

Martin Shkreli, Along with Representatives from FDA, Valeant and PCMA, Testified at House Hearing on Drug Prices

List of Witness and Testimonies at Full House Committee on Government Oversight and Reform Hearing on Drug Price Increases



Mark Merritt
President and CEO,
Pharmaceutical Care
Management Association



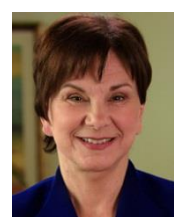
Nancy Retzlaff
Chief Commercial Officer,
Turing Pharmaceuticals LLC



Howard B. Schiller
Interim CEO,
Valeant Pharmaceuticals
International, Inc.



Martin Shkreli
Former CEO, Turing
Pharmaceuticals LLC



Dr. Janet Woodcock
Director,
Center for Drug Evaluation
and Research, FDA

Merritt, who represented the pharmacy benefit managers, testified that overall medical costs are being driven up by co-payment insurance programs

Retzlaff argued that Turing's drug price increases did not have much of a financial impact on payers and patients

Valeant has also been criticized over its sharp increases of drug prices

Shkreli pled the Fifth Amendment and declined to testify

Dr. Woodcock testified that the FDA was making progress in addressing the backlog of generic drugs

Sources: Full House Committee on Oversight and Government Reform, "Developments in the Prescription Drug Market: Oversight," February 4, 2016; Andrew Pollack and Emmarie Huetteman, "Martin Shkreli Invokes the Fifth Amendment During Grilling by Congress," New York Times, Feb 4, 2016; Jonathan D. Rockoff, "5 Things to Know About Today's Drug-Price Hearing," Wall Street Journal, Feb 4, 2016.

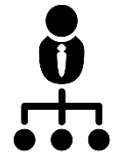
Congress Focused Spotlight on Pharmaceutical Industry Practices and Ways to Address Drug Price Increases

Issues Addressed at Congressional Hearing on Drug Price Increases



Industry Practices

Executives at Turing Pharmaceuticals LLC and Valeant Pharmaceuticals International Inc. were **pressed on their pricing practices and decisions to sharply increase the prices of certain prescription drugs**. Valeant interim CEO Howard Schiller admitted that in some price increase decisions, **“we clearly have gotten it wrong”** and that **“it was too aggressive.”** Turing Chief Commercial Officer Nancy Retzlaff claimed that patients were not having access issues to its drugs and that Turing was offering discounts and smaller bottles to keep costs down; she also **said that Turing was reinvesting 60% of its profits in R&D.**



Pharmacy Benefit Managers (PBM)

A pharmacy benefit manager is a third-party administrator of prescription drug programs, whose goal is to reduce pharmacy expenditures while also improving health care outcomes. Mark Merritt, of the Pharmaceutical Care Management Association, **argued that PBMs can increase market competition and save money for the entire market.**



FDA’s Generic Drug Approval Process

Dr. Janet Woodcock testified to respond to **calls for the FDA to speed up its generic drug approval process**. Woodcock presented an update on a 2012 law designed to address that issue, the Generic Drug User Fee Agreement (GDUFA). She also mapped out how the Center for Drug Evaluation and Research (CDER) was **making progress in speeding up the process and dealing with the backlog of old generic drug applications**. She also commented on how a number of drugs that no longer have patent protection still lack generic competition.

Sources: Full House Committee on Oversight and Government Reform, “Developments in the Prescription Drug Market: Oversight,” February 4, 2016; Jill Wechsler, “Pharma Smackdown on Capitol Hill,” PharmExec, Feb 4, 2016; “Pharmacy Benefit Management,” American Pharmacists Association, July 9, 2009; Noun Project: Syafiq Fickle, Cris Dobbins, iconoci.

Vilified “Pharma Bro” Martin Shkreli’s Attitude May Impact Pharmaceutical Industry



Shkreli was dismissed from the House Oversight and Government reform hearing after about 50 minutes of smirking through denials to answer questions.



Martin Shkreli
@MartinShkreli



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Hard to accept that these imbeciles represent the people in our government.

After leaving and while the hearing was still going on, Shkreli posted a tweet mocking the ‘imbeciles’ on the panel

Capitol Hill Outraged at Rising Cost of Pharmaceuticals

- Martin Shkreli’s actions have sparked public debate over pharmaceutical companies’ drug pricing decisions
- Capitol Hill is now scrutinizing other prescription drug price increases across the industry
- While Congress is unlikely to legislate fundamental changes to address the issue this year, a number of proposals have been put forward to better align the incentives of pharmaceutical industries with the interests of society
- One proposal was a bill introduced by Rep. Elijah Cummings (D-MD) and Sen. Bernie Sanders (I-VT), which would allow the federal government to negotiate drug prices for Medicare as well as require generic drug companies to pay Medicaid rebates when the prices of drugs rise faster than inflation
- Another proposal was a ‘poison pill’ policy that would allow for a product’s exclusivity to be suspended if it experiences large price hikes

Sources: Full House Committee on Oversight and Government Reform, “Developments in the Prescription Drug Market: Oversight,” February 4, 2016; Healthcare Association of New York State, “House Oversight Committee Hearing Shines Spotlight on Prescription Drug Costs,” February 5, 2016; Jill Wechsler, “Pharma Smackdown on Capitol Hill,” PharmExec, Feb 4, 2016.