

OFFICE OF THE GOVERNOR  
STATE OF MONTANA

BRIAN SCHWEITZER  
GOVERNOR



JOHN BOHLINGER  
LT. GOVERNOR

August 30, 2012

Kathleen Sebelius, Secretary  
U.S. Health and Human Services  
200 Independence Avenue, S.W.  
Washington, D.C. 20201

Dear Secretary Sebelius:

Montana will have a greater responsibility for the healthcare of its citizens as a result of the Affordable Care Act. So I've looked to the private sector to identify ways to lower costs.

Companies like Pepsi, Google, Sprint, Disney, Cisco, Boeing, Dow, Lockheed Martin, Michelin, Pitney Bowes, and Intel have found that by setting up employee health clinics for their workforce, they can save millions of dollars every year in health care costs. This improves the bottom line, keeps the workforce healthier, and keeps workers on the job.

More than one third of the nation's largest employers now offer health clinics. Montana is joining them today with the opening our first clinic for state employees. Based on an independent actuarial analysis of the proposal for our first clinic in Helena, we estimate the state could save over \$100 million over five years once clinics are up and running statewide.

This isn't the only private sector principal we can use to save money for taxpayers and patients.

In 1999, I started bringing busloads of senior citizens over the border to Canada for high quality prescription drugs at a fraction of the price. My efforts were met by strong resistance from the pharmaceutical companies, even though pharmaceutical costs have driven up the cost of health care for the past decade. In the United States, spending for prescription drugs was \$234.1 billion in 2008-- more than double what was spent in 1999. In Montana, prescription drug spending has tripled since then, according to [National Health Data from CMS](#). In 2009 Montanans spent \$607 million paying for prescriptions.

As you are aware, existing law permits HHS Secretary to certify that importing prescription drugs is safe and effective and approve a prescription importation project. Section 1121 of the Medicare Prescription Drug Improvement and Modernization Act (P.L. 108-173) authorizes the Secretary of Health and Human Services to allow the importation of FDA-approved medicines from Canada by U.S.-licensed pharmacists, wholesalers, and individuals for personal use.


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By approving a small pilot project to import lower-priced prescription drugs from Canada for Montana's state employee clinics, we can lower the price of prescription drugs for employees of the state of Montana with medicines that are safe and effective. A limited, five-year testing and demonstration program in Montana's employee clinics could, if successful, be expanded to provide relief to millions of American consumers that are currently paying the highest prices in the world for prescription drugs.

Giving Americans the freedom to access identical FDA-approved drugs from other countries where it is sold for a fraction of the price will make the pharmaceutical industry adopt fair pricing for American consumers.

Thank you for your consideration of this request. I look forward to further dialogue on this issue.

Sincerely,

A handwritten signature in blue ink, appearing to read "B. Schweitzer". The signature is stylized and fluid, with a large initial "B" and a long, sweeping underline.

BRIAN SCHWEITZER  
Governor