

# United States Senate

WASHINGTON, DC 20510

April 25, 2018

Lars Fruergaard Jørgensen  
Chief Executive Officer  
Novo Nordisk Inc.  
800 Scudders Mill Road  
Plainsboro, NJ 08536

Dear Mr. Jørgensen:

As Co-Chairs of the Senate Diabetes Caucus, we are committed to raising awareness of the health implications of diabetes, to encouraging investments in research and innovation, and to increasing access to affordable treatment options. We are concerned about the rising price of insulin, which can make this life-saving medication unaffordable and inaccessible for some people living with this disease. We write to seek your help in understanding how your insulin products are priced and for an explanation as to why the prices have increased so dramatically.

It is estimated that the number of Americans living with diabetes will double and that related health care costs will nearly triple by 2035. Currently, more than one in five health care dollars, and one in three Medicare dollars, are spent on care for people with diabetes. Approximately six million Americans with diabetes use insulin as part of their treatment, and virtually all of those with Type 1 diabetes rely on insulin for survival. Although the earliest formulations of insulin have been available for decades, today some patients are unable to obtain insulin at affordable prices.

In the face of rising costs, reports analyzing insulin prices have noted a growing difference between a product's average list price and the net price received by the manufacturer. For most patients, however, this is not a meaningful difference because of a number of factors that do not translate to savings for patients. For instance, the availability of rebates and patient assistance programs intended to reduce the impact of higher list prices, such as discount cards, coupons, and other financial support efforts, can vary greatly depending upon the patient's income, location, age, or insurance coverage. These programs may actually increase costs for others in the system, and they make what is already an opaque market even less transparent.

We seek your assistance so that we may better understand insulin pricing and related regulatory and public policy concerns. As an insulin manufacturer, you are uniquely able to provide insight into the factors that lead to higher prices. Given our concerns and the information that you possess, please explain how the prices of your insulin products have changed over the last ten years, and describe the factors that have led to any increases or decreases, including but not limited to factors mentioned above. We seek your response as soon as possible, but by no later than May 4, 2018.

We appreciate your attention to this matter. Should you have any questions, please do not hesitate to have your staff contact [REDACTED] with the Senate Special Committee on Aging at [REDACTED] at [REDACTED]. Please direct all official correspondence to the Aging Committee's Chief Clerk, [REDACTED] at [REDACTED] and [REDACTED].

Sincerely,



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Susan M. Collins  
Chairman  
U.S. Senate Special Committee on Aging



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Jeanne Shaheen  
United States Senator