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House of Representatives

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Opening Statement as Prepared for Delivery of Chairman Elijah E. Cummings Hearing on “HIV Prevention Drug: Billions in Corporate Profits after Millions in Taxpayer Investments”

May 16, 2019

Today is our Committee’s second hearing on the skyrocketing prices of prescription drugs. At our first hearing in January, the Committee’s very first witness was Ms. Antoinette Worsham. Her 22-year-old daughter died because she could not afford the insulin she needed to control her Diabetes.

Ms. Worsham’s testimony was gut-wrenching, but unfortunately, she is not alone. We have heard other stories just like hers—from our constituents, our friends, and our loved ones.

Today, we are examining the price of a drug called Truvada. Truvada is a phenomenal drug that prevents the transmission of HIV through a treatment called pre-exposure prophylaxis, or PrEP, for short.

At the outset, I want to recognize the efforts of Congresswoman Ocasio-Cortez. She has been leading the charge on this issue, and it is because of her efforts that we are holding this hearing today. I thank her for her leadership.

Think about this—we now have a drug that has the potential to end the HIV epidemic. This would have been unfathomable at the height of the HIV/AIDS crisis.

This treatment was developed as a result of investments made by the American taxpayers through the National Institutes of Health (NIH) and the Centers for Disease Control and Prevention (CDC).

The problem is that Gilead, the company that now sells this drug, charges astronomical prices. When Truvada was first approved in 2004, Gilead charged about \$800 per month. Since then, Gilead has raised the price of this drug over, and over, and over again. It now charges about \$2,000 for just one month, or about \$70 per pill.

In that same time period, Gilead has made massive windfalls on this treatment—more than \$36 billion in revenues. Let me say that again—**\$36 billion on this drug alone.**

How can Gilead do this? How can our system allow a company to take a drug treatment that was developed with taxpayer funds and abuse its monopoly to charge such

astronomical prices? This life-saving treatment would not exist but for the research funded by the CDC and NIH. So how can our system let a company charge prices that are so outrageous—making \$36 billion—while there are literally hundreds of thousands of people who need this drug?

These are some of the hard questions we will ask Gilead's CEO, Daniel O'Day, who is here today. We appreciate that Mr. O'Day accepted our invitation to participate, and we look forward to his testimony.

The reason this is so critical is because CDC estimates that there are 1.1 million people at high risk of contracting HIV who could benefit from this drug, but that only a fraction are getting it. Use is shockingly low among groups that are particularly high risk, including communities of color that have been disproportionately impacted by this epidemic.

This treatment is available in other countries for much, much less. In Australia, patients pay less than \$7 a pill. In other countries, patients pay even less. This is because Gilead charges less for its treatment overseas than it does in the United States. It is also because Gilead has generic competitors there, but not here.

Finally, let me note that this is a bipartisan issue. President Trump recently announced an initiative to end the HIV epidemic within ten years. This is a laudable goal. However, it relies on this particular drug treatment getting to everyone who needs it. Gilead recently agreed to donate millions of bottles of this drug, but far short of what we need. Without addressing the fundamental problem of pricing, I am afraid that we simply may not get there.

With that, I recognize the Ranking Member for his statement.

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