



The Office of
Minnesota Attorney General Keith Ellison
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March 2, 2021

Re: HF1183

Dear Committee Members,

I write today in support of House File 1183, a bill that prohibits and authorizes the Minnesota Attorney General's office to take action against generic drug manufacturers that engage in the practice of offering their life-saving prescription drugs at an unconscionable or excessive price. This bill is imperative to the ability of Minnesotans to be able to afford their lifesaving medications. Without HF 1183 prices of existing generic drugs will continue to rise in a rate that far out paces the rate of inflation.

Unfortunately, many examples exist for excessive price hikes of prescription drugs that far exceed the thresholds set in HF 1183. But I would like to provide just a few examples of prescription drug price gouging that if enacted HF 1183 would prohibit. Perhaps, the most infamous example is the drug Daraprim, made by Turing Pharmaceuticals. In 2015, Turing Pharmaceuticals raised the price of the off-patent Daraprim – a lifesaving drug used to protect HIV/AIDS patients from the parasitic disease toxoplasmosis) from \$13.50 to \$750 per pill, that's a 5,000% increase overnight. Another, equally outrageous price hike, is the drug Fluoxetine – generic version of antidepressant, Prozac – in the first quarter of 2019, the price of Fluoxetine jumped from \$9 to \$69, an increase of 667%. The last example that I would like to highlight, is Guanfacine – generic drug for ADHD treatment – in the first quarter of 2019, its price jumped from \$29 to \$87, an increase of 204%.

Not only does this bill prohibit these excessive pricing practices in Minnesota, it adds a tool to the Attorney General's enforcement toolbox and thereby allows my office to more effectively hold generic manufacturers that engage in behavior outlined above accountable for their actions. This bill gives the Attorney General's office by requiring that generic drug manufacturers that intend to increase their prices beyond the threshold provided in HF 1183 with a notice of and information about the price hike, furthermore, it authorizes the Attorney General's office to investigate and bring enforcement actions to remedy unlawful price increases.

To study the ongoing problem in the prescription drug market, I formed a 15-member Task Force with the goal of identifying solutions that will help reign in the high cost of prescription drugs in Minnesota. The work of the Task Force culminated in an award-winning 94-page report and



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14-recommendations that, if adopted and implemented, would help lower the cost of prescription drugs for all Minnesotans. HF 1183 is one of the Task Force's recommendations.

Finally, HF 1183 applies only to excessive drug prices imposed by generic manufacturers on prescription drugs sold, dispensed, or delivered to consumers within the state of Minnesota.

Please consider supporting this important legislation that aims to protect Minnesotans from price gouging of the medications they need to support their health, while being able to afford their lives and live with dignity and respect.

Sincerely,

A handwritten signature in blue ink that reads "Keith Ellison". The signature is fluid and cursive, with a long tail on the final "s".

KEITH ELLISON
Attorney General