

**Opening Statement of the Honorable Michael C. Burgess, M.D.
Subcommittee on Commerce, Manufacturing, and Trade
Subcommittee Hearing
“The Pet Medication Industry: Issues and Perspectives”
April 29, 2016**

Good morning. This morning we will receive testimony from witnesses about the status of the pet medication industry.

It is important to start this process by understanding the status quo of the industry. From that point, we will build the necessary base to carefully examine whether federal involvement is needed in the veterinary prescription medication space.

The pet medications industry is an established market and continues to grow. In 2015, U.S. pet owners spent over 14 billion dollars on pet supplies and over-the-counter medications, and an additional seven billion dollars on prescription medications. Pet care is a notable component of the family budget for the 65% of U.S. households that own a pet.

Last year, the Federal Trade Commission wrapped up a multi-year study of competition in the pet medications industry. I hope the FTC’s witness can speak to the state of the industry with regard to prescription

portability and distribution practices. In the report, the FTC noted that more study could be helpful in a number of areas including pricing, dispensing errors, and the secondary distribution system. It would be helpful to understand whether any of that additional study has been undertaken to date.

The veterinarian-pet-owner relationship is an important one and another part of what we will explore today.

I understand Rep. Chaffetz has introduced a bill to federally mandate the release of prescriptions that has been referred to this subcommittee. States have long held the bulk of authority over veterinary practice and over thirty states have passed legislation dealing with prescription portability.

I remain concerned that this legislation, like the legislation passed years ago mandating similar procedures for contact lenses, unduly interferes in the relationship between a doctor and his patient.

Procedures currently exist in all 50 states to address the claimed issues raised by the proponents of the legislation. I am skeptical that a federal

approach, rather than one which works with state regulators, truly creates an environment beneficial to patients.

As we have done with other issues with state involvement, and as a matter of federalism, it is important to understand how states have addressed any issues raised with prescription portability and what their level of involvement has been.