

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

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September 23, 2015

Mr. Martin Shkreli
Chief Executive Officer
Turing Pharmaceuticals LLC
1177 Avenue of the Americas, 39th Floor
New York, NY 10036

Dear Mr. Shkreli:

I am writing to request documents and information regarding extremely serious allegations that your company, Turing Pharmaceuticals, is harming AIDS patients by delaying the provision of Daraprim in direct violation of federal anti-discrimination regulations.

Boosting corporate profits at the expense of AIDS patients is reprehensible, and we have an obligation to investigate this matter immediately. Over the past week, you have engaged in several defiant and arrogant press interviews and Twitter exchanges regarding your decision to increase the price of Daraprim from \$13.50 to \$750 per tablet overnight. But these new allegations raise serious concerns about your pricing decisions and your commitment to helping patients in need of this critical medication.

I have received a copy of a letter sent by the National Alliance of State and Territorial AIDS Directors (NASTAD), which represents public health officials who administer state and territorial HIV and hepatitis prevention and care programs across the country, to the Office of Pharmacy Affairs within the Health Resources and Services Administration (HRSA). This letter details possible violations by your company, Turing Pharmaceuticals, of the 340B Drug Discount Program's prohibitions against discrimination.¹

According to the letter, since your company acquired Daraprim, several AIDS Drug Assistance Programs (ADAPs), which provide access to HIV-related drugs to low-income individuals with limited or no prescription drug coverage, "have experienced difficulty in acquiring Daraprim at the 340B price." Specifically, the letter stated:

¹ Letter from Murray C. Penner, Executive Director, National Alliance of State and Territorial AIDS Directors, to Captain Krista Pedley, Office of Pharmacy Affairs, Health Resources and Services Administration (Sept. 22, 2015) (online at https://filemanager.capwiz.com/filemanager/filemgr/nastad/NASTAD_Letter_to_OPA_on_Daraprim_9_22_15.pdf).

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[I]t appears that Turing has not made the 340B price available to eligible 340B covered entities through Walgreens, instead only allowing purchases at the 340B price through a separate, drop-ship mechanism available through ICS Connect.

The letter explained how these actions violate HRSA regulations that prohibit “discouraging entities from participating in the discount program.” This non-discrimination provision “requires manufacturers to make 340B prices available to covered entities through the same distribution channels available to other purchasers.”

Of greatest concern, the letter warns that “Turing’s restrictive purchasing program for 340B covered entities has harmed patients.” For example, the letter states that “Georgia has removed Daraprim from its ADAP formulary because it was unable to purchase Daraprim at the 340B price.” According to the letter:

Georgia was forced to remove Daraprim from the formulary because of the excessive price. ADAP clients in Georgia who need Daraprim must access it through charity care or a patient assistance program, which can lead to delays in care that impact patient health.

According to this letter:

It is apparent that Turing has violated HRSA’s non-discrimination requirements for the 340B program, and NASTAD believes that this discriminatory restriction on purchasing at the 340B price is ongoing.

For these reasons, I request that you provide copies of all documents referring or relating to your company’s pricing for Daraprim under the 340B program, including but not limited to memoranda, reports, and emails among and between Turing employees. Please provide these documents by October 9, 2015. Thank you for your attention to this important matter.

Sincerely,



Elijah E. Cummings
Ranking Member

cc: The Honorable Jason Chaffetz
Chairman, Oversight and Government Reform Committee