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**Vermont Veterinary Medical Association Comments
Federal Trade Commission Questions Relating to Pet Medications
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How are pet medications distributed to consumers?

Most medications are distributed directly to consumers by veterinarians in Vermont. However, written, phoned or faxed prescriptions to local pharmacies, internet pharmacies, and compounding pharmacies are widely utilized.

What are the business rationales for various pet medication distribution practices?

Veterinarians who dispense medications to consumers typically purchase the medications wholesale and mark them up a percentage to cover the costs of inventory and dispensing by staff, packaging and appropriate labeling.

How has competition to sell medications to pet owners evolved in light of these distribution practices?

With the existing media outlets and the for-profit pharmacy and pet retailers competing for consumer sales, these avenues have been utilized by consumers more and more. Many veterinarians who dispense directly to consumers have adjusted their medication sales practices to be competitive or give consumers a prescription to obtain the products through one of the other available outlets.

How do these practices affect prices to consumers?

These practices have created a greater price competition in the pet marketplace so that consumers are frequently getting more competitive prices for the medications they purchase.

How do these practices affect product supply and quality?

Throughout the field of veterinary medicine, drug shortages have been an issue, worsening in the past several years. We worry, that with an increased demand of medications to be kept as inventory in more facilities, supply and quality may be decreased. Many pharmaceutical companies claim they will not support products that are not purchased from licensed veterinarians, i.e. through potentially illegitimate pharmacies. The FDA has pointed out to consumers and veterinarians concerns about the quality of medications obtained through unscrupulous businesses, and how difficult it can be to discern a legitimate online pharmacy from those of concern.

How do these practices affect consumer choice?

When consumers purchase veterinary medications via online pharmacies, some of the products are not guaranteed or supported by the pharmaceutical company as they are when they are purchased from the veterinarian. Disclaimers about this do not seem to be widely publicized on the pharmacy side.

How do these practices affect innovation in the pet medications market?

The VVMA does not have sufficient knowledge to answer this question.

What efficiencies or inefficiencies are associated with these practices?

The most important efficiency associated with treatment with medications dispensed directly from a veterinary clinic is that they can be started promptly and there are no anticipated concerns associated with the quality of the drug product. If a prescription drug is not obtained from a pharmacy immediately, or at all, treatment may be delayed; some less-expensive medications, obtained through illegitimate channels, may have an increased risk of being a counterfeit product, all to the detriment of the animal's health. There are undoubtedly inefficiencies created for the veterinarian when the dispensing pharmacist has follow-up questions.

Most of the inefficiencies associated with distribution practices concern animal health. Pharmacists are not required to have training in animal pharmacology. Whereas veterinarians have been trained to be cognizant of unique pharmacologic needs across species, including the idiosyncrasies of different animal species, most human pharmacists do not have this awareness. We have learned that on occasion, this has resulted in incorrect counseling, wrong dosages, or unauthorized drug substitutions, which could harm the animal patient and yield the need for additional treatment that would have been unnecessary if the correct medication or information had been dispensed from the start.

What, if any, product safety or counterfeiting issues exist with respect to these practices?

As addressed, these are a large concern, as obvious counterfeit issues exist for many major brand name pet medications, including most preventatives (internal and external parasite preventatives primarily).

Have there been instances in which false or misleading information about product safety risks was disseminated to consumers?

Whether known or unknown, the national market veterinary pharmacies, not associated with a veterinarian, are disseminating information that their products are the EXACT same when in fact, they may be counterfeit.

Are there other factors that should be considered when analyzing the competition and consumer protection issues related to the distribution of pet medications? Current television and online advertising often implies that a veterinarian is not needed to obtain medications – this diminishes the need for a valid Veterinarian-Client-Patient- Relationship (VCPR), required for proper medication prescribing for pets. Veterinarians are the best trained advocates for the health

and the safety of our patients. Part of consumer protection is patient advocacy. Many times, a prescription can be misinterpreted or mishandled somewhere along the line (including by the owner), if it is taken out of the veterinarian's office to be filled. That is a big concern to veterinarians, as we have taken an oath to keep our patients safe and healthy. As previously stated, the other concern is lack of medical training for our animal species in human pharmacy that has led to mistakes.

How varied are current veterinarian practices with respect to providing written, portable prescriptions to clients?

In the state of Vermont, most veterinarians provide written prescriptions, following the guidelines for written prescriptions (which include secure paper that cannot be faxed or copied), to our clients at their request, in accordance with the AVMA's Principles of Veterinary Medical Ethics.

To what extent are consumers aware that they can request a portable prescription from their veterinarian and have the prescription dispensed elsewhere?

The VVMA is not in a position to answer what consumer awareness is on issues. We have no survey data or similar evidence to adequately address this question.

Which states require prescription portability for pet medications? Which do not? Are there states in which a proposal for prescription portability for pet medications was rejected by the legislature and, if so, why?

Vermont is not a state that requires prescription portability.

