



AMERICAN
BOTANICAL
COUNCIL

Post Office Box 144345
Austin, Texas 78714-4345
Phone 512/926-4900
Fax 512/926-2345
Email: abc@herbalgram.org
www.herbalgram.org

Mark Blumenthal
Editor

Wayne Silverman, PhD
Underwriting Coordinator

Betsy Levy
Densie Webb, PhD
Leela Devi, MSN, RN
Risa Schulman, PhD
Susie Epstein
Summary Writers

Karen Newton
Database Manager

Kara Dinda, MS
Susan McFarland
Co-coordinators

Dawnelle Malone
Research Assistant

The American Botanical Council provides this summary and the enclosed article as an educational service. By providing this article, ABC does not warrant that the data is accurate and correct, nor does distribution of the enclosed article constitute any endorsement of the information contained or of the views of the authors.

ABC does not authorize the copying or use of the original articles. Reproduction of the summaries is allowed on a limited basis for students, colleagues, employees and/or customers. Other uses and distribution require prior approval.

HERBCLIPTM

**FILE: · Dietary Supplement as Rx Drugs
· Insurance Co. Reimbursements for Supplements**

DATE: July 6, 1999

HC 022293

RE: Problems with Insurance Payments for Dietary Supplements

Kolata, Gina. Drug or Food? Patients Stumble Into Gray Area. *The New York Times*, Tuesday, February 9, 1999, pg. D6.

This article raises an issue that will be increasingly significant for herbs as the line between pharmaceuticals and dietary supplements begins to blur. When a drug is also marketed as a dietary supplement, insurance companies and regulatory agencies are unwilling to cover or regulate it, regardless of its demonstrated merit. According to another Feb. 9 *New York Times* article, more than four dozen botanical products are currently being reviewed by the FDA for approval as drugs; this number probably includes one highly researched and purportedly effective red clover remedy manufactured in Australia for the treatment of menopause symptoms.

Many consumers and public interest groups want pharmaceutical grade herb and nutrient products because they know they are regulated for purity and quality. The article cites the example of melatonin, a chemical that may be extracted from plant materials or synthesized. The compound, typically marketed as a dietary supplement, is believed by many to effectively treat insomnia if taken in the correct dosage. Dr. Richard Wurtman of the pharmaceutical manufacturer Interneuron tried to convince his company to test and market melatonin as a drug; he was met with "absolutely zero interest".

"The problem," he explains, "is convincing a company in this country to invest the tens of millions of dollars to get the drug on the market and then have it come out and compete with a dietary supplement. As long as something is available as a dietary supplement, no company will invest in it." Interneuron now markets melatonin as a dietary supplement.

For some people with life-threatening conditions the stakes are higher. Zinc acetate and L-carnitine treat both a life-threatening disease and a rare debilitating disorder (respectively); because they are available both as dietary supplements and pharmaceuticals, many insurance companies do not cover them, even if they are purchased in drug form. Consumers are concerned not only about out-of-pocket expenses, but also about quality and dose assurance. Abbey Meyers is

executive director of the advocacy group the National Organization for Rare Disorders. “If your life depends on one of these products,” says Ms. Meyers, “you can’t take a chance on buying an over-the-counter supplement that may contain no ingredient or half the ingredient or two or three times more the ingredient.”
—*Betsy Levy*

The American Botanical Council has chosen not to enclose the original article with this HerbClip memo due to the prohibitive reprint costs required by the original publisher.

Enclosure: ABC's List of Insurance Companies offering coverage for Alternative Medicine

Bin #159