Hillary Corrected on Culprit for Drug Shortages

By Gil Ross — November 3, 2015

In his recent *Wall Street Journal* op-ed entitled "A Clintonian Misdirection on Drug Prices," former FDA associate commissioner Dr. Scott Gottlieb explains clearly how shortages of many common generic drugs have persisted, and indeed grown even worse, since this dire situation first manifested itself several years ago.

Our Dr. Josh Bloom discussed it in his 2011 op-ed entitled "Running Out of Common Drugs," and it's rather frightening to see so starkly the lack of real progress over the past four years.

Dr. Gottlieb's main points are these: While Hillary Clinton tries to blame pharmaceutical company greed for the scarcity and high prices that are, to some degree, a result in fact the real culprit is FDA over-regulation and bureaucratic ineptitude. And she prefers to take the populist course, which has the double benefit of rousing those who hate Big Pharma while also distracting attention from the flaws and fallacies of governmental intrusion in the free market.

The author make a few other points; 1) that FDA approval for a new generic drug now runs upward of $20 million; 2) heightened scrutiny of older manufacturing plants forced many to shut down, squeezing supplies of common infusions; 3) the FDA's lassitude has led to a huge backlog of generic approvals, which each take up to 50 months and several re-submissions to get the final OK; and 4) while Obamacare/ACA insurance has left high copays and inadequate coverage for expensive specialty drugs with lifesaving potential, Mrs. Clinton has focused on those drugs as a target for her allegations of "price gouging." In fact, drug costs continue to account for only 1/10 of our healthcare expenditures annually.

"It s important to distinguish between new medicines that are priced at a premium because they represent genuine innovation and risk-taking, and drugs that are priced high simply because investors are manipulating regulatory failures," Dr. Gottlieb writes. "If Mrs. Clinton is serious about helping patients, she should focus on lowering the cost and time necessary for generic-drug entry, thus reducing the chance of perpetual monopolies for old, off-patent drugs like Daraprim. ... As people experience ObamaCare s hollowed-out insurance policies and their costs consumers want
to know the reasons. The architects of the plan, including Mrs. Clinton, are doing their best to deflect that blame.”