visited a few of their outlets and examined the product—same medications, same manufacturers, same sealed containers as in the United States. I visited CanaRx's central office and interviewed some of the company's physicians and pharmacists and health-care specialists. I talked to people about their mail-order business. A year's worth of diabetes medications that would have cost \$768.84 back home cost just \$555.60 in Windsor.

So I made a deal. A big deal. Because I'm not just Mike's father—I'm the mayor of Springfield, Mass., and the larger purpose of my visit was to check out low-cost prescription drugs for the 7,000 city employees and 2,000 retirees whose health care is to some extent my responsibility.

In what we think is the only program of its kind in the United States, Springfield last month began signing up participants in a municipal system for buying drugs from a Canadian supplier. This made a certain splash in the national news—we've been mentioned in several newspapers, and I've been interviewed on radio and TV.

It did not make us enemy friends in Washington, where Congress is still debating whether to legalize the reimportation of drugs that are produced in the United States but sold for lower prices abroad. Even my friend and fellow Democrat, Sen. Ted Kennedy, told people I made a great presentation on CNN, but he still didn't agree with my ideas. But I'm making a lot of friends around the U.S. pharmaceutical companies. And I'm just about the only thing to do for my fellow city employees, and for my city.

Springfield has more than 152,000 people, mostly biotech, and in the past few years it has taken a double hit from the explosion of health care costs and the explosion of the economy. In 1996, the year I took the oath of office, the city's total health care costs were \$53 million. This year, costs will exceed \$64 million.

In 1996, prescription medication costs for our employees and retirees were \$9 million. This year they're more than \$18 million. Next year, those costs could increase another 20 percent.

Meanwhile, revenues are dropping, state and federal aid is dwindling, and we are strapped for cash. Massachusetts is reeling from a budget crisis, under state law, the governor has authority to unilaterally impose any cuts necessary to balance the budget. Not long before I went to Windsor, he eliminated \$4 million in previously legislated aid to Springfield, plus \$3.2 million from our share of state lottery proceeds. We're losing federal funds, too, including community development grants. Between that, cuts from Boston and Washington, I

Michael Albano is still hoping to convince his federal representatives to legalize the reimportation of lower-cost drugs.



The author with his son, reviewing the instructions on their supply of Canadian prescription drugs. More than 500 city workers have signed up for the reimportation plan.

was compelled in February to reduce the city's workforce by 323 employees, including 76 police officers and 32 firefighters.

That's a lot of lost jobs. And it means a serious drop in security for our citizens.

I'd been thinking for years about how to save money on health care. It's been no secret that people were going over the border to Canada, making an informal deal and running around the U.S. pharmaceutical companies. And I was just about anyone with a computer. I'd been getting inundated with junk e-mails about cheap prescription drugs—some of them from outside the United States. At a meeting in January with the editorial board of our local paper, the Republican, I floated the idea of getting our medications from Canada. People were surprised, but I noticed that nobody said I was crazy. Our city insurance director, Chris Collins, began looking into various suppliers and found CanaRx in Windsor.

Meanwhile I called my friend Paul Colucci, former Republican governor of Massachusetts and now ambassador to Canada, and asked him what he thought. His trade people replied there might be some legal issues. We had some informal discussions with the U.S. Food and Drug Administration. The FDA had already made it clear that the agency would not seek to halt or prosecute American individuals who went to Canada to buy drugs. That would cover our situation, because under the

Springfield plan the citizens all buy the drugs individually. The way it works is, the city urges its employees and retirees to sign up. If they do, we provide them with forms from CanaRx to set up an account. When a worker gets a prescription from his or her doctor, he or she mails it to Canada, and CanaRx mails back the medications, just as any U.S. mail order pharmacy would do. Then CanaRx bills the health insurance carrier—that is, the city of Springfield—just as any U.S. pharmacy would do.

The big difference is, we expect to save so much money that the city can afford to cover the copay. That means that it's not just the city that saves money, it's the individual. At \$15 a prescription, those co-pays add up. In my case, I'm saving almost \$300 a year. That sounds good to me, and I make \$95,000 as mayor. The average worker in Springfield earns about \$33,000 a year, so I presume it means a lot more to him or her. Probably almost as much as that \$600 federal dependent tax cut that a lot of us got in the last few weeks.

The drugs we expect our employees to buy in Canada are 20 percent to 80 percent cheaper than they would be in the States—depending on the specific product. Our budget office estimates that, if all 9,000 people currently covered signed up and bought the drugs they're using now, we could save between \$4 million and \$9 million a year. Right now, the exchange rate is working in our favor, too, though we know we can't count on that to last.

Of course, emergency drugs would still be bought in town; if your child has a 102-degree fever, you don't mail away to Canada for antibiotics. It's the maintenance drugs—for allergies, high cholesterol or blood pressure, diabetes and so on—that we'll get from across the border, and that will save both the city and its citizens money, month after month.

Every time somebody asks about our plan, they also quote the FDA, which repeatedly warns that it cannot guarantee the "safety" of products from Canada. Well, as mayor, I cannot guarantee my citizens safety with fewer police and firefighters on hand to protect them.

In any case, I'm no more worried about buying drugs in Canada than I would be buying them in Kansas City, where a pharmacist was jailed last year for filling his customers' cancer drugs. He was caught and prosecuted, and I'm sure that any case like that, or any other dangerous malfeasance, would be caught and prosecuted in Canada. In a country where the government actually controls the cost of prescription medicines, you could argue that protections are stronger than they are here.

Anyway, we're not doing anything I don't firmly believe to be safe. My son injects insulin into his body three times a day, and I would not sign him up for anything I did not completely trust. After all, I'm not just the mayor of Springfield, I'm Mike's father.

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