Drug firms seek to tighten lock on high-priced prescriptions
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Correction from original story:
Correction ran 11/18/99: Wednesday's editorial on patent extensions overstated the drug industry's spending to lobby Congress. The industry spent more than $37 million in 1998.

Anyone hoping that Congress would take a serious crack at addressing the rapid rise in prescription drug costs cannot be pleased by this week's turn of events.

At a time when drug prices are rising at a brisk 12% annual clip -- pushing up not only out-of-pocket drug spending but also insurance premiums -- lawmakers are seriously considering a measure that likely would keep prices needlessly high for several medications.

Chief among them is Claritin, the extremely popular prescription-only allergy remedy.

For years, its maker, Schering-Plough, has tried to coax Congress into granting a three-year extension on Claritin's patent, due to expire in 2002.

That would help protect Schering's $1.9 billion in domestic sales from low-price generic competition. But it would cost consumers an estimated $300 million in higher prices, since generics generally come in as low as 60% below brand-name prices.

Now Schering and other firms are again trying to get patents on a handful of brand-name drugs extended. A Senate committee is set to markup a bill this week, and the measure could wind up in the big spending bill Congress is rushing to put together before it heads home for the year.

Schering and other drug companies pushing this measure are, ironically enough, trying to exploit a 1984 law designed to moderate drug prices by injecting competition into the market. That law made it easier to market generic versions of older drugs. At the same time, it encouraged research and development of new drugs by extending drug patents five years.

As a sop to the drug industry, that 1984 reform gave drugs that were already in the approval pipeline, such as Claritin, a two-year bonus on their patent lives.

But drug companies have pushed for even longer patents on these "pipeline" drugs. Schering sought to get additional extensions slipped into big bills in the dead of night, only to be blocked by vigilant lawmakers. And now it wants Congress to wash its hands of the matter and allow the
Patent and Trademark Office to decide on the extension, assuming the PTO will be a more sympathetic venue.

Never mind that Claritin has already received four years of additional patent life -- two from the 1984 law and another two as a result of a world trade agreement -- and it stands to get another six-month extension by agreeing to run pediatric tests on the drug.

And never mind that giving Schering the chance to extend its Claritin patent would set a tempting precedent for other drug companies anxious to hold on to their lucrative monopolies beyond the reasonable limits set in law.

In Washington, special-interest money often talks a lot louder than the public interest. And drug companies have an awfully big megaphone, spending billions each year to lobby Congress, and hundreds of thousands more on campaign contributions.

If Congress is ever going to break its addiction to special-interest money, this is a good place to start. Otherwise, consumers will keep paying through the nose for the drugs they need.