

Committee on Energy and Commerce

**Opening Statement as Prepared for Delivery
of**

Subcommittee on Oversight and Investigations Chair Diana DeGette

Priced Out of a Lifesaving Drug: The Human Impact of Rising Insulin Costs

April 2, 2019

Today, the Subcommittee holds its first hearing this Congress on the rising costs of prescription drugs, which have devastating real-life consequences for families around the country.

We are here this morning to explore the impacts of climbing insulin costs on the seven and a half million people in the United States who rely on insulin to manage their blood sugar levels and prevent debilitating complications every day.

Insulin ensures the health and well-being for millions of people, and for the 1.25 million people with Type 1 diabetes, it is a life-sustaining drug for which there is no substitute.

The scientists who made the discovery of insulin knew of its life-saving importance. Even nearly 100 years ago, they were concerned that the discovery would be commercialized to the point of being put out of financial reach for those who needed it. To avoid this, they sold the insulin patent to the University of Toronto for a single dollar.

Yet today, skyrocketing prices are making it unaffordable for millions of people in this country: the price of insulin has doubled since 2012, after nearly tripling in the previous 10 years.

We have been hearing stories and reading disturbing news reports for too long. People are skipping doses, failing to pay rent or buy groceries, and even resorting to an insulin 'black market' in order to afford their insulin.

Just this past Friday at home, I heard from more of my constituents as to just how real this cost crisis is for them every day.

I heard from Sierra, who does not have insurance and makes too much to qualify for Medicaid, who has been struggling over the past year and a half to pay for her insulin. She has made significant adjustments in her life in order to cut other costs in her personal life—selling her car and living with relatives.

Even in rationing her insulin—not changing her pump reservoirs as directed—she's paying over \$700 a month. Sierra shared that she's currently living day-to-day; bottle-to-bottle.

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Parents of children with diabetes are also living with this constant stress and worry.

For instance, last year, I heard from a parent in New York whose 23-year-old-son was diagnosed as a type 1 diabetic at age 7 and needs insulin to survive. They said they, [quote] “worry that he won’t be able to afford it once he’s off our insurance. ...Something must be done. Insulin doesn’t make him better, it keeps him literally alive.”

No one should be forced to live under this strain or be forced to make incredibly difficult choices to be able to afford insulin.

But according to available data that we’ll learn more about this morning, roughly 1 in 4 people with diabetes are rationing their insulin due to cost.

Not surprisingly, those patients were three times more likely than patients who weren’t rationing their insulin to struggle to maintain healthy glycemic control and experience adverse health effects.

These stories and findings show just how urgent the matter of skyrocketing costs of insulin is.

Lives are at stake.

Which is why last year, Congressman Tom Reed and I, as co-chairs of the Congressional Diabetes Caucus, conducted an inquiry into the rising prices of insulin.

Our report ultimately depicts a system of perverse payment incentives and methodologies, a lack of transparency in pricing, and outdated patent regulations.

These market failures have allowed a handful of players along the insulin distribution pipeline—from manufacturers to health insurers—to capitalize on their strategic positions, driving up the price of insulin and minimizing competition.

Today’s hearing is not intended to assign blame to these players, but instead further examine where the pressure points are throughout the supply chain that are driving the increased cost of insulin to the patient.

This discussion is critical in advance of next week’s hearing when we will have several of these key players in front of the Committee to discuss these drivers directly.

I look forward to hearing from our witnesses today, who collectively represent a range of key stakeholder associations and networks, clinician and research perspectives, and personal first-hand experiences related to insulin price challenges.

Thank you for joining us to share not only the real-life consequences of this broken system, but potential solutions several of your organizations have proposed.

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Bringing this conversation to light is an essential step toward transparency and accountability.

Better understanding these factors will help inform the policy decisions and actions that will be necessary to help bring down insulin prices.

Millions of people who rely on insulin each day, and sometimes several times a day, are counting on that.