Committee on Energy and Commerce

Opening Statement

Subcommittee on Oversight and Investigations Ranking Member Diana DeGette

"The Drug Enforcement Administration's Role in Combating the Opioid Epidemic"

March 20, 2018

Thank you, Mr. Chairman. The opioid epidemic has caused unprecedented damage to our country, and addressing it must be a priority for our Committee.

Opioid overdose is now the number one cause of unintentional death in the United States. Every day, we hear heartbreaking reports of Americans dying and leaving loved ones, often children, to pick up the pieces.

This crisis has had an economic toll, too. Estimates suggest that it has cost this country one trillion dollars since 2001.

The Committee has spent many months examining exactly how the opioid epidemic developed. Our investigation has focused on West Virginia, which has the highest opioid death toll in the nation. The numbers we have seen coming out of that state are alarming. A major 2016 news investigation, for example, reported that distributors shipped 780 million opioids to this state between 2007 and 2012.

While our investigation focuses on West Virginia, I hope that the lessons we learn will help us to address this urgent problem throughout the country, including in my home state, Colorado.

Administrator Patterson, I hope you will be able to answer our questions and tell what you believe failed in West Virginia, and more importantly, what we need to do to prevent this from happening again.

We know that something must have gone wrong. For example, based on DEA's own court filings, in 2008, distributors shipped an average pharmacy in rural West Virginia 22,500 hydrocodone pills per month.

But our investigation found that a number of pharmacies were sent many times that amount.

For example, we looked at one pharmacy in a small rural town of a few hundred people. Drug distributors supplied this pharmacy with more than 4.3 million doses of opioids – more than <u>350,000</u> per month – in a single year, and again with nearly 4 million the next year.

When DEA finally shut down this pharmacy and took its owner to court, the owner admitted that at its height, the pharmacy filled one prescription per minute. News reports from the time describe pharmacy workers throwing bags of opioids [quote] "over a divider and onto a counter in order to keep up the pace." One law enforcement agent noticed a cash drawer [quote] "so full that the clerk could not get it to close properly."

And this was not the only pharmacy to receive such massive quantities of opioids. In another example, between 2006 and 2016, distributors shipped over 20 million doses of opioids to two pharmacies in one town of 3,000 people.

I want to know if DEA agrees that the amount of pills sent to these pharmacies was excessive.

In addition, the Controlled Substances Act and applicable regulations require distributors to tell DEA how many pills that distributor sold and to what pharmacies. DEA compiles this information in a database called the Automation of Reports and Consolidated Order Systems, or ARCOS.

I want to understand how DEA made use of ARCOS data from 2006 on, and whether it relied on this data to monitor the amount of pills that distributors sent to West Virginia. Did DEA perform analytic assessments of how many pills each pharmacy received? Did it look at how many pills distributors sent to a town or region as a whole? If so, I want to know why DEA did not act to stop these shipments.

I want to know whether the distributors themselves exercised appropriate due diligence before sending millions of pills to pharmacies.

For example, in letters sent to all drug distributors in 2006 and 2007, DEA gave distributors a list of "circumstances that might be indicative of diversion," all of which plainly required distributors to know their customers before shipping any opioids to them at all.

I want to know if drug distributors met this standard when they shipped millions of pills to tiny West Virginia towns.

Similarly, did distributors comply with their obligations to tell DEA when a pharmacy made a suspicious order for a large quantity of pills?

I also want to know what DEA is doing to stop painkillers from flooding our communities today. In February, FDA approved a new opioid for breakthrough pain. I hope that DEA is proactively monitoring distribution of this and similar addictive drugs to stop alarming distribution trends before they turn into epidemics.

Mr. Chairman, this Committee has had multiple hearings on the opioid crisis, but this is the first to take a hard look at how this crisis developed. I hope that we get real answers today which can help us both address this problem and stop anything similar from ever taking place again. March 20, 2018 Page 3

Thank you.