

Senator John D. (Jay) Rockefeller IV, Chairman

*For Immediate Release*

<http://commerce.senate.gov>

December 15, 2011

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## **SENATE CHAIRMEN JOIN CUMMINGS' INVESTIGATION OF "GRAY MARKET" DRUG COMPANIES**

*New Joint Letters Seek Documents on Sales of Cancer Drug  
in Short Supply*

WASHINGTON, D.C.—Chairman John D. (Jay) Rockefeller IV and Senator Tom Harkin, Chairman of the Senate Committee on Health, Education, Labor, and Pensions, joined Rep. Elijah E. Cummings, Ranking Member of the House Committee on Oversight and Government Reform, in his investigation of "gray market" companies that trade in drugs in critically short supply.

"It is critical that we protect cancer patients and other healthcare consumers from being charged exorbitant prices for life-saving drugs," said Cummings. "I am thankful that Chairmen Rockefeller and Harkin have joined our investigation, and I am confident that their participation will ensure that gray market drug companies fully cooperate with our efforts to determine the implications of drug speculation on the health and safety of the American people."

Cummings launched his [investigation](#)

([http://democrats.oversight.house.gov/index.php?option=com\\_content&view=article&id=5445&Itemid=107](http://democrats.oversight.house.gov/index.php?option=com_content&view=article&id=5445&Itemid=107)) on October 5<sup>th</sup> by sending letters to five "gray market" drug companies that buy life-saving drugs in critically short supply and sell them at prices many times higher than typical contract prices. Cummings requested internal documents from the companies to determine how they are obtaining these drugs and, in turn, how much they are making in profits by selling them to hospitals, pharmacies, and health care providers.

“Americans deserve confidence that drug companies are not conspiring to run up profits at the expense of ordinary consumers,” said Rockefeller. “Far too many families struggle with the high cost of medication, often sacrificing other items like food, clothes or even electricity so that they can pay for life-saving drugs. It’s my hope that we can review these documents shortly and without delay.”

“These unscrupulous gray market wholesalers can threaten the safety and security of the entire drug supply chain through which Americans access life-saving medications,” said Harkin. “It is critically important that these companies provide us with the information we are requesting in order to ensure that Americans are not being charged outlandish prices for the drugs that could mean the difference between life and death.”

Today, Cummings, Rockefeller, and Harkin sent a [joint letter](#) to Superior Medical Supply, a “gray market” drug company in Colorado that has thus far refused to cooperate with the investigation.

This is the third in [a series of letters](#)

([http://democrats.oversight.house.gov/index.php?option=com\\_content&task=view&id=5501&Itemid=104](http://democrats.oversight.house.gov/index.php?option=com_content&task=view&id=5501&Itemid=104)) to Superior seeking information about its purchases and sales of paclitaxel, a drug in short supply that is used to treat breast and ovarian cancer.

Cummings’s investigation found that Superior offered to sell the drug for over \$500 when a typical contract price is \$65 per vial. Cummings also uncovered evidence of Superior’s problems with federal and state enforcement agencies.

The Members also sent a [letter](#) ([democrats.oversight.house.gov/images/stories/2011-12-15.JDR-TH-EEcto\\_Hospira.pdf](http://democrats.oversight.house.gov/images/stories/2011-12-15.JDR-TH-EEcto_Hospira.pdf)) to Hospira, a global pharmaceuticals manufacturer that stopped doing business with Superior after discovering that the company was actively purchasing drugs in critically short supply to sell at highly inflated prices. The Members seek additional information relating to other “gray market” companies Hospira ceased doing business with for similar reasons.

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