

ONE HUNDRED SIXTEENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**  
COMMITTEE ON ENERGY AND COMMERCE  
2125 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6115

Majority (202) 225-2927  
Minority (202) 225-3641

January 30, 2019

Mr. David A. Ricks  
Chairman and Chief Executive Officer  
Eli Lilly and Company  
Lilly Corporate Center  
Indianapolis, IN 46285

Dear Mr. Ricks:

Pursuant to Rules X and XI of the U.S. House of Representatives, the Committee is exploring issues surrounding patient access to affordable insulin products. We request your company's assistance in understanding the root causes of rising insulin prices and the obstacles to providing more affordable medication.

Approximately 30 million Americans are living with diabetes, and 1.5 million people receive new diagnoses each year.<sup>1</sup> This disease takes a great toll on the country: as of 2015, diabetes was the seventh leading cause of death in the United States, and it is associated with \$327 billion in costs annually.<sup>2</sup> Clearly, we must do everything we can to help those who are suffering, and that starts with ensuring access to insulin.

Insulin was discovered approximately 100 years ago and is now a critical part of treatment for diabetes.<sup>3</sup> Approximately 7.4 million Americans now rely on one or more formulations of insulin.<sup>4</sup> Currently, there are only three insulin manufacturers serving the United States market: Eli Lilly, Novo Nordisk, and Sanofi.<sup>5</sup> As such, your company plays a vital and

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<sup>1</sup> American Diabetes Association, *Statistics About Diabetes* ([www.diabetes.org/diabetes-basics/statistics/](http://www.diabetes.org/diabetes-basics/statistics/)) (accessed Jan. 1, 2019).

<sup>2</sup> *Id.*

<sup>3</sup> William T. Cefalu, et al., *Insulin Access and Affordability Working Group: Conclusions and Recommendations*, American Diabetes Association (Jun. 2018).

<sup>4</sup> *Id.*

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yet powerful role in ensuring access to these life-saving medications. A key factor in that access is affordability.

Despite the fact that it has been available for decades, prices for insulin have skyrocketed in recent years, putting it out of reach for many patients. For instance, insulin's price nearly tripled between 2002 and 2013,<sup>6</sup> and then nearly doubled between 2012 and 2016.<sup>7</sup> Medicare Part D spending has also risen, as has patient out-of-pocket spending.<sup>8</sup> Diabetes patients who do not have insurance are particularly vulnerable to price increases.<sup>9</sup>

When patients go without insulin—or ration their doses—there can be tragic consequences. News reports have highlighted stories of diabetics who have died because they could not afford insulin.<sup>10</sup> No American should suffer because they could not afford their insulin. As one of the few manufacturers of insulin in the United States, your company is well-suited to shed light on these issues and offer potential solutions. We therefore request that you provide the following information by February 13, 2019:

1. Please provide the average price of your insulin products, including average net price and average list price, each year for the last 10 years. Please explain the factors that prompted any price increases, and the amount of each increase for the last 10 years.
2. Please provide the net profit of your insulin products each year for the last 10 years. Please explain the factors that explain any increases in profits.
3. What changes or modifications, if any, have been made to your insulin products over the last 10 years? If changes or modifications have been made, please provide further information about these changes or modifications including the rationale for such changes or modifications.
4. What are the root causes of rising prices for insulin?
5. What barriers exist to lowering insulin prices and making insulin more affordable?
6. Has your company entered into any agreements in the last 10 years that delay, limit, or prevent the availability of generic insulin? If so, please provide copies of all such agreements.

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<sup>7</sup> Amanda Frost, John Hargraves, *Price of insulin prescription doubled between 2012 and 2016*, Health Care Cost Institute (Nov. 29, 2017).

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<sup>9</sup> *Id.*

<sup>10</sup> *Insulin's Steep Price Leads To Deadly Rationing*, Kaiser Health News (Sept. 7, 2018).

