

United States Senate

WASHINGTON, DC 20510

March 2, 2020

Joseph J. Simons
Chairman
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Dear Chairman Simons:

We write today to request information on the steps the Federal Trade Commission (FTC) is taking to prevent scammers from peddling ineffective and potentially dangerous coronavirus cures to the public. As the impact of the virus grows, it is imperative that we work to ensure that consumers, especially seniors, are not misled into purchasing such products.

In December, Chinese officials began reporting a novel virus originating in Wuhan, China. Researchers soon identified the virus as a new coronavirus strain (which causes COVID-19).¹ To date, the virus has infected nearly 90,000 people and killed over 3,000.² On January 30th, the World Health Organization declared the novel coronavirus a global health emergency,³ and on January 31st, HHS Secretary Azar declared it a U.S. public health emergency.⁴

Though the Administration is working with both federal researchers⁵ and private sector companies to develop a vaccine and therapeutics, there is currently no cure for COVID-19.⁶ However, as public concern over the new coronavirus has grown, scammers have begun marketing fraudulent coronavirus “cures” to a nervous public—placing vulnerable Americans at risk. Some online scammers are urging Americans to try drinking chlorine dioxide to “wipe []

¹ New York Times, “Coronavirus Map: Tracking the Spread of the Outbreak,” K.K. Rebecca Lai, Jin Wu, Allison McCann, Derek Watkins, Jugal K. Patel, and Richard Harris, February 18, 2020, <https://www.nytimes.com/interactive/2020/world/asia/china-wuhan-coronavirus-maps.html>.

² Johns Hopkins, “Coronavirus COVID-19 Global Cases by Johns Hopkins CSSE,” <https://gisanddata.maps.arcgis.com/apps/opsdashboard/index.html#/bda7594740fd40299423467b48e9ecf6>.

³ NPR, “WHO Declares Coronavirus Outbreak a Global Health Emergency,” January 30, 2020, <https://www.npr.org/sections/goatsandsoda/2020/01/30/798894428/who-declares-coronavirus-outbreak-a-global-health-emergency>.

⁴ U.S. Department of Health and Human Services, “Secretary Azar Declares Public Health Emergency for United States for 2019 Novel Coronavirus,” January 31, 2020, <https://www.hhs.gov/about/news/2020/01/31/secretary-azar-declares-public-health-emergency-us-2019-novel-coronavirus.html>.

⁵ National Institute of Allergy and Infectious Diseases, “Developing Therapeutics and Vaccines for Coronaviruses,” January 31, 2020, <https://www.niaid.nih.gov/diseases-conditions/coronaviruses-therapeutics-vaccines>.

⁶ The Hill, “U.S. partnering with drugmakers coronavirus vaccine,” Nathaniel Weixel, February 18, 2020, <https://thehill.com/policy/healthcare/483509-us-to-partner-with-sanofi-on-coronavirus-vaccine>.

out” coronavirus, while others are pushing the falsehood that “boiled garlic can cure the virus.”⁷ And some television programs are promoting fraudulent miracle cures, such as a “Silver Solution” that can “eliminate [coronavirus] within 12 hours” and “boost[] [the] immune system.”⁸

Health fraud products—like fake coronavirus cures—are “articles of unproven effectiveness that are promoted to cure disease or improve health or well being” that can, at best, “deny, delay, or interfere with” a patient’s access to effective treatment, and, at worst, “cause death, injury or [another] serious adverse effect.”⁹ The FDA considers the removal of fraudulent products from the market to be “one of the Agency’s top priorities.”¹⁰ The U.S. Food and Drug Administration (FDA) shares oversight of fraudulent health products with the FTC.¹¹ The FTC “enforces...truth-in-advertising laws,” which require ads—including those making health or fitness claims—to be “truthful, not misleading, and when, appropriate, backed by scientific evidence.”¹² The FDA, meanwhile, “regulates safety, manufacturing, and product labeling” for foods, drugs, and devices, and can take action when individuals or manufacturers misbrand or promote unproven claims about their products.¹³ The FTC and FDA work in close collaboration when combatting health fraud.

