

ROUND 2 OF JANUARY 2022 HIKES PUSHES BLOCKBUSTER PRICES TO NEW HEIGHTS

Drug companies raised the prices of 742 drugs in January 2022

As American families wrestle with rising prices on everyday goods, drug companies continue to pile on by hiking the prices of 188 more drugs, bringing the total to 742 hikes already this year. The most consequential hikes are concentrated among blockbuster products — 11 of the 15 top-selling products in the United States — that treat diseases with significant public health impact like cancer, heart disease, type 2 diabetes, HIV, multiple sclerosis, and autoimmune conditions. Let's look more closely at eight critical drugs with newly raised prices.

JANUARY 2022 PRICE HIKES AT A GLANCE

742

Number of drugs with prices raised so far this year

92%

Percentage of hikes on brand-name drugs

5%

Median price hike

1 in 4

Proportion of price hikes that exceeded the rate of inflation for the 12-month period ending in November 2021

93%

Percentage of price hikes that exceeded 2.3%, the projected inflation rate for 2023

11 of 15

Top-selling drugs in the United States were hiked in price last month

XARELTO | PREVENTS BLOOD CLOTS

Sold by Janssen and Bayer

Blockbuster profits... Xarelto is the tenth best-selling drug in the world, hitting \$6.9 billion in sales in 2020.

Fueled by price increases targeting Americans... Xarelto's U.S. price has increased annually since 2011 at a rate faster than inflation. As a result, American patients pay five times the price of the drug in other countries.

On the backs of taxpayers... Price hikes contributed to Xarelto's standing as the third most costly drug for Medicare Part D in 2019, with \$4 billion in spending. Fortunately, if the drug pricing reforms in the Build Back Better Act are signed into law, Xarelto is likely to be eligible for negotiation, allowing Americans to bargain for a fair price.

In January 2022, Janssen and Bayer increased the price of a monthly supply to \$516, marking the tenth year of tandem price hikes with the drug's chief competitor, Eliquis.

IMBRUVICA | TREATS CANCER

Sold by AbbVie and Janssen

Blockbuster profits... Imbruvica is the fifth best-selling drug in the world, raking in \$8.4 billion in sales in 2020.

Fueled by price increases targeting Americans... Imbruvica's price has increased at a rate outpacing inflation every year since 2014. These hikes disproportionately impact the United States, which accounts for 73% of Imbruvica's revenue.

On the backs of taxpayers... Imbruvica was the sixth most costly drug for Medicare Part D in 2019, surpassing \$2.4 billion in spending on the drug for the taxpayer-funded program.

In January 2022, the price was increased by 7.4%, adding more than \$1,000 to the monthly cost for Imbruvica patients. The annual price is now \$194,428.

XTANDI | TREATS CANCER

Sold by Astellas and Pfizer

Blockbuster profits... Xtandi is a blockbuster product for both Astellas and Pfizer, raking in \$4.3 billion in global sales in 2020. Xtandi is the best-selling drug in Astellas' portfolio.

Fueled by price increases targeting Americans... Xtandi's U.S. price has increased almost 75% since 2012 in year-over-year price hikes, leaving Americans paying 3 to 5 times the average price in other countries.

On the backs of taxpayers... Americans are paying twice for this drug. Even though the product was invented by taxpayer-funded scientists, by 2019, the Medicare program was shelling out more than \$1.4 billion to pay for the drug.

In January 2022, a 5.9% increase added \$724 to the monthly price of the drug. A yearly supply of Xtandi is now priced at \$155,999.

STELARA | TREATS AUTOIMMUNE DISEASE

Sold by Janssen

Blockbuster profits... Stelara is Janssen's best-selling drug and the seventh best-selling drug in the world, raking in \$7.9 billion in sales in 2020.

Fueled by price increases targeting Americans... Stelara's price has increased 18 times since 2010 and nearly tripled in price. These hikes are unique to the United States, where we pay 3.5 to 6.75 times more for Stelara than other countries.

On the backs of taxpayers... Sixty-eight percent of Janssen's worldwide revenue for Stelara came from the United States in 2020. In 2019, Medicare Part D spent more than \$1 billion on the drug.

In January 2022, the price was increased by \$653 for a single syringe. This 5.4% increase brings the price of one syringe to \$12,748.

JANUVIA | TREATS TYPE 2 DIABETES

Sold by Merck

Blockbuster profits... Januvia is the third best-selling drug for Merck, bringing the company \$3.3 billion in global sales in 2020.

Fueled by price increases targeting Americans... Merck has tripled Januvia's U.S. price through 21 serial hikes since 2006, far outpacing inflation over that period. The resulting price is 1,120% of what people in other countries pay.

On the backs of taxpayers... Januvia was the fourth most costly drug for Medicare Part D in 2019, when the taxpayer-funded program reached \$3.5 billion in spending on the drug. Fortunately, if the drug pricing reforms in the Build Back Better Act are signed into law, Januvia is likely to be eligible for negotiation, allowing Americans to bargain for a fair price.

In January 2022, the price was increased again by 4.95%, bringing the price of a monthly supply to \$521.

HUMIRA | TREATS AUTOIMMUNE DISEASE

Sold by AbbVie

Blockbuster profits... Humira has been the best-selling drug in the world since 2014, shattering records for a single year of sales for a drug. It's been responsible for the lion's share of AbbVie's profit, netting the company more than \$100 billion.

Fueled by price increases targeting Americans... Humira's excessive profits come from AbbVie's relentless and unjustified price hikes targeted to the United States. AbbVie's 24 hikes on Humira have increased the price more than 400% since 2006.

On the backs of taxpayers... Eighty-one percent of AbbVie's worldwide revenue for Humira comes from the United States. A congressional investigation identified \$6 billion in lost savings over a five-year period attributable to Medicare's inability to negotiate the price.

In January 2022, the price was increased again by 7.4%, bringing the price up \$441 to \$6,409 for a month's supply.

SKYRIZI AND RINVOQ: HUMIRA'S HEIRS APPARENT

AbbVie's biologic blockbuster medication, Humira, is the reigning best-selling drug in the world, but in 2023 — after years of shady tactics to shut down rivals — Humira will finally face competition.

Enter Skyrizi and Rinvoq. In order to prepare for the drop-off in profits that will occur with a Humira competitor, AbbVie is aiming to switch its patients to one of its two newer biologics, Skyrizi and Rinvoq:

- Last spring, AbbVie began decreasing TV ad spending on Humira, shifting its investment towards the two products.
- AbbVie executives have boasted that many new Skyrizi patients are the result of switching from other drugs, including Humira. The drug's website even includes a section on why patients may want to switch from Humira.
- AbbVie has worked with insurance companies, offering them discounts on Humira in order to gain more advantageous formulary position for Skyrizi and Rinvoq.

It is clear that AbbVie will follow the same playbook for the duo: serial unjustified price hikes. Last month, like Humira, Rinvoq was hiked by 7.4%, bringing a month's supply to \$5,671.

For the third year in a row, Skyrizi's price increase last month mirrors the 7.4% increase taken by Humira. The result? A single dose of Skyrizi is now priced at \$18,272, a \$3,500 increase since 2019.

The data set and breakdown of the report's methodology can be found [here](#).