7. Please list all patents and statutory exclusivities that apply to your insulin products.
8. What steps are within your company's control to lower the price of your insulin products?
9. How does your company expect the overall market price of insulin to change in the next five years, and why?

An attachment to this letter provides additional information about responding to the Committee's request. Thank you for your prompt attention to this matter. If you have any questions, please contact Kevin McAloon with the Committee staff at (202) 225-2927.

Sincerely,



Frank Pallone, Jr.  
Chairman



Diana DeGette  
Chair  
Subcommittee on Oversight  
and Investigations

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January 30, 2019

Mr. Doug Langa  
Executive Vice President, North America Operations  
President of Novo Nordisk Inc.  
Novo Nordisk  
800 Scudders Mill Road  
Plainsboro, NJ 08536

Dear Mr. Langa:

Pursuant to Rules X and XI of the U.S. House of Representatives, the Committee is exploring issues surrounding patient access to affordable insulin products. We request your company's assistance in understanding the root causes of rising insulin prices and the obstacles to providing more affordable medication.

Approximately 30 million Americans are living with diabetes, and 1.5 million people receive new diagnoses each year.<sup>1</sup> This disease takes a great toll on the country: as of 2015, diabetes was the seventh leading cause of death in the United States, and it is associated with \$327 billion in costs annually.<sup>2</sup> Clearly, we must do everything we can to help those who are suffering, and that starts with ensuring access to insulin.

Insulin was discovered approximately 100 years ago and is now a critical part of treatment for diabetes.<sup>3</sup> Approximately 7.4 million Americans now rely on one or more formulations of insulin.<sup>4</sup> Currently, there are only three insulin manufacturers serving the United States market: Eli Lilly, Novo Nordisk, and Sanofi.<sup>5</sup> As such, your company plays a vital and

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yet powerful role in ensuring access to these life-saving medications. A key factor in that access is affordability.

Despite the fact that it has been available for decades, prices for insulin have skyrocketed in recent years, putting it out of reach for many patients. For instance, insulin's price nearly tripled between 2002 and 2013,<sup>6</sup> and then nearly doubled between 2012 and 2016.<sup>7</sup> Medicare Part D spending has also risen, as has patient out-of-pocket spending.<sup>8</sup> Diabetes patients who do not have insurance are particularly vulnerable to price increases.<sup>9</sup>

When patients go without insulin—or ration their doses—there can be tragic consequences. News reports have highlighted stories of diabetics who have died because they could not afford insulin.<sup>10</sup> No American should suffer because they could not afford their insulin. As one of the few manufacturers of insulin in the United States, your company is well-suited to shed light on these issues and offer potential solutions. We therefore request that you provide the following information by February 13, 2019:

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Sincerely,



Frank Pallone, Jr.  
Chairman



Diana DeGette  
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Mr. Olivier Brandicourt  
Chief Executive Officer  
Sanofi  
55 Corporate Drive  
Bridgewater, NJ 08807

Dear Mr. Brandicourt:

Pursuant to Rules X and XI of the U.S. House of Representatives, the Committee is exploring issues surrounding patient access to affordable insulin products. We request your company's assistance in understanding the root causes of rising insulin prices and the obstacles to providing more affordable medication.

Approximately 30 million Americans are living with diabetes, and 1.5 million people receive new diagnoses each year.<sup>1</sup> This disease takes a great toll on the country: as of 2015, diabetes was the seventh leading cause of death in the United States, and it is associated with \$327 billion in costs annually.<sup>2</sup> Clearly, we must do everything we can to help those who are suffering, and that starts with ensuring access to insulin.

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Sincerely,

A handwritten signature in blue ink that reads "Frank Pallone Jr." in a cursive, stylized script.

Frank Pallone, Jr.  
Chairman

A handwritten signature in blue ink that reads "Diana DeGette" in a cursive, stylized script.

Diana DeGette  
Chair  
Subcommittee on Oversight  
and Investigations