



Senator Sanborn, Representative Tepler, and the Joint Committee on Health Coverage, Insurance and Financial Services. My name is Adam Zuckerman and I am the lobbyist for Maine People's Alliance.

MPA is Maine's largest community action organization with over 32,000 members across the state. Our mission is to create a world where everyone has what they need, contributes what they can, and no one is left behind.

However, the skyrocketing cost of prescription drugs and medical care is leaving countless Mainers behind. Mainers were already struggling to afford health care before COVID-19 and this pandemic has made it clearer than ever that health care needs to be more affordable and accessible.

Senate President Jackson's bill to Establish an Office of Affordable Health Care would rein in costs by identifying what is driving sky-high prices and aims to limit increases in the amount we pay for health care annually. As seen by similar bills passed in other states, only by understanding what's driving rising health care prices can we start to costs under control.

The deadly cost of skyrocketing prescription drugs is clearest in the case of insulin, a century-old innovation. According to medical journals, [insulin only costs anywhere from \\$3.69 and \\$6.16 to produce](#).¹ In 1996 Eli Lilly brought Humalog, its branded insulin, to the market. Back then [they charged \\$21 a vial](#), still a very healthy profit.² Since then they have raised the price 34 times, which has allowed them to rake in over \$35 billion in sales.³ Those decisions have real world consequences. It makes insulin so expensive that one out of every four diabetics is forced to ration their insulin, costing lives.⁴

¹ Gotham D, Barber MJ, Hill A. Production costs and potential prices for biosimilars of human insulin and insulin analogues. *BMJ Global Health* 2018;3:e000850.

² Sable-Smith, Bram. "How Much Difference Will Eli Lilly's Half-Price Insulin Make?" *NPR*. March 10, 2019. <https://www.npr.org/sections/health-shots/2019/03/10/701538016/how-much-difference-will-eli-lillys-half-price-insulin-make>

³ 1998-2018 Eli Lilly SEC Filings. https://investor.lilly.com/financial-information/sec-filings?items_per_page=10&page=0

⁴ Herkert D, Vijayakumar P, Luo J, et al. Cost-Related Insulin Underuse Among Patients With Diabetes. *JAMA Intern Med*. 2019;179(1):112–114. doi:10.1001/jamainternmed.2018.5008

This package uses a multi-pronged approach to tackle unsupported price increases. First, it would fine drug companies for sky-high price hikes like or Martin Shkreli's 4,000 percent price increase of Daraprim. However, as we've seen in the case of Eli Lilly's insulin, even small price increases add up over time. So it would fine drug makers like Eli Lilly that increase the price of drugs for no reason. Then it would allow the Maine Health Data Organization to share the information they've collected from drug companies with the public. With this information, we can understand how and why drug companies are taking advantage of working people and pass targeted legislation to close loopholes and rein in costs. Finally, it would require insulin manufacturers like Eli Lilly to make insulin available to pharmacies for dispensing to eligible individuals who are in urgent need of insulin or who need access to an affordable insulin supply, saving lives.

We envision a world where everyone has what they need, contributes what they can, and no one is left behind. This package of health care bills would bring us closer to that vision. Thank you.