

New Nevada law requires manufacturers to reveal insulin profits - June 20, 2017

Late last week, Nevada Governor Brian Sandoval [signed into law](#) a new bill demanding greater transparency from insulin manufacturers. Previously, the bill passed the state senate 19-2 and [passed the state assembly](#) 26-14. Beginning April 1, 2018, manufacturers including Novo Nordisk, Sanofi, and Lilly will now have to annually disclose information about list price, profits made on insulin products, and discounts granted to middlemen. Manufacturers must also explain to state officials in writing, 90 days prior, any insulin price hike above the previous year's inflation rate, and will be fined \$5,000/day if they fail to comply. Notably, the bill was approved without an earlier provision that would have also required public notification of price changes, which Governor Sandoval vetoed due to concerns that it would cause supply manipulation. This Nevada state law represents the strictest of its kind in the US, and it reflects growing unrest over [rising prescription drug costs](#) (especially surrounding insulin). That said, opponents of the Nevada bill maintain that it takes no concrete action to lower patient expenses and that it could even cause insulin shortages. Moreover, we note the critical role of industry in driving innovation and improving diabetes care with the next-generation of therapies (current options for mealtime insulin, for example, are simply not good enough and impose too much hypoglycemia risk). [Novo Nordisk](#) and [Lilly](#) have both addressed calls for insulin affordability, and we hope to see similar action and transparency from PBMs. Ultimately, we believe practical solutions to lower out-of-pocket costs for patients will be impossible without engaging industry. For example, [InsideRx](#) from Express Scripts is a direct-to-patient discount program founded in collaboration with Novo Nordisk, Lilly/BI, Sanofi, AZ, and others. In a time of uncertain coverage of diabetes drugs, prioritizing patient access is paramount.

-- by Ann Carracher, Payal Marathe, and Kelly Close