



the campaign for **SUSTAINABLE Rx PRICING**

DOSE OF REALITY: LAWMAKERS RIGHT TO TRAIN RENEWED FOCUS ON BIG PHARMA'S PRICE-GOUGING AND ANTI-COMPETITIVE TACTICS

Brand Name Drug Companies Must be Held Accountable for Pandemic Price Hikes And Egregious Practices During U.S. House Committee on Oversight and Reform Hearing

AN OPPORTUNITY TO HOLD BIG PHARMA ACCOUNTABLE

The U.S. House of Representatives Committee on Oversight and Reform is scheduled to hold two days of hearings with Big Pharma executives on September 30 and October 1. Executives for brand name drug giants including Bristol Myers Squibb/Celgene, Amgen and Novartis are slated to testify. Lawmakers must use this opportunity to press these executives on their companies' egregious pricing practices and anti-competitive tactics to reignite momentum for action to hold Big Pharma accountable.

BRISTOL MYERS SQUIBB/CELGENE

Price Hikes

- This summer, despite the unprecedented economic uncertainty facing millions of Americans grappling with the pandemic, Bristol-Myers Squibb was among the Big Pharma giants that [announced new price hikes](#) on its products.
- Bristol-Myers Squibb started off the new year by [hiking prices](#) on at least ten medications, including two key cancer drugs, Opdivo and Revlimid, as well as on blockbuster blood thinner [Eliquis](#).
- In a [\\$74 billion](#) deal with Celgene last November, Bristol-Myers Squibb acquired the brand name drug Revlimid. On the day the deal was announced, Celgene boosted the price of Revlimid to \$719.82. The drug cost \$247.28 in 2007.
- This was business as usual for Bristol-Myers Squibb. From 2015 to 2019 the company had the [most price hikes](#) per drug of any Big Pharma company.

Egregious Practices

- **In 2016, Bristol-Myers Squibb Agreed To A \$19.5 Million Settlement Over Claims It “Improperly” Promoted Its Antipsychotic, Abilify, By “Minimizing Safety Risks And Overstating The Findings Of Scientific Studies That Were Used To Tout The Medication ... However, The Drug Maker Did Not Admit To Any Wrongdoing.”** (Ed Silverman, “Bristol-Myers Pays \$19.5 Million To Settle Illegal Marketing Charges,” [STAT News](#), 12/8/16)
- **On The Same Day Bristol-Myers Squibb Announced Its Intention To Acquire Celgene, “Which Has Routinely Increased The Prices Of Its Top-Selling Drugs,” Celgene Hiked The Price Of The Dose Of Cancer Drug “Revlimid By 3.5 Percent To \$719.82,” Compared With “\$247.28 At The End Of 2007.”** “On the same day Celgene Corp. was announcing that it would be acquired by Bristol-Myers Squibb Co. in the biggest pharma deal ever, the company was also raising the price of its blockbuster cancer drug. The Summit, New Jersey-based biotechnology company, which has routinely increased the prices of its top-selling drugs, boosted the price of a 10-milligram dose of Revlimid by 3.5 percent to \$719.82 effective Jan. 3, according to price data compiled by Bloomberg Intelligence and First Databank. Cancer patients need many doses of Revlimid a year, and the overall cost can approach \$200,000. The same dose cost \$247.28 at the end of 2007.” (Rebecca Spalding, “Celgene Boosted The Price Of Its Top Cancer Drug On The Same Day Of Mega-Deal,” [Bloomberg](#), 1/4/19)
- **Patents And Exclusivity Designations On Revlimid Will Impede Generic Competitors’ Market Entry Until At Least 2022.** “When Bristol-Myers Squibb picked up Celgene in one of biopharma’s biggest deals ever last month, investors tagged one big risk: Celgene’s megablockbuster Revlimid faced patent challenges that could take a big bite out of sales ... The patent office’s decision should position Celgene and BMS to strike a favorable settlement with Dr. Reddy’s Laboratories, Credit Suisse Analyst Vamil Divan figures. Celgene has already settled with Natco Pharma in a deal that allows a limited generic launch in March 2022, he pointed out.” (Eric Sagonowsky, “BMS Can Breathe Easier Now: Celgene’s Revlimid Has Escaped A Big Patent Challenge,” [FiercePharma](#), 2/12/19)



