

# **New Report Examines Claire McCaskill's Tireless Efforts to Lower Drug Prices**



**PATIENTS FOR AFFORDABLE DRUGS ACTION**

# SHE WORKS FOR MISSOURI PATIENTS.

Nancy and Dan Geiler of Lemay, Missouri both live with diabetes, and both have faced insulin costs as high as \$1,800 per month for their life-sustaining medicine.

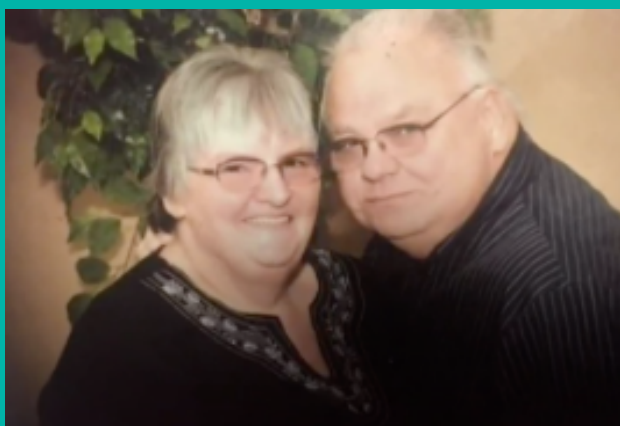
“We worry for our future because we have been first-hand witnesses to skyrocketing insulin costs,” Nancy Geiler said. “We want to be able to enjoy our retirement and be able to be there for our children and grandchildren.”

The Geilers need an advocate in Washington, D.C. willing to stand up to the drug industry and bring financial relief to families like theirs.

A new report examines Senator Claire McCaskill’s actions to lower drug prices. It finds:

- An extensive record of bipartisan achievements to lower prescription drug prices.
- If McCaskill’s reforms went into effect American families could save at least \$10 billion—and potentially billions for Missouri families—each year and pay less for their prescription drugs.
- A record of leadership including being the first Senator to investigate unfair price hikes and hold Big Pharma CEOs accountable.

“I know that Claire McCaskill is a leader in the fight against high drug prices,” Nancy Geiler says. “She’s tough and willing to stand up to Big Pharma for Missourians like us who need her help.”



*“I know that  
Claire McCaskill  
is a leader in the  
fight against high  
drug prices”*

*-Nancy Geiler  
Kansas City, MO*

# PUSHING FOR BIPARTISAN SOLUTIONS

Claire McCaskill understands that enduring reform requires bipartisanship. That's why she has pushed for reforms supported by Democrats and Republicans to get generic drugs to market faster and increase competition to lower drug prices. And why she has pledged to work with the president to bring prescription drug prices down.

McCaskill's extensive record of working across the aisle to lower prescription drug prices includes:

- **Increasing competition:** McCaskill worked with Maine Republican Senator Susan Collins to co-author the Increasing Competition in Pharmaceuticals Act after their bipartisan investigation into sudden, aggressive price hikes of decades-old drugs.<sup>1</sup> Key provisions of the bill were signed into law by President Trump in 2017.<sup>2</sup>
- **Speeding generics to market:** McCaskill co-sponsored the CREATES Act, a bipartisan bill that would spur more competition from generic drugmakers.<sup>3</sup> CREATES cracks down on the practice of some brand-name drugmakers that hide behind a federal safety program to deny samples for testing of would-be generic competitors. Those brand-name companies delay competition and keep drug prices high.<sup>4</sup>
- **Ending gag clauses:** Middlemen in the drug supply chain called pharmacy benefit managers write gag clauses into pharmacy contracts that prevent pharmacists from telling customers when it would be cheaper to pay cash for medicines than it would be to use insurance. McCaskill was among the lawmakers who introduced two bipartisan bills to prohibit such 'pharmacy gag clauses,' which lead to patients needlessly overpaying for prescription drugs.<sup>5</sup>
- **Stopping patent games:** A drugmaker announced in 2017 it had transferred the patents for a blockbuster dry eye drug to a Native American tribe to block review of the patent, a move that would prevent a generic alternative from coming to market and threatened widespread patent abuse. In response, McCaskill, along with Republican lawmakers, introduced the Preserving Access to Cost-Effective Drugs Act. The bill would make sure patent transfers used to invoke 'sovereign immunity claims' in order to block competition and increase prices on monopoly drugs could not be used to side step existing review processes.<sup>6</sup>

