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July 25, 2023

By Email

The Honorable Elizabeth Warren  
309 Hart Senate Office Building  
Washington, DC 20510

The Honorable Richard Blumenthal  
706 Hart Senate Office Building  
Washington, DC 20510

The Honorable Raphael Warnock  
Russell Senate Office Building  
Suite 416  
Washington, DC 20510

Dear Senators Warren, Blumenthal, and Warnock:

On behalf of Eli Lilly and Company, I write regarding your report titled “Unaffordable Insulin: Uninsured American’s Still Face High Costs at the Pharmacy Counter for Eli Lilly’s Authorized Generic.” We appreciate that you share Lilly’s desire to help more people access lower-cost insulin, including Lilly’s Insulin Lispro, and we are proud to lead the industry in making insulin affordable. Because of our efforts, people pay an average of \$20.48 for a month’s supply of Lilly insulin—and that was before we recently announced a new series of actions that will drive that average even lower.

Your report comes four months after [Lilly announced significant steps](#) on March 1, 2023 to lower insulin costs for people with diabetes, including:

- Capping monthly out-of-pocket costs at \$35 effective immediately.
- Cutting insulin prices by 70% for our most popular insulins by year-end.
- Reducing our generic Insulin Lispro to \$25 per vial effective May 1.

These were just the latest in our longstanding effort to reduce insulin costs for people with diabetes, all against the headwinds of a healthcare system that incentivizes others to prefer higher list-price medicines. Lilly hasn’t raised the list price for any of our insulins since 2017—six years ago. In fact, we’ve only cut them. In 2016, we launched the first follow-on biologic basal insulin in the U.S., Basaglar, at a discount to the original brand. In 2019, we launched Lispro, a

nonbranded copy of our leading insulin Humalog, at a 50% discount, then later a 70% discount, and now only \$25 per vial. In 2020, when we saw the insurance system was not always working for people who need insulin, we were the first and still only company to cap what people pay at \$35 per month for all of our insulins—which is now automatic wherever possible—even when patients have no insurance or when their insurance would have forced them to pay much more. That’s \$35 for all our insulins, regardless of the number of pens or vials someone needs in a month. Our efforts are making a real impact, helping over 100,000 people save \$20 million each month.

We also partnered with the Centers for Medicare & Medicaid Services (CMS) several years ago to pioneer the Medicare Part D Senior Savings Model, expanding our \$35 solutions to Medicare. This program is now the law of the land, but Congress can go further. We fully agree with you that Congress should make the same \$35 monthly cap permanent for people with commercial insurance or no insurance at all. Access to \$35 insulin should not depend on whether the person has Medicare, commercial insurance, or is uninsured.

Lilly is doing its part, but we have always said one company alone cannot ensure everyone has affordable access to the medicines they need. Others, particularly those in the middle of the payment and supply chains, need to do their part too to ensure that people have access to lower-cost insulin. Your report highlights that may not be happening, and that concerns us too.

With that in mind, we are troubled that the report suggests or implies that Lilly is inhibiting access to our \$25 vials of Insulin Lispro. In actuality, the report’s findings underscore what [Lilly has been saying all along](#): for patients to benefit from our price cuts, others in the supply chain need to step up. To give a few examples of where we believe the focus of the report is misplaced:

- **Report:** “Patients still face significant problems obtaining affordable Insulin Lispro. Patients often do not have ready access to the cheaper generic insulin. Nearly half—43%—of surveyed pharmacies reported that they did not stock the inexpensive, generic insulin. In contrast, 79% reported that they stocked the more expensive brand name, Humalog.”

**Response:** Lilly sells Insulin Lispro vials to wholesalers for \$25 each, and that is the only price we set. While Lispro is available to all retail pharmacies in the United States, it is the industry wholesalers and pharmacies that decide how much of each product to make available, and pharmacies set the price they charge per vial. Currently, more than 50,000 prescriptions for Lispro are filled at U.S. pharmacies weekly, and Lispro can be received by pharmacies within 1-2 days of placing an order with a wholesaler. While we can make Lispro available and encourage payers to cover this product and wholesalers and pharmacies to stock it, we cannot control whether that ultimately happens.

- **Report:** “The average Lispro price for uninsured patients at surveyed pharmacies was \$97.51—nearly four times as high as the \$25 price point that Eli Lilly promised for its authorized generic. Seven pharmacies charged \$200 or more, and two sold Lispro for over \$300.”

**Response:** Lilly kept its promise. Lilly sets a single price for Insulin Lispro – the list price or Wholesale Acquisition Cost (WAC) – which is \$25 a vial. The fact that your study found that