AMGEN

Price Hikes

- Already this year, Amgen has [hiked](#) prices five times – including on popular drug Prolia – by an average of five percent.
- In 2019, Amgen [hiked](#) the price of its blockbuster osteoporosis drug Prolia and heart medication Corlanor.
- Price hikes on the company's cancer drug Neulasta were [not supported](#) by new clinical evidence and accounted for an unnecessary increase in U.S. drug spending of nearly \$500 million from 2017-2018 according to the Institute for Clinical and Economic Review (ICER).

Egregious Practices

- **Amgen's Autoimmune Drug Enbrel's Primary Patent Ended In 2010, But 57 Patent Applications Have Extended Its Market Exclusivity To 2029.** Amgen's patent efforts have led to a 129 percent increase in total Medicare and Medicaid spending between 2012 and 2016 alone, and Medicare spending per person during that time doubled. ("Overpatented, Overpriced: Enbrel Special Edition," [I-MAK](#), 12/3/18)

NOVARTIS

Price Hikes

- During the height of the coronavirus pandemic, Novartis [increased](#) the price of chemotherapy treatment Jakafi.
- Novartis has increased prices on nearly [30 drugs](#) already in 2020, including seven percent hikes each on blockbuster drugs Cosentyx and Entresto.
- Novartis [increased](#) prices at least 57 times in 2019 by an average of 6.3 percent.
- Novartis [hiked](#) the prices of Cosentyx and Entresto in 2019 by a staggering 10 percent each.
- At the same time, Zolgensma, a Novartis drug used to treat spinal muscular atrophy remains the [world's most expensive drug](#), at \$2.13 million per patient.

Egregious Practices

- **In 2019, Novartis Increased Prices On Three Of Their Top Performing Drugs, Which Were Expected To Earn An Additional \$1 Billion Dollars For The Company.** "In addition to Cosentyx (secukinumab) and Entresto (sacubitril/valsartan), Novartis also raised the list price on Gilenya (fingolimod) by 4.5%. Those three medicines combined to earn Novartis nearly \$4 billion in U.S. sales last year, Cowen estimates, a figure which is expected to grow to nearly \$5 billion in 2019." (Andrew Dunn, "Pfizer, Novartis, Amgen Add To 2019 Drug Price Hikes," [Biopharma Dive](#), 1/25/19)
- **Novartis Launched Zolgensma, A Drug Used To Treat Infant Spinal Muscular Atrophy, At \$2.1 Million Per Patient – Making It The World's Most Expensive Drug.** "The treatment attacks a debilitating genetic disease that often kills infants, and it will come with a price tag of more than \$2.1 million, making Zolgensma the most expensive drug on the planet ... The Institute for Clinical and Economic Review, a group that evaluates drug pricing and effectiveness, said in a statement that an appropriate all-in price range for Zolgensma would be between \$1.1 million and \$1.9 million — below what Novartis set. Other ICER estimates say the price should be even lower, between \$310,000 and \$900,000." (Bob Herman, "FDA Approves Novartis' Gene Therapy," [Axios](#), 5/24/19)

Policymakers in Washington must act to crack down on Big Pharma's anti-competitive tactics and price-gouging to lower prescription drug prices.

Learn more about market-based solutions to hold Big Pharma accountable and lower prescription drug prices [HERE](#).

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About CSRxP: The [Campaign for Sustainable Rx Pricing](#) is a broad-based coalition of physicians, nurses, hospitals, consumers, health plans, pharmacy benefit managers, pharmacists, and businesses promoting bipartisan, market-based solutions to lower drug prices. Learn more: www.csrpxp.org