

# Pharmaceutical executive defends 400 percent price hike

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(HealthDay)—A pharmaceutical executive is defending his company's

400 percent price hike on an antibiotic, according to a report published in *Formulary Watch*.

Nostrum Laboratories increased the price of a bottle of nitrofurantoin, which is used to treat bladder infections, from \$474.75 to \$2,392 in August. The antibiotic is on the World Health Organization's essential medicines list. Nirmal Mulye, Ph.D., Nostrum's founder, said the price hike came in response to a similar price increase from Casper Pharma, which makes Furadantin, a branded version of the antibiotic. Casper increased the price of its product by 182 percent between the end of 2015 and March 2018, so a bottle now costs \$2,800.

Reminiscent of former Turing Pharmaceuticals CEO Martin Shkreli, who raised the price of a drug that treats toxoplasmosis by 5,000 percent in 2015, Mulye told the *Financial Times* his company had a "moral requirement to sell the product at the highest price."

In response, U.S. Food and Drug Administration Commissioner Scott Gottlieb, M.D., issued a tweet saying: "There's no moral imperative to price gouge and take advantage of patients. FDA will continue to promote competition so speculators and those with no regard to public health consequences can't take advantage of patients who need medicine."

**More information:** [More Information](#)

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