

Kathleen A. Grant DVM

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To: Federal Trade Commission (via Web link: <https://ftcpublic.commentworks.com/ftc/petmedsworkshop>)

Subject: **Workshop on Pet Medication Issues – Practicing Veterinarian Comment**

The FTC has issued a Notice of Workshop and Request for Comments in the Federal Register /Vol. 77, No. 131 /Monday, July 9, 2012. The workshop is scheduled for October 2, 2012; the request for comments due date is September 14th. This is a response to the request from a practicing veterinarian.

This response is to FTC questions pertaining directly to the practice of veterinary medicine:

- *What evidence exists to support a need for federal legislation requiring veterinarians to provide written prescriptions to their clients?*

Our practice follows the American Veterinary Medical Association (AVMA) guidelines on providing prescriptions to clients. Federal legislation is not required. People who do not follow their professional community's guidelines are not likely to follow federal regulation either indicating a far greater challenge than simply not writing a prescription. Therefore legislation to require veterinarians to write prescriptions will simply put increased burden on the compliant.

- *Is there a need for federal legislation requiring veterinarians to notify clients that they have the right to fill their prescriptions at the pharmacy of their choice?*

There is no need for federal regulation in this area. Our practice follows the AVMA guidelines on providing prescriptions to clients and educating clients on their ability to request a prescription. Federal legislation is not required. If a veterinarian will not provide a prescription the client often has the ability to seek out a veterinarian better suited to their needs. Today's consumers are smart and savvy—let them influence the market place with their pocketbooks. If the big box retailers and on-line pharmacies with their multi-million dollar advertisement campaigns can't overcome the influence of a simple country veterinarian it is probably because today's consumers are: smart and savvy.

- *How might the passage of H.R. 1406 affect price, consumer choice and other forms of competition in the pet medications market?*

The net effect is that consumers will pay more, substantially more! The price of medications may temporarily decline slightly, however, the overall cost of veterinary care (combined veterinary services and products plus increased administrative burden) will increase substantially. Any slight decrease in medication price will likely evaporate as soon as the big manipulators control the market.

The veterinary business model operates on a combination of sales of services and products. When you change the elements of the mix other elements are affected so that the business owner can (1) pay the bills and (2) maintain a reasonable return on investment. Reducing product (medication) sales will result in higher prices for both veterinary services and for the remaining products sold in the veterinary practice including emergency medication. (This is particularly true in the small practice. The average veterinary practice in the US has two (2) full-time equivalent veterinarians and ten (10) staff members. Typically small, but economical, amounts of medications are kept on-hand—reducing the sales volume will drive up cost on the remaining medications. Veterinary practices have high fixed costs and are capital intensive.) The net effect is that consumers will pay more in a distributed model (separate providers of veterinary services and veterinary-oriented medications) than in the current consolidated service/product model (veterinarian providing both services and products) with some product sales leakage. The higher the leakage the higher the net consumer cost will be.

Furthermore, states and local communities will likely also be affected. Many on-line pharmacies do not charge sales tax which erodes the state and local tax base. They do not typically employ people in the local community either, further depriving states and localities income and property taxes. Driving veterinarians out of business (or reducing the number of provider hospitals) reduces both income and property tax base. Veterinarians, as do other local business people, give back to their respective communities supporting police, fire, parks, libraries, etc. When was the last time an on-line provider supported your local community?

- *What risks or inefficiencies may be posed by prescription portability for pet medications?*

There are several very important points to consider:

- 1) The veterinarian sees the client and often understands that client's current situation. The veterinarian can use their discretion to provide the best treatment for the patient taking into account the client's situation (which is not always financially-based.) The veterinarian knows when a client does not pick up a prescription when filled in-hospital. By writing a prescription to be filled outside, the client can better hide their non-compliance depriving the veterinarian the opportunity to discuss alternate therapy options or encouraging better compliance. Unlike people, pet do not have a means to speak for themselves. The veterinarian is the advocate for the pet and the in-house filled prescription is a part of that communications.
- 2) Medications intended for animals should be dispensed only by people trained in veterinary pharmacology. At this time, most pharmacists do not have this training, are not required to obtain or maintain this training, and laws have not been established to define or require this training and associated certification or licensing. Dispensing by untrained individuals puts clients, pets, and other animals at risk. If pharmacists are to be allowed to dispense medications for companion animals (pets), equine, and livestock, they should be trained across the spectrum to do so and have continuing education requirements to maintain their knowledge in this evolving field. Veterinarians do work closely with pharmacists to dispense as appropriate

veterinarian selected products—that veterinarian/pharmacist relationship is important but can only be maintained through a limited number of medications which the pharmacist already has training. (Good pharmacists have their hands full keeping up with rapidly evolving human medications, their potential interactions, and the associated lawsuits—they do not need the additional burden of medications intended for animals.) Perhaps legislators and regulators have the cart before the horse on this one. (Leave it to a veterinarian to point out this simple observation.)

- 3) Veterinarians receive their medications through verifiable distribution channels. Diverters take medications out of those channels opening the opportunity for truly counterfeit medications to be injected into alternate distribution. Let me draw attention to a 2005 article by BusinessWeek (Fakes!, Feb 6, 2005) highlighting a counterfeiting case where 16.5 million tablets of a major brand name human pharmaceutical were removed from warehouses and pharmacy shelves because their pedigree could not be verified. That is a major economic impact and it was one product, one time, that was detected and publically documented. The counterfeiters will counterfeit anything of value right down to toothbrushes in Africa. Consumers need to be protected from counterfeit medications. Rather than worrying about a veterinarian writing a prescription, let's stop the diversion of products from traceable channels and improve the ability to detect and deter counterfeit pharmaceuticals from being distributed to pets and livestock – and while we are at it let's protect the people too.

In summary, federal legislation is not required. Forcing veterinarians through legislation to write prescriptions to all clients is not beneficial to consumers. I believe it is best to continue the current veterinary-oriented pet medication distribution model (without leakage) and to increase regulations and taxes on non-veterinary providers of animal medications so that these non-veterinary providers' tax contributions are equal to the contribution veterinarians make to each and every community, and distributed thereto, across the United States.

Very Respectfully,

Kathleen A. Grant DVM