MARKET  
COMPETITION

GAG  
CLAUSES

# FIGHTING TO PUT MONEY BACK INTO THE POCKETS OF MISSOURI FAMILIES

Missouri families would see huge savings if Claire McCaskill's efforts to get generic drugs to the market faster and eliminate pharmacy gag clauses are enacted.<sup>8</sup> Additional efforts by McCaskill to lower drug prices could help save American families \$10 billion each year for their prescription drugs.

- **Medicare could save \$2.8 billion:** McCaskill released a report about legislation that would allow Medicare to negotiate directly with drug companies. Allowing the government to negotiate could save \$2.8 billion a year on the top 20 most commonly-prescribed brand-name drugs alone.<sup>9</sup>

- **Ending a \$6 Billion Tax Break for drug companies that advertise:** Claire McCaskill has introduced legislation to end the tax deductions for advertisements drug corporations use. In 2015 alone, Big Pharma deducted at least \$6 billion from their taxes in advertising costs. The United States is one of only two countries – the other, New Zealand – that allows direct-to-consumer advertising of pharmaceuticals.<sup>10</sup>

- **Reimporting drugs from Canada would save \$1 billion:** In 2017, McCaskill voted in favor of the Affordable and Safe Prescription Drug Act,<sup>11</sup> which would have allowed for importing select prescription drugs from Canada. The Congressional Budget Office estimated a similar measure could save more than \$1 billion a year.<sup>12</sup>

- **Stopping Gag Clauses could save consumers \$135 million:** A study on gag clauses showed that among a sample of 9.4 million Medicare Part D transactions, consumers were overcharged by \$135 million, saying the findings "suggest the practice of overpayments may account for a nonnegligible share of overall drug spending and patient out-of-pocket costs."

*“President Trump has said he wants to tackle this problem, and I believe him - if he's looking for someone to work with to stop the endless rise in drug prices, he's got a partner in me.”<sup>7</sup>*

*-Claire McCaskill*



# NOT AFRAID TO INVESTIGATE PRICE SPIKES



McCaskill held the first ever hearings on price gouging for prescriptions. She identified a problem and moved quickly to address it. McCaskill was warned to back off,<sup>14</sup> to not take on the drug companies because they were too big and too powerful, instead, McCaskill fought even harder to hold drug companies and their CEOs accountable.

- **McCaskill was the first to hold hearings on extreme price gouging by drug companies:** When Turing Pharmaceuticals increased the price of an HIV/Aids drug that cost \$13.50 to \$750<sup>15</sup> a dosage and another drug company Valeant Pharmaceuticals was exposed for jacking up costs between 500-800% on older drugs,<sup>16</sup> McCaskill, who was leading the Aging Committee, held the first hearings on the issue, along with her Republican colleague, Susan Collins.<sup>17</sup>
- **McCaskill's investigation found drug company profits soared while the number of prescriptions dropped:** McCaskill released a report in March 2018 that found brand-name drugs costs rose at 10 times the rate of inflation between 2012 and 2017.<sup>18</sup> Her investigation uncovered that while 48 million fewer prescriptions were written for the top 20 most commonly prescribed brand-name drugs for seniors between 2012 and 2017, total sales revenue resulting from these prescriptions increased by almost \$8.5 billion during the same period.<sup>19</sup>

There's a special place in hell for anyone who's withholding generic drug samples from would-be generic manufacturers in order to charge monopoly prices to dramatically raise the prices on these sole-source drugs."<sup>20</sup>



**Pharma Bro  
Martin Shkreli**

*The hedge fund model of drug pricing is predatory, and immoral for the patients and taxpayers who ultimately foot the bill –especially for generic drugs that can be made for pennies per dose.*

*- McCaskill on Big Pharma's gaming tactics*

# COURAGE TO HOLD DRUG COMPANY CEOS AND GOVERNMENT LEADERS ACCOUNTABLE

Sen. Claire McCaskill, D-Mo has long been one of Big Pharma's toughest critics. <sup>21</sup>She has gone toe-to-toe with drug company executives demanding they account for rising prescription drug prices, and she's demanded action from Washington insiders.

