



Drug price hikes part of a systemic failure, experts say

Kristine Frazao

August 31, 2016

When lawmakers return to Washington next week, one item on their agenda will be looking into the 400% price increase of the EpiPen— a life-saving injection of epinephrine which can save people's lives.

The price went from about \$100 in 2007 to just over \$600.

Many are wondering how and why Mylan, the company that sells the EpiPen, can get away with such a huge price increase.

“Really the simple answer is just greed,” said Peter Maybarduk, who directs access to medicines at the consumer rights group, Public Citizen.

“Companies charge what they can people make the money that they can and they're ultimately going to charge as much as we will pay to care for the people we love.”

Maybarduk said the issue is systemic.

“We give pharmaceutical companies monopoly powers and we don't give ourselves the power to negotiate with them or control price gouging,” he said.

Some other critics have said lawmakers should be doing more.

The Cato Institute's Michael Tanner blames government agencies like the FDA which he said has a history of stifling competition.

“Basically the corner store down the street can't double its prices or else you'll go somewhere else. The problem here is there is nowhere else to go,” Tanner said.

The EpiPen's prime competition Auvi-Q was made by the company Sanofi, but recalled last year for improper dosage.