

January 31, 2023

Delegate Orrock, Chair
CC: Virginia House Health, Welfare, & Institutions Committee
1000 Bank St #303, Richmond, VA 23219

HDA Opposition to HB 2465

On behalf of the Healthcare Distribution Alliance (HDA), I appreciate the opportunity to share our concerns with **HB 2465, Return of prescription drugs past their expiration date.**

HDA is the national trade association representing healthcare wholesale distributors, the vital link between the nation's pharmaceutical manufacturers and more than 200,000 customers- pharmacies, hospitals, long-term care facilities, clinics and others nationwide. In Virginia, our members serve over 1,400 such customers.

Wholesale distributors' work around-the-clock to safely and efficiently ship pharmaceutical and medical products to pharmacies, hospitals and other healthcare providers nationwide. In fact, our members operate 24 hours a day, 365 days a year, shipping approximately 11 million products across the nation every day. Simply put, wholesale distributors are the logistics experts who ensure pharmacies and hospitals keep their shelves stocked with medications their patients need.

On behalf of our member companies, we would like to express our concerns with HB 2465. We believe the language would jeopardize the integrity of the drug supply chain and could further exacerbate drug shortages due to the addition of the following language to § [54.1-3411.1](#)

D. Prescription drugs past their expiration dates in both full and partial containers may be returned up to six months after the labeled expiration date for full credit or replacement. This subsection does not apply to drugs for which the only Food and Drug Administration-approved indication is for use as an antidote to biological, chemical, or radiological poisoning.

Some of our concerns with this language are as follows:

- We are concerned with the proposal to allow for drugs 6 months past their expiration date to be eligible for returns. There is currently a system already in place for a pharmacy to return drugs which are approaching expiration, established via set agreements between pharmacies, distributors, and manufacturers. We believe the language in the proposed amendment would not compute with those established systems, ultimately leading to unfair business practices.
- Extending the return window of drugs to 6 months after expiration date could set the stage for the overbuying and stockpiling of drugs, further exacerbating drug shortages and impacting the stability of the supply chain.

- The proposed language lacks necessary details to fully understand the intent of the legislation. Returning drugs securely is a complicated system involving multiple members of the supply chain, which changes depending on when and where the return is occurring, and this bill language would not be compatible with that system. Additionally, while again lacking clarity, the language does seem to reflect a practice seen only in two states.
- Finally, allowing partial container returns and returns of drugs up to 6 months expired would create liability concerns for the entire healthcare supply chain members such as manufacturers and distributors, directly the liability release language of contradicting ~~E-F~~ and ~~F-G~~

In summary, due to the lack of clarity of the language and to the risks this bill creates for the drug supply chain- particularly, the risk of drug shortages- we respectfully request that HB 2465 not be advanced. Thank you for your consideration, and please contact me for any further discussion at kmemphis@hda.org or 443.375.6541

Sincerely,



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Healthcare Distribution Alliance
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