



**Testimony of Kathleen W. Tregoning  
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**Before the House Energy and Commerce Subcommittee on  
Oversight and Investigations  
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Chair DeGette, Ranking Member Guthrie, and Members of the Subcommittee, thank you for the opportunity to appear before you today to discuss issues related to pricing, affordability, and patient access to insulins in the United States.

I am Kathleen Tregoning, Executive Vice President, External Affairs at Sanofi. My goal today is to have an open, transparent discussion about how the system works, Sanofi's role in it, and how it can be improved.

Patients are rightfully angry about rising out-of-pocket costs for many medicines, and we all have a responsibility to address a system that is clearly failing too many people. As a mom, I was heartbroken at hearing the testimony before this Subcommittee of other parents who have not only endured the incredible challenge of facing illness, but have also struggled to afford the medications that they or their children desperately need.

My own family is the beneficiary of a breakthrough in medicine. My husband John has FH, a genetic disorder that makes the body unable to remove LDL, or bad cholesterol, from the blood. He inherited this condition from his father, who passed away from a heart attack at 40 years of age, when John was just 12 years old.

Despite taking statins, watching his diet, and exercising regularly, John himself had a double bypass at the age of 36, and still couldn't get his cholesterol under control. Then came a class of drugs called PCSK9 inhibitors, an innovative treatment that helps people, like my husband, lower their bad cholesterol.

I cannot overstate what this breakthrough means for him, our family, and our future, including for our 7-year-old son, Jack, who has inherited the same condition as his father and grandfather.

I fully appreciate how important it is for science to continue to solve the medical challenges that impact so many families. And I recognize that those breakthroughs are meaningless if patients are not able to access or afford them.

Over the last 20 years, Sanofi has been a leader in the advancement of new treatments to help people manage their diabetes.

At the same time, we recognize the need to address the very real challenges of affordability. Two years ago, Sanofi announced our progressive and industry leading pricing principles. We made a pledge to keep list price increases at or below the U.S. National Health Expenditure projected growth rate, and we stand by this commitment.

In 2018, our average aggregate list price increase in the United States was 4.6 percent, while the average aggregate net price – that is, the actual price paid to Sanofi – declined by 8.0 percent – the third consecutive year in which the amount we receive across all of our medicines went down.

Insulin is a clear example of the growing gap between list and net prices.

**Take Lantus, for example, our most prescribed insulin. The net price has fallen by over 30 percent since 2012, and today, it is lower than it was in 2006. Yet since 2012, average out-of-pocket costs for Lantus have risen approximately 60 percent for patients with commercial insurance and Medicare.**

Every actor in the system has a role to play, and Sanofi takes our responsibility very seriously. In addition to our pricing policy, we have developed assistance programs to help patients afford their Sanofi insulin, including:

- Co-pay assistance for commercially insured patients, including those in high deductible health plans; and
- Free insulin for uninsured low-income patients

**Sanofi's commitment to patient affordability means that today, approximately 75 percent of all patients taking Sanofi insulin pay less than \$50 per month.**

But we recognized that more needed to be done.

Last year, Sanofi launched a unique program that allowed individuals exposed to high retail prices to access Sanofi insulins for \$99 per vial, the lowest available cash price in the United States, by far.

Based on feedback from patients, providers, and the advocacy community, today we announced that we are expanding this program. Beginning in June, uninsured patients, regardless of income level, will be able to access any combination of the Sanofi insulin they need for \$99 per month at the pharmacy counter. This transformative and first of its kind program is the latest in a series of progressive and important steps Sanofi has taken to help patients afford the insulin they need.

This action does not eliminate the need for broader system reform. I agree with the witnesses from last week's Subcommittee hearing that holistic reforms to the drug reimbursement system are not only needed, but overdue.

Sanofi also supports a number of recommendations outlined in my written testimony, including many of the policies included in Chair DeGette's Congressional Diabetes Caucus report.

Thank you for the invitation to speak with you today and I look forward to answering your questions.

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