

# Mylan launching cheaper, generic version of EpiPen

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In this July 8, 2016, file photo, a pharmacist holds a package of EpiPens epinephrine auto-injector, a Mylan product, in Sacramento, Calif. Mylan said it will make available a generic version of its EpiPen, as criticism mounts over the price of its injectable medicine. (AP Photo/Rich Pedroncelli, File)

The maker of EpiPens will start selling a cheaper, generic version of the emergency allergy shots as the furor over repeated U.S. price hikes

continues—and looming competition threatens its near-monopoly.

Despite its second move in five days to make EpiPens more affordable for consumers, maker Mylan N.V. still faces condemnation from critics who accused it of price-gouging. They note Mylan hasn't reduced the \$608 list price for a pair of EpiPen auto injectors or explained why it hiked the price more than 500 percent from \$94 after acquiring the product in 2007.

"More must be done—and more quickly—to make this life-saving drug more affordable," Sen. Richard Blumenthal, D-Connecticut, said in a statement Monday. "Mylan may appear to be moving in the right direction, but its announcement raises as many questions as solutions—including why the price is still astronomically high, and whether its action is a pre-emptive strike against a competing generic."

Mylan, which mainly sells generic medicines, said Monday it will begin selling its generic version for \$300 for a pair of EpiPens, in doses for adults or children, like the current EpiPens. That will still bring Mylan tens of millions of dollars while helping it retain market share against current and future brand-name and generic competition.

"We need real competition to lower drug prices, not corporations offering generic versions of their own drugs for whatever price they want," Sen. Bernie Sanders, D-Vermont, wrote in a Twitter post Monday.

EpiPens are used in emergencies to stop potentially fatal allergic reactions to insect bites and stings, and foods like nuts and eggs. People usually keep multiple EpiPens handy at home, school or work, but the syringes, prefilled with the hormone epinephrine, expire after a year.

Some analysts have estimated that the tiny amount of epinephrine in an

EpiPen is worth barely \$1, and the auto-injectors might cost as little as \$5.

There's currently little competition for EpiPen. Rival Adrenaclick carries a list price of \$461, and there's a generic version, but doctors typically prescribe EpiPen, originally launched in 1987, because it's so well known.

Parents doing back-to-school preparations encountered sticker shock at pharmacy counters this month and began protesting to politicians and on social media, leading to an uproar in an election year when drug prices already are a hot issue and other drugmakers have been blasted for astronomical price hikes.

Last Thursday, Mylan offered more financial aid to patients getting EpiPens, including coupon cards covering up to \$300 off patient copayments, triple the \$100 discounts previously offered.

Coupon cards are a standard pharmaceutical industry strategy, one that leaves employers and taxpayers still footing at least two-thirds of a big bill—and everyone facing higher insurance premiums eventually. And like other drugmakers that increase prices sharply when generic competition is on the horizon, Mylan has been taking bigger annual price increases on EpiPens the last few years.

A generic competitor was expected in 2015 but has been delayed. Now that product and a couple rival brand-name ones could hit the U.S. market in mid- to late 2017. Then last Thursday the compounding pharmacy Imprimis Pharmaceuticals said it hopes to sell a version of the allergy shot in a few months for around \$100 for two injectors.

A chorus of politicians, consumer groups and others has been calling for hearings and investigations of EpiPen pricing, along with action by the

Food and Drug Administration to speed approvals of any rival products.

On Monday, Reps. Jason Chaffetz, R-Utah, and Elijah E. Cummings, D-Maryland, heads of the House Committee on Oversight and Government Reform, wrote to Mylan CEO Heather Bresch, requesting documents and communications regarding Mylan's revenues from EpiPens since 2007, manufacturing costs and how much Mylan receives from federal health care programs.

Bresch has said the company only receives \$274 of the total price for a twin-package while pharmacies and other middlemen divvy up the rest.

Mylan hasn't responded to Associated Press questions about its costs and income from EpiPen, its most profitable product.

Last week, Mylan said it was doubling the limit for eligibility for its patient assistance program, so a family of four making up to \$97,200 would pay nothing out of pocket for EpiPens. That assistance will also be offered to people getting Mylan's generic EpiPens, but the \$300 copay cards will only work with brand-name EpiPens.

How much people pay for EpiPens varies with insurance coverage. People with high-deductible plans, who have to pay out thousands of dollars before insurance kicks in, could face the full price. On the other hand, customers of Express Scripts Holding Co., the nation's largest prescription benefits manager, pay \$73.50 on average.

Shares of Mylan rose 19 cents to \$43.22 in trading Monday, while broader indexes rose.

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