



MEMORANDUM

Endocrine Society calls for collaboration to address diabetes drug pricing crisis - December 7, 2016

The Endocrine Society just released a [statement](#) applauding Novo Nordisk's recent [commitment](#) to limiting prices for diabetes therapies. The organization shared that it seeks to work with all stakeholders in the drug supply chain, from manufacturers, to PBMs, to payers, with two aims in mind: (i) to clarify the cause of increasing prices, and (ii) to promote greater access going forward. The Society's statement emphasizes soaring insulin prices, specifically, and points to a lack of transparency and affordability apply to many diabetes therapies. We underscore the importance of understanding affordability challenges; we also point out that "transparency" is hard to assess - as it turns out, Novo Nordisk themselves last year published the combination of rebates, discounts, fees and other price concessions the company had given over the last three years, which totaled 28%, 33%, and 41% in 2013, 2014, and 2015, respectively, as we reported yesterday. We surely support the Endocrine Society's sentiment that such an undertaking will require collaboration from multiple players in drug development. We would add that patients have a major role to play in this collaboration as well, offering additional insight, know-how, and real-world experience on what is needed for better health outcomes and a more efficient, affordable system. We hope to see analysis of where cost savings might be found in the supply chain - there has been little public analysis on this to date, including how patients may contribute to less waste and a stronger, more efficient system.

-- by Abigail Dove, Payal Marathe, and Kelly Close