The FTC has several tools to combat fraud and enforces over 70 laws—including the Federal Trade Commission Act, which prohibits “deceptive acts or practices in or effecting commerce”—that help protect the American public from scammers.¹⁴ The FTC can track fraudulent claims through the Consumer Sentinel Network—a database of consumer complaints, collected by the FTC, which the Commission shares with federal, state, and local law enforcement agencies.¹⁵

⁷ USA Today, “Those coronavirus ‘cures’ you’re hearing about? They’re fake. Don’t drink chlorine dioxide.” Sarnac Hale Spencer, February 14, 2020, <https://www.usatoday.com/story/news/health/2020/02/14/there-cure-coronavirus-no-do-not-drink-chlorine-dioxide/4751565002/>.

⁸ Newsweek, “Televangelist Sells \$125 ‘Silver Solution’ As Cure for Coronavirus,” Hunter Moyler, February 12, 2020, <https://www.newsweek.com/televangelist-show-guest-promotes-silver-solution-cure-coronavirus-1487069>.

⁹ U.S. Food and Drug Administration, Compliance Program Guidance Manual, “Chapter 63—Health Fraud: Human Drugs,” <https://www.fda.gov/media/75221/download>, p. 2.

¹⁰ U.S. Food and Drug Administration, “Medication Health Fraud,” December 18, 2019, <https://www.fda.gov/drugs/buying-using-medicine-safely/medication-health-fraud>.

¹¹ Memorandum of Understanding Between the Federal Trade Commission and the Food and Drug Administration (May 1971), <https://www.ftc.gov/policy/cooperation-agreements/memorandum-understanding-between-federal-trade-commission-food-drug>

¹² With the exception of prescription drug and restricted medical device advertising, which are regulated by the FDA. Federal Trade Commission, “Truth In Advertising,” <https://www.ftc.gov/news-events/media-resources/truth-advertising>

¹³ U.S. Food and Drug Administration, “How to Spot Health Fraud,” Paula Kurzweil, March 8, 2018, <https://www.fda.gov/drugs/bioterrorism-and-drug-preparedness/how-spot-health-fraud>; 21 USC § 378.

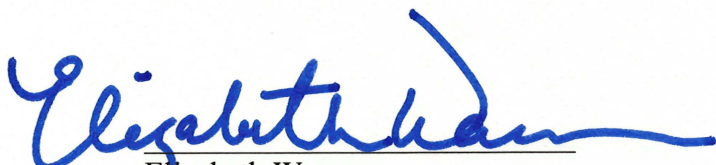
¹⁴ Federal Trade Commission, “Enforcement,” <https://www.ftc.gov/enforcement>; Federal Trade Commission, “Statutes Enforced or Administered by the Commission,” <https://www.ftc.gov/enforcement/statutes>.

¹⁵ Federal Trade Commission, “Consumer Sentinel Network,” <https://www.ftc.gov/enforcement/consumer-sentinel-network>.

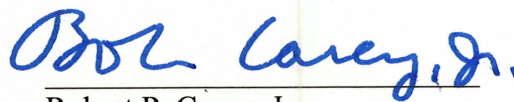
In response to the coronavirus outbreak, the FTC has so far released information for consumers on how to avoid falling for coronavirus scams and has encouraged consumers to report fraud.¹⁶ We encourage the FTC to continue taking steps to combat coronavirus scams and help safeguard the public health, including by sharing information and coordinating with other federal agencies responsible for protecting Americans. To help us understand the ways that Congress could better support the agency in this effort, we request answers to the following questions no later than March 16, 2020:

1. How many complaints has the FTC received from consumers, including older adults, related to coronavirus scams? How many of those complaints has the FTC shared with federal, state, or local law enforcement?
2. What patterns, if any, has the FTC observed in the promotion of these scams? For example, are the majority of these scams taking place online, on television, or via other avenues? Have certain populations, such as older adults, been targeted?
3. How is the FTC working with other federal agencies, including the FDA, to track and combat coronavirus fraud?
4. Does the FTC have adequate budgetary resources and statutory authority to prevent fraudulent advertising and sales of ineffective coronavirus products? If not, what additional resources or authorities are necessary?

Sincerely,



Elizabeth Warren
United States Senator



Robert P. Casey, Jr.
United States Senator

¹⁶ Federal Trade Commission, "Coronavirus: Scammers follow the headlines," Colleen Tressler, February 10, 2020, <https://www.consumer.ftc.gov/blog/2020/02/coronavirus-scammers-follow-headlines>.