

United States Senate

WASHINGTON, DC 20510

August 30, 2016

The Honorable Andy Slavitt
Acting Administrator
Centers for Medicare and Medicaid Services
200 Independence Avenue, SW
Washington, D.C. 20201

Dear Acting Administrator Slavitt:

We write to request information regarding how much the Centers for Medicare & Medicaid Services (CMS) is currently paying for Mylan Pharmaceutical's EpiPen, an epinephrine auto-injector used to treat severe allergic reactions. Since acquiring the lifesaving drug in 2007, Mylan has raised the price of an EpiPen Two-Pack from \$100 to approximately \$600 today. This alarming price increase not only harms consumers who face high out of pocket costs, it also has increased the costs to the federal government through Medicare Part D, Medicaid and the Children's Health Insurance Program (CHIP).

According to data recently released from CMS, spending on Medicare Part D drugs increased 17 percent from 2013 to 2014, despite only a three percent increase in claims. Double digit increases like this are unsustainable and place a large financial burden on the federal government, and ultimately, taxpayers. We want to better understand the impact of the EpiPen price spike on the government's prescription drug costs. Accordingly, we request the following information:

1. Please provide on an annual basis from 2007 to the present (including partial year or estimates for the current year) for Medicare Part D, Medicaid, and the CHIP program separately:
 - a. The average amount CMS has paid in reimbursement for an EpiPen Two-Pack;
 - b. The total amount CMS has paid in reimbursement under Medicare Part D for EpiPen;
 - c. The average out-of-pocket costs to patients with Medicare Part D.
2. Please provide the information in request one above for Adrenaclick and Auvi-Q.
3. We are interested to know how much states are paying for EpiPens through Medicaid and CHIP. We have heard reports from states that EpiPen is considered a non-innovator multiple source drug through the Medicaid Drug Rebate Program. This means states only receive a 13 percent rebate of the Average Manufacturer Price (AMP) per unit. If EpiPens were considered an innovator multiple-source drug, states would receive the greater of 23.1 percent of AMP or the difference between AMP and the best price per unit as adjusted by the Consumer Price Index for All Urban Consumers (CPI-U). Please explain why EpiPens are considered a non-innovator multiple source drug rather than an innovator multiple source drug.

Large prescription drug price increases are an urgent issue in our country that demands attention. We look forward to receiving your responses to understand how Mylan's price increases have affected Medicare Part D, Medicaid and CHIP, and, thus, how these price increases have burdened American taxpayers. Thank you for your attention to this important issue. Please respond by September 13, 2016.

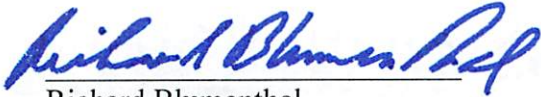
Sincerely,



Amy Klobuchar
United States Senator



Charles E. Grassley
United States Senator



Richard Blumenthal
United States Senator