In states that do require prescription portability, what recourse do consumers have if a veterinarian refuses to provide a written, portable prescription?

Vermont is not a state that requires prescription portability.

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

The VVMA does not believe there is any acceptable evidence to support this requirement.

What price and non-price benefits can accrue to consumers from prescription portability for pet medications?

Prescription portability could provide consumers with more opportunities to fill prescriptions at the facility of their choice which at times could have a cost savings. We are not aware of any non-price benefits of prescription portability.

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

There are potential risks associated with portability of prescriptions to retailers external to a veterinary clinic. One risk is a result of the lack of formalized veterinary medical pharmacology training requirements for pharmacists. A second is the potential for delay in treatment should the preferred pharmacy not carry the needed medication or if the client is delayed in picking up the drug from the preferred pharmacy.

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?

The VVMA feels this is not necessary.

Is it appropriate to deny veterinarians the ability to charge a fee or require a waiver of liability for providing a written prescription to clients?

Veterinarians should not be denied the ability to charge a fee or to require a waiver of liability for providing a written prescription to clients. Writing prescriptions require subsequent follow-up work, including phone calls with pharmacists, that take time, and it is not unreasonable to charge a fee for that time. The decision to require a waiver should be left to the judgment of the clinic owner and not be dictated by federal law.

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

The VVMA is a member group of veterinarians, not a consumer data group. Therefore, we are unable to answer this question.

How can the prices charged to consumers for pet medications by veterinary clinics and retailers best be quantified and compared?

We are unaware of a method for accomplishing this beyond surveys of pricing and pricing structures.

To what extent do retailer prices for pet medications affect the prices of medications sold at veterinary practices, or other aspects of veterinary clinic operations?

The impact of retailer prices for pet medications is not something that the VVMA can answer other than anecdotally sharing that it impacts some veterinary clinics.

To what extent would H.R. 1406 affect veterinarians' sales of pet medications?

We speculate that there would be a very negative impact, but the business models of veterinary clinics in Vermont are too varied to answer this question.

What compliance costs would veterinarians face if H.R. 1406 were enacted?

If veterinarians are required to provide written prescriptions, whether or not the client desires to obtain the medication elsewhere, there would be increased administrative time by the veterinarian and staff, which would have a negative impact on business costs. The verification requirement, including follow-up phone calls from the pharmacies, for every prescription would also create an administrative burden and impact appointment scheduling and the ability to see and treat all patients as needed.

The requirement that veterinarians provide a written prescription to clients who choose to have their prescription filled at the veterinarian's clinic adds another layer to the cost of compliance. Veterinarians would have to take measures to store or properly dispose of these written prescriptions, taking into account efforts to prevent misuse, and to document that a prescription was properly dispensed to the client. This would seem to increase the chance of

prescription abuse and fraud. While complying with the provisions of H.R. 1406, veterinarians would have to take measures to mitigate circumstances where clients use the requirement as an opportunity to acquire inappropriate numbers of prescriptions. Although prescriptions are written now for clients, the sheer number of prescriptions being written would be expected to increase because unlike the current situation, under H.R. 1406 a prescription would be required in each and every instance the decision is made for a prescription drug. Increased numbers of prescriptions given to clients, recycled, or discarded if not needed by the client, could yield increased opportunities for fraud using written prescriptions.

Should possible amendments to H.R. 1406 be considered?

The VVMA is strongly opposed to H.R. 1406 and does not believe any amendments should be considered.

Are there other factors that should be considered when analyzing the competition and consumer protection issues related to the portability of pet medication prescriptions?

We would again like to underscore the applicable training and knowledge that the veterinarian of record has with regard to veterinary medical pharmacology and, in particular, the medical history of his or her individual patients. Veterinary medications dispensed in the veterinary clinic come from a qualified veterinary team who can answer the client's questions and assure clients they have the proper drug for the patient.

Aside from pharmacists' lack of formal training in veterinary pharmacology, not all pharmacies are licensed or accredited. Prescription products obtained from unlicensed pharmacy retailers pose a risk to the animal's well-being.

We are concerned with possible human health ramifications that could result from increased portability of pet medication prescriptions. We can envision scenarios where a client has left the clinic with prescription in hand, only to call the clinic back and claim that the prescription has been lost; re-writing the prescription for the benefit of the animal is acceptable but could unknowingly lead to drug diversion.

The VVMA is supportive of a client's right to fill a prescription at their pharmacy of choice but we are strongly opposed to any federal mandate that requires a written prescription be provided, regardless of whether the client chooses to, or can, go elsewhere.

The VVMA believes H.R. 1406 is redundant and will cause undue regulatory and administrative burdens on veterinary practices. It is burdensome and unnecessary to require a written prescription be provided, as well as a written notification that the prescription may be filled elsewhere, regardless of whether or not the client is having the prescription filled by the veterinarian. The VVMA believes that veterinarians are uniquely trained to provide the best professional guidance and education to pet owners when dispensing prescription products.