

Policy Statement on Rebates and Fees in Exchange
for Excluding Lower-Cost Drug Products
Commission File No. P221201

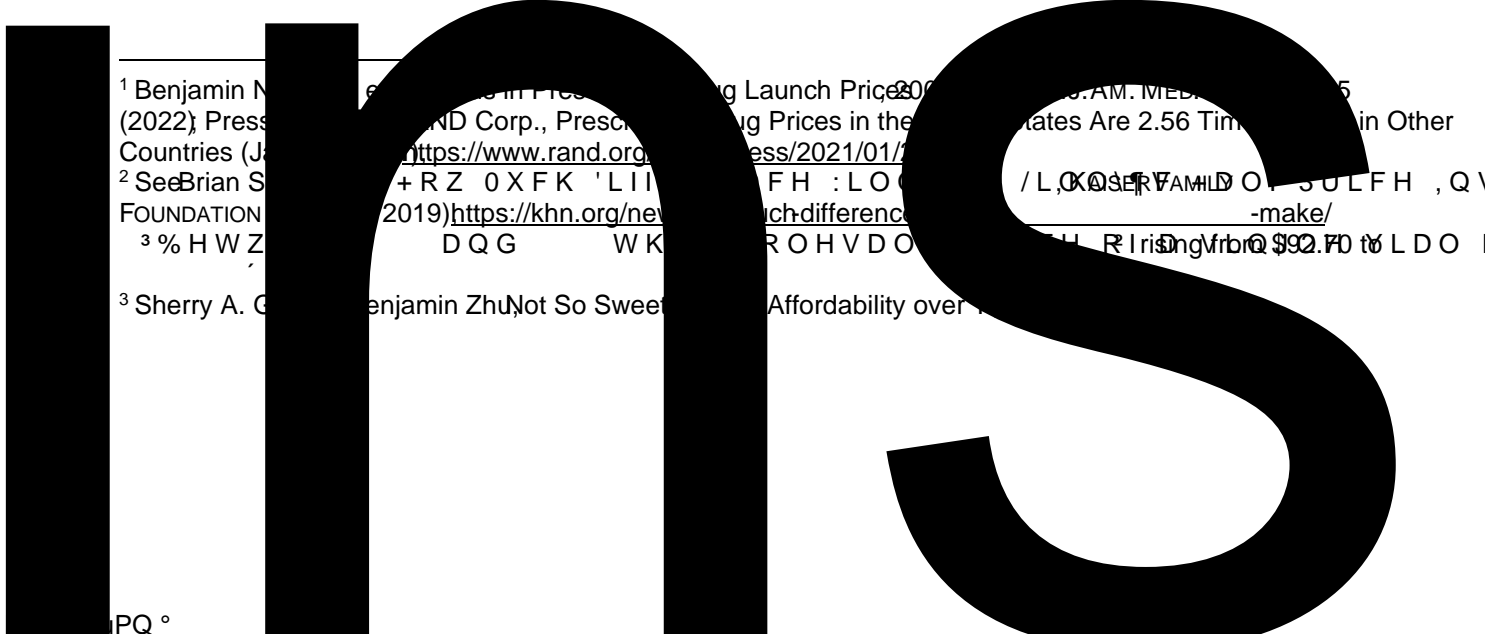
June 16, 2022

Today the Federal Trade Commission is voting on a policy statement that ~~lays~~ ~~concerns about certain business practices that~~ ~~may be resulting in Americans having to pay~~ ~~higher prices for essential medicines.~~

For patients in America, the cost of medicines over the last decade has ~~and~~ ~~studies suggest that~~ ~~prescription drug prices are now more than 2.5 times higher in the United~~ ~~States than in other countries.~~ ~~Prices have even soared for medicines developed decades ago,~~ ~~including many of the top-selling insulins.~~ ~~The wholesale price of insulin nearly tripled between~~ ~~2009 and 2017, increasing out-of-pocket costs for insured and uninsured patients ~~are~~.~~ ~~Uninsured patients or those on high deductible insurance plans might pay more than \$500 per~~ ~~month for insulin.³~~

These rising prices have led over 10% ~~of~~ ~~Americans to routinely forego or ration~~ ~~medicines, with close to 20% of those from lower-income households reporting that they or a~~ ~~family member had skipped prescription drugs to save money.~~ ~~In the context of insulin, the~~ ~~Commission has heard directly ~~at~~ our open meetings about the deadly effects of these soaring~~ ~~prices. Last October, for example, Nicole Smith Holt shared how her 20-year-old son Alec tried~~

¹ Benjamin N. ... (2022), Press ... AND Corp., Prescri ... g Launch Prices ... AM. MED ... 5
Countries (J ... https://www.rand.org ... g Prices in the ... States Are 2.56 Tim ... in Other
² See Brian S ... +RZ 0XFK 'LII ... FH :LO ... /L, K O S E R F A M I L D O F S O L F H , Q V X
FOUNDATION ... (2019) https://khn.org/ne ... ch-differenc ... -make/
³ % H W Z ... D Q G ... W K ... R O H V D O ... R I s i n g f r o m \$ 9 2 . 7 0 t o L D O R I
³ Sherry A. C ... Benjamin Zhu, Not So Sweet ... Affordability over ...



to ration insulin after being unable to afford a monthly dose, which ended up proving fatal. Countless other commentators have shared similarly harrowing tales.

Patman Act, which courts have interpreted as prohibiting commercial bribery, makes it illegal to compensate anyone who owes a duty to another party in connection with the purchase or sale of goods, except as payment for legitimate services.

7RGD\1V HQIRUFHPHQW SROLF\ VWDWHPHQW and KRXOG SX
pharmacy benefit managers on notice