May 22, 2018

The Honorable Dianne Feinstein
Ranking Member, Senate Judiciary Committee
United States Senate
224 Senate Hart Building
Washington, DC 20510

Dear Ranking Member Feinstein:

I am writing to you on behalf of the Healthcare Distribution Alliance (HDA) and its 38 member companies to offer our support for S. 2838, the “Using Data to Prevent Opioid Diversion Act of 2018.” In the broad national effort to address prescription drug abuse, improved data sharing is increasingly identified as a key tool. We support your efforts to enable greater information sharing among the Drug Enforcement Administration (DEA), state regulatory agencies and pharmaceutical supply chain entities that are registered with the DEA to handle controlled substances.

HDA’s primary mission is to support the operation of the safest, most secure and efficient supply chain in the world. In this effort, pharmaceutical distributors work closely with supply chain partners and numerous regulatory agencies, most notably with the DEA and the Food and Drug Administration (FDA), as well as regulatory authorities in every state. While distributors do not manufacture, prescribe, dispense or drive demand for medicines, HDA and its members recognize our role and responsibility to advance meaningful initiatives to address the serious, complex issues raised by the opioid abuse crisis.

HDA has encouraged, for many years, greater information sharing between DEA and the pharmaceutical supply chain, including access to aggregated and blinded purchasing data from the ARCOS (Automation of Reports and Consolidated Orders System) database. This data could allow wholesale distributors to consider customer orders in the context of overall distributions of ARCOS-reportable drugs to that entity. Having access to this information will significantly improve the industry’s ability to prevent diversion and oversupply of controlled substances, HDA applauds the requirement in S. 2838 that will allow distributor registrants to access the ARCOS system.

This data not only will help fill a significant gap in the data analyzed by distributors, but also will provide much-needed context to the information that DEA has recently made available on the number of distributors that supply each downstream customer. We also support the additional data sharing provision to require the DEA to provide to regulatory and licensing authorities, Attorneys General and law enforcement agencies, a standardized report containing descriptive and analytic information on the actual distribution practices, as well as outliers and trends of distributor and pharmacy registrants.
As pharmaceutical distributors responsible for delivering medicines to licensed pharmacies and healthcare providers across the nation, HDA and its members recognize our role and responsibility in advancing meaningful initiatives to address the serious issues raised by this complex national crisis. We appreciate your leadership on issues related to the opioid epidemic and we look forward to working with you on this important legislation.

Sincerely,

John M. Gray
President and Chief Executive Officer

CC: Chairman Grassley
    Senator Capito
    Senator Durbin