

Cummings Advances “Gray Market” Investigation, Hears New Concerns about Drugs in Short Supply

Washington, DC (Dec. 1, 2011) – Today, Rep. Elijah E. Cummings, Ranking Member of the House Committee on Oversight and Government Reform, and Rep. Danny K. Davis, Ranking Member of the Subcommittee on Health Care, D.C., Census and the National Archives, [sent a letter](#) to Subcommittee Chairman Gowdy requesting a hearing with manufacturers of drugs on the Food and Drug Administration’s shortage list after hearing new testimony about the price and safety of these drugs.

“The next logical step in this investigation,” Cummings and Davis wrote, “is to hold a hearing with the drug manufacturers who are experiencing these shortages in order to obtain their opinions about the causes and effects of these shortages, as well as what reforms can be implemented to avoid shortages in the future.”

[At yesterday’s hearing on drug shortages](#), oncologists and other health experts testified about the tragic effects of drug shortages and how “gray market” companies buy and sell drugs in critically short supply at exorbitant prices.

[Cummings launched an investigation](#) into “gray market” drug companies after obtaining confidential information relating to companies that charge prices many times higher for drugs than those negotiated with authorized manufacturers and distributors.

The letter follows:

November 30, 2011

The Honorable Trey Gowdy
Chairman

Subcommittee on Health Care, District of Columbia, Census and National Archives
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

Thank you very much for holding today's hearing on the causes and effects of critical drug shortages in the United States. We agree that this is a vital issue that deserves close and careful congressional scrutiny, and we commend you for initiating hearings on this topic.

Today, we heard valuable testimony from oncologists and other health and medical experts about the tragic effects of these shortages, including the withholding of potentially life-saving care for critically ill patients. For example, Dr. Michelle Hudspeth, the Division Director of Pediatric Hematology and Oncology at Medical University of South Carolina, testified:

What I'm afraid is that you're going to set a hierarchy of treatment. If you've got the money to pay, obtain some drug, travel to Canada, you can get treatment. But the folks who don't have the finances to do that are left behind. And who is that going to be? It's going to be the kids.

As we mentioned at today's hearing, the next logical step in this investigation is to hold a hearing with the drug manufacturers who are experiencing these shortages in order to obtain their opinions about the causes and effects of these shortages, as well as what reforms can be implemented to avoid shortages in the future.

For these reasons, we respectfully request that you schedule a hearing this month with the following manufacturers of drugs currently on the Food and Drug Administration's shortage list:

- Bedford Laboratories (maker of leucovorin)
- APP Pharmaceuticals (maker of fluorouracil)
- Hospira (maker of paclitaxel)
- Teva Pharmaceuticals (maker of fluorouracil)
- Sandoz Pharmaceuticals (maker of paclitaxel)

We were very encouraged by your positive comments at today's hearing indicating an openness to taking this step and a willingness to work in a bipartisan manner on this investigation. We look forward to working together, and we thank you for your consideration of this request.

Sincerely,

Elijah E. Cummings

Ranking Member

Committee on Oversight and
Government Reform

Danny K. Davis

Ranking Member

Subcommittee on Health Care, District of
Columbia, Census and National Archives

cc: The Honorable Darrell E. Issa, Chairman