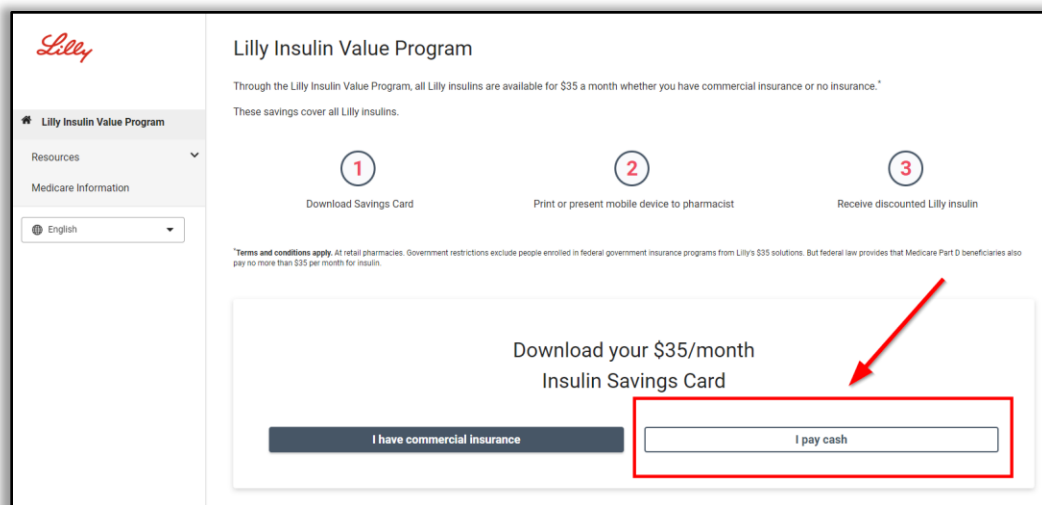
people with diabetes were being charged more than our \$25 list price at the pharmacy counter underscores the point we have been making for years: even where manufacturers lower list prices, intermediaries can—and do—mark up insulins. Any suggestion that other actors’ markups somehow means that Lilly has failed to fulfill its [promise](#) that it would set the list price for Insulin Lispro vials at \$25 is unfair and untrue.

- **Report:** “Patients must unravel a confusing thicket of coupons, competing generic drugs, and misleading information to get their insulin. In many cases, unless patients are explicitly asking about the drug, they may not learn about the availability of lispro, limiting the benefit of announced price cuts. Additionally, Eli Lilly’s own savings program is difficult to navigate and includes several restrictions based on geography or needs, frequently resulting in patients paying much more than \$25, even when the drug is available.”

**Response:** Lilly has a singular, simple \$35 co-pay program for all our insulins. And for most people with commercial insurance, there is nothing at all to navigate: we’ve automated the \$35 cap wherever possible. That means they no longer need to present a savings card to a pharmacist. Indeed, they don’t even need to know the program exists. Instead, Lilly buys down whatever their insurance company would have charged them for their monthly supply of Lilly insulin to \$35 automatically, with no action needed by the person filling the prescription.

For those with no insurance or those who visit the minority of pharmacies without the technology to allow Lilly to automate the process, we have made it extremely easy to obtain the \$35 savings card. People can visit <https://www.insulinaffordability.com/>, select whether they have insurance or pay cash, confirm they are an adult resident of the U.S. or Puerto Rico and that they are not enrolled in a governmental health program (Medicaid, Medicare, e.g.), and within seconds receive a savings card. That card entitles them to fill their entire monthly prescription of any Lilly insulin for \$35 under the Lilly Insulin Value Program.

We designed this solution to be as simple as possible. Here’s the screenshots:



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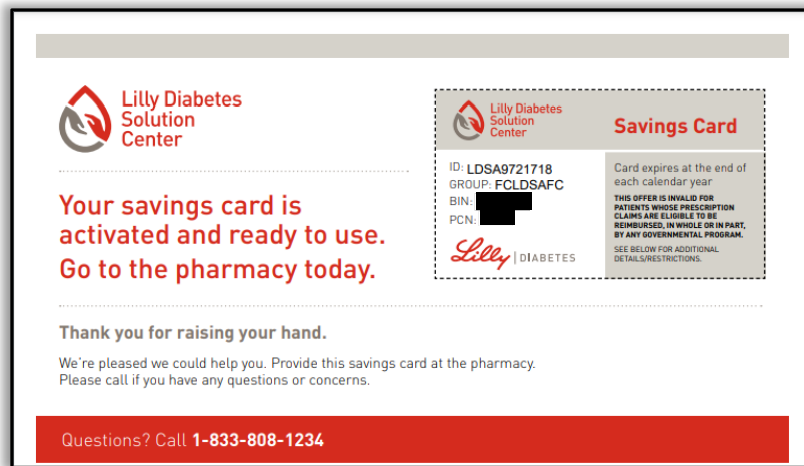
### Download a \$35 co-pay card

To download a savings card, just answer the following eligibility questions. Then your card will be ready to be shared with your specialty pharmacy.

confirm that I am a resident of the United States or Puerto Rico who is 18 years of age or older.

confirm that I am NOT enrolled in a governmental program. Examples include Medicaid, Medicare, Medicare Part D, and others.

Cancel Next



Those without internet access, or who prefer to have someone guide them through the process, can get the \$35 card by calling the Lilly Diabetes Solution Center at 1-833-808-1234. Either way, our \$35 program does not require any application, waiting period, identifying information, or income thresholds. As for the report’s reference to “restrictions based on geography or needs,” those relate to issues presented by state or federal law and have nothing to do with access limits imposed or supported by Lilly.

We hope this information is helpful and puts your report’s findings in perspective. We are also keenly aware that misinformation about Lilly’s insulin affordability solutions could dissuade people from getting help, especially the uninsured who may need the most support—the opposite of your intentions. We therefore respectfully request that you append this letter to your report or provide a link to it along with your original report.

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We at Lilly appreciate that you share our commitment to insulin affordability, and we will continue to do our part. We stand ready to work with you—and all other actors and policymakers who share this goal—to find lasting and meaningful solutions.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn O'Neil", with a long, sweeping horizontal stroke extending to the right.

Shawn O'Neil  
Sr. Vice President, Global Government Affairs

cc: The Honorable Charles Schumer, Senate Majority Leader