

## **Durbin Introduces Bill to Lower Price of Insulin & Ensure Americans Pay No More Than Patients in Other Countries**

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WASHINGTON – U.S. Senator Dick Durbin (D-IL), along with Senator Jeff Merkley (D-OR), introduced the End Price Gouging for Insulin Act, legislation that would tackle drug companies' exorbitant price hikes on insulin that have made it difficult for millions of Americans to afford the drug. Americans pay drastically higher prices for insulin than patients in other similar, developed countries. Americans who drive across the border to Canada can buy some brands of insulin for <u>one-tenth of the price</u>. To end this price gouging, the Durbin bill would require drug companies to offer insulin products to Americans at the average price of what they charge in eleven other major developed countries.

"It's unconscionable that Americans are rationing their supplies of life-saving insulin because the prices charged by Big Pharma are more than \$300, while at the same time a consumer in Canada can pay a mere \$37 a month for the same insulin," said Durbin. "Our bill ensures American consumers in need of insulin are treated the same as other foreign countries that pay substantially less for this life-saving drug."

One recent study found that <u>one in four Americans with diabetes is rationing</u> their insulin, and <u>some have died as a result</u>.

When insulin was first invented a century ago, the researchers sold the patent to the University of Toronto for just \$1 each, hoping that the drug would be used to save lives for everyone who needed it. But over the last decade, the list price for common insulin products in the United States has tripled, despite the fact that the products are essentially the same.

The United States represents only 15 percent of the global insulin market, yet generates nearly half of pharma's revenue on insulin. Lantus, a popular long-acting insulin, cost

\$35 when it was first introduced in 2001. Within the past few years, the price of the Lantus vial has skyrocketed to more than \$372, while that same exact drug was sold in France for \$46, and \$67 in Canada.

The manufacturer of Lantus insulin, Sanofi, has obtained 45 follow-on patents after FDA approval of the insulin, which have delayed generic competition. To prevent these patent abuses, Durbin has also introduced a bipartisan bill to tackle the pharmaceutical industry's practice of gaming the patent system to extend monopolies on lifesaving drugs. The <u>Reforming Evergreening and Manipulation that Extends Drug Years</u> (<u>REMEDY</u>) Act, would lower prescription drug prices and promote competition by removing barriers to FDA approval for lower-cost generic drugs.

The End Price Gouging for Insulin Act would require the Secretary of Health and Human Services to ensure Americans do not pay more for insulin products than a "reference price" established by the median price per drug in eleven countries: Japan, Germany, the United Kingdom, France, Italy, Canada, Australia, Spain, Netherlands, Switzerland, and Sweden.

This legislation would require drug companies to offer insulin products at the established reference price to all individuals in the U.S. market. That includes individuals who are uninsured, individuals who are covered under a group health plan, or individuals who have purchased their own individual health insurance coverage.

An insulin manufacturer who does not sell insulin products at the established reference price will face a civil penalty, for each year in which the violation occurs and for each drug, in an amount equal to ten times the difference between the retail list price and the reference price. Funds collected from the civil penalties will be transferred equally to the Medicare Trust Fund and the National Institutes of Health (NIH) for carrying out drug research and development.