

## EXTENSIONS OF REMARKS

HONORING LINDA ROMER TODD

**HON. SCOTT MCINNIS**

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, October 31, 2000*

Mr. MCINNIS. Mr. Speaker, I would like to take this moment to congratulate Linda Romer Todd of Grand Junction, Colorado, on her recent award. Linda has been named Realtor of the Year by the Mesa County Association of Realtors. This award is well deserved and I would like to honor Linda's service to the community of Grand Junction by paying her tribute.

Linda is currently a Broker/Owner for Associated Brokers & Consultants, Inc., as well as a member of the Mesa County Association of Realtors. While a member for over two decades, she has used her natural ability to lead by donating her time as the Chair of the Governmental Affairs Committee and as the Director of the Association. Her work within the realty profession only begins at the local level and it is her membership at the state level that is most impressive.

As a member of the Colorado Association of Realtors she has again shown her desire to help others by serving in a number of different capacities. She currently serves on a number of committees including the Legislative, Mobilization, and Grassroots Committees where she serves as Co-Chair. She also is currently serving as Director of the Association and recently received the Political Service Award for the year 2000. Linda's work within her profession is quite impressive but it is her work to benefit her community that truly demonstrates her compassion to help others.

As a member of the Grand Junction Chamber of Commerce, specifically with the Government Affairs Committee and their Leadership Program, Linda has realized the true importance of helping one's community. She is currently an active and dedicated volunteer for Habitat for Humanity. As a member of this distinguished organization she is currently serving as President of the Mesa County division and Director of Habitat for Humanity of Colorado.

Linda's contributions to Mesa County and the State of Colorado are significant. It makes me proud to know that such outstanding individuals reside within the 3rd Congressional District. On behalf of the State of Colorado and the U.S. Congress I would like to congratulate her on her recent award and wish her the very best as she continues to work to better her community.

HONORING QUEENIE PEGRAM

**HON. EDOLPHUS TOWNS**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, October 31, 2000*

Mr. TOWNS. Mr. Speaker, I rise today to honor Queenie Pegram, who her friends describe as "very pleasant and good company."

Queenie Pegram was born on October 23, 1900 in Stony Creek, Virginia. She is the fourth child of seven siblings. Ms. Pegram came from a very religious family and was baptized at the age of ten.

She married her husband James in 1931 and moved to Brooklyn, New York where they immediately joined the church. Although they never had children of their own, Queenie and James raised their nephew Arthur and their cousin Brenda from infants.

Ms. Pegram has been a member of the Missionary Society in her church for 69 years. For 30 of those years she served as the president. During those 69 years she served her community well, visiting and caring for the sick and shut-ins. Often she would reach home late, after a full day's work at her housekeeping job. She would read and pray for the sick way past her dinner hour.

Ms. Pegram lives independent of her family with the help of a home health aid. She is still an active member of the community and attends church every Sunday, and sometimes stays for a double service.

She is always willing to take the time to listen and share her wisdom, especially with the younger generation. Some of her quotes: "The Lord has blessed me all my life, I didn't know them, but I do now;" "Treat others the way you want them to treat you and "Love everyone."

Mr. Speaker, Queenie Pegram is a woman of God and a true servant of the people. As such, she is more than worthy of receiving our recognition today, and I hope that all of my colleagues will join me in honoring this truly remarkable woman.

STARK PROVIDES FURTHER EVIDENCE OF NEED FOR FDA INVESTIGATION INTO DRUG COMPANY PRICE MANIPULATION

**HON. FORTNEY PETE STARK**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, October 31, 2000*

Mr. STARK. Mr. Speaker, I am today submitting for the RECORD a letter I sent to Dr. Jane E. Henney, Food and Drug Administration Commissioner. This letter provides additional information recently discovered during ongoing Congressional investigations into drug company price manipulation and supplements my previous two letters to Dr. Henney.

Recent congressional investigations have collected evidence that certain drug companies consistently inflate prices and engage in other improper business practices in order to create windfall profits from Medicare and Medicaid reimbursements. In response, drug companies have stated that such drug inflation has been consistent with, and perhaps even required by, flaws in the reimbursement system's reliance on Average Wholesale Price (AWP). Further, drug companies contend that AWP's are meaningless numbers.

However, as the letter below and its accompanying exhibits demonstrate, drug companies do indeed rely upon AWP's to advertise their drugs. And, in fact, drug companies often advertise truthful drug prices when there is no Medicare reimbursement available. The evidence uncovered suggests that contrary to drug company statements, it is not a flawed reimbursement system that leads drug companies to inflate their prices. Instead, it is drug companies' dishonest pricing based on their desire to create a profit for prescribing physicians seeking Medicare or Medicaid reimbursements.

My reading of the Federal Food, Drug and Cosmetic Act and its corresponding regulations suggests that the FDA should pay particular attention to these misleading drug company actions. And I again request that the FDA conduct a comprehensive investigation into such drug company business practices. My third letter to the FDA regarding this issue follows:

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
*Washington, DC, October 31, 2000*

Dr. Jane E. Henney,  
Commissioner, Food and Drug Administration,  
Rockville, Maryland.

DEAR DR. HENNEY: I write to provide essential, additional information to you about price manipulation by some drug companies arising from ongoing Congressional investigations. Such drug company price inflation exploits the Medicare and Medicaid programs. This is the second supplement to my letter to you of October 3, 2000.

Recent media reports of statements by certain drug company executives reveal a concerted effort to continue to mislead the Congress and the public about the nature of their companies' actions. Specifically, the drug companies have represented that their conduct, including their inflated price reports that have resulted in admittedly excessive Medicare reimbursements, has somehow been consistent with, and perhaps even required by, flaws in the reimbursement system's reliance upon Average Wholesale Price (AWP). This logic is premised on the erroneous contention that the AWP's associated with their drugs are meaningless numbers that should not reasonably be relied upon as an indicator of wholesale prices. Such statements are in themselves deceptive.

The evidence developed during the course of the Congressional investigation reveals that it is routine for the drug industry to advertise a drug product's price in the AWP format and to encourage the consideration of AWP as one factor when evaluating competing drug products. Indeed, the drug companies often compare their drug's AWP with that of a competitor in an effort to demonstrate their drug's superiority from a cost perspective and to influence physician prescribing decisions. Such advertisements are directed at prescribing physicians, pharmacists, and other health care professionals and take many forms, such as direct contacts, flyers, and trade publications such as the Red Book, Drug Topics and Medical Economics which are each published or updated monthly.

When there is no inflated Medicare reimbursement available for the prescribing physician, companies often advertise truthful

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