- **She pressed Strongbridge Biopharma to find out why they raised the price of an old drug to \$15,000 per bottle when it was previously free:** Keveyis, a drug used to treat paralysis, was previously free. But when Stonebridge Biopharma acquired the drug in 2017, the price soared to \$15,000 per bottle. "I'm prepared to work with the FDA and Congress to see what we can do to prevent these sudden price spikes," she wrote in a Dec. 19, 2017 letter to Stonebridge Biopharma's CEO. <sup>22</sup>
- **McCaskill demanded answers from NextSource Biopharmaceuticals for a 1,400% price spike:** The company increased the price of a 40-year-old cancer drug 1,400 percent in four years. NextSource Biopharmaceuticals, a subsidiary of Tri-Source Pharma, acquired the rights to lomustine in 2013 and increased the price 1,400 percent over a four-year period. "Shame on them," McCaskill said. "Jacking up the price of a decades-old cancer treatment is indefensible." <sup>23</sup>
- **Holding government officials accountable:** McCaskill grilled administration officials following dramatic price increases for life-saving opioid overdose antidote, naloxone. The drug increased by more than 600 percent in price between 2014 and 2017. During an April 2018 hearing, McCaskill pushed Admiral Brett P. Giroir, the Assistant Secretary for Health at HHS, to formally seek an explanation for the price spike. <sup>24</sup> She sent a letter on Sept. 4, 2018, to HHS Secretary Alex Azar seeking information on whether or not the agency had demanded an explanation from drugmakers on the rapidly increasing price. <sup>25</sup>

*"Everywhere I go  
Missourians are  
angry and upset  
about these price  
increases. ... [p]ricing  
decisions made by  
these drug companies  
are outrageous—and  
I've never shied  
away from taking on  
this massive industry  
on Missourians'  
behalf."* <sup>13</sup>  
*-Claire McCaskill*



# SHE WON'T STOP FIGHTING FOR MISSOURI

McCaskill won't stop fighting. She has been fighting for lower prescription drug prices for Missourians since she was State Auditor. And she will continue to push back against rising prescription drug costs until she sees progress.

That's a relief for Missourians like Hattie Saltzman, a 22-year-old living with type 1 diabetes who saw her co-pay for insulin jump to \$550. To survive, she had to siphon insulin from her father's supply and limit her intake. She almost died.

Her co-pays improved, but now, a 12-year-old from her church is endangered by \$600 per month insulin costs.

*“The Missourians that came to my town halls and write me letters and emails every day are a constant reminder we have to do more. Anybody that knows me knows that when I sink my teeth into a problem, I don't let go, and I won't let go of fighting to lower prescription drug costs until we see real progress.”*<sup>27</sup>

*-Claire McCaskill*

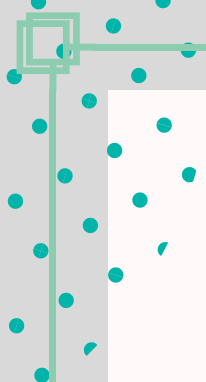
“There are Facebook pages, there are GoFundMe's, everybody is doing what they can to try and help this community but it's not sustainable, it's not enough. There's no way that we can collect enough insulin to save everybody that can't afford it. This is just how it is and it needs to be changed,” Saltzman told a Kansas TV station.<sup>26</sup>



**Hattie Saltzman**  
**T 1 Diabetes Patient**  
**Kansas City, MO**

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In 2016, Big Pharma spent \$247 million lobbying, and in the last election cycle donated \$29.3 million to help elect politicians. Patients For Affordable Drugs Action received principal funding from the Action Now Initiative, a political advocacy organization founded by Laura and John Arnold. Patients For Affordable Drugs Action is independent and refuses funding from any organization that profits from the development or distribution of prescription drugs.

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