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August 24, 2016

Eric T. Schneiderman
Office of the Attorney General
Consumer Frauds and Protection Bureau
New York State Capitol
Albany, NY 12224-0341

Dear Attorney General Schneiderman:

I write today to urge that your office investigate, if you are not already doing so, the recent price increases of epinephrine auto-injectors or EpiPens by Mylan Pharmaceutical. As you are likely aware, Mylan has continuously raised the list price of EpiPens, with an increase last year of more than 75%, bringing their cost to over \$600. With these increases, Mylan is joining the ranks of Valeant and Turing Pharmaceuticals in gouging citizens who need and depend on these life saving medications.

Prescription drug costs are increasing at a rate far outpacing other health care costs. The costs have become a top concern amongst families and individuals in need of medications, their elected officials, health plans, health providers and the state Medicaid program. Recent instances such as Turing Pharmaceutical's overnight increase of more than 5,000% for Daraprim, a 63 year old drug, highlight the need for aggressive action. I sponsor legislation (S.7022), which was also passed this year as part of the Senate's one house budget, to limit excessive price increases and expressly grant you authority to prosecute unconscionable and unjustifiable prescription drug price increases. While I believe this legislation is important and continue to push for its passage, I would be supportive of similar actions you could take under your existing authority.

Like the Valeant and Turing examples, the Mylan increase of EpiPens comes without any justification. Mylan is not seeking to recover research and development costs, manufacturing costs for the product are stable. It seems the only explanation for the cost hike is profit and the lack of competition, which raises anti-trust concerns. Even more troubling is the fact that just this year, both houses of the Legislature passed legislation I sponsored to expand access to EpiPens. Now Mylan seeks to profit from this well intended measure and may even counteract the measure by deterring public entities from purchasing EpiPens. I have also read that given the high costs, some EMTs may use syringes rather than EpiPens.

When you have an allergy, EpiPens are necessary to save your life. Mylan knows they have the consumer's hands tied. Obviously, people are going to purchase medication that can save their or their child's life, no matter what the cost. And when the drug expires, they will

purchase another. If their health plan only covers two EpiPens a year, like many do, they will bare this exorbitant cost out-of-pocket to ensure EpiPens are available multiple locations such as school or work. Ultimately, these cost increases drive up health care costs for all consumers, health plans and taxpayers.

It is my hope that your office is already investigating and looking into all potential actions that can be taken to curb this practice, and lower the price of EpiPens for New Yorkers. If you are not, I implore that you do so. I am eager and willing to assist in whatever manner I can. We cannot allow New Yorkers to be taken advantage of and we certainly can't let any child in need of an EpiPen go without.

Sincerely,

Senator Kemp Hannon
Chair, Senate Health Committee
Sixth Senatorial District

KH/ak

cc: Dr. Howard A. Zucker, Health Commissioner
Governor Andrew M. Cuomo