

# Congress of the United States

## House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM

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**Opening Statement**  
**Chairwoman Carolyn B. Maloney**  
**Committee on Oversight and Reform:**  
**Hearing: “Unsustainable Drug Prices: Testimony from the CEOs (Part II)”**  
**October 1, 2020**

Good morning, and welcome to Day Two of our landmark series of hearings with drug company CEOs. Yesterday, we heard from the CEOs of three drug companies: [Celgene](#), [Bristol Meyers Squibb](#), and [Teva](#).

**And what we learned was shocking. Drug companies are hiking their prices higher and higher—and placing an ever-greater burden on the very patients who rely on these drugs to survive. We learned that these skyrocketing prices are simply unsustainable—both for government programs and American families.**

**We also learned that claims by drug companies that their price increases are necessary for research and development are completely bogus. The internal company documents we obtained show that drug companies hike prices almost entirely for selfish reasons—they do it to meet internal revenue targets, or to increase their own bonuses in some cases. Drug companies certainly spend some funds on research and development, but nowhere near the windfall profits they are bringing in as a result of their massive price increases.**

**Finally, in the cases we examined yesterday we learned that drug companies target our country for their biggest price increases, charging the American people more than the entire rest of the world combined.**

**They do so simply because they can. Because federal law currently bars our government from negotiating directly with drug companies to lower prices for Medicare. According to the non-partisan CBO, allowing federal government to negotiate directly with drug companies could lower spending on brand name drugs by about \$456 billion. Let that number sink in—nearly half a trillion dollars.**

Today is Day Two, and we will hear from three more CEOs.

We will hear from the CEO of [Amgen](#), which repeatedly raised the prices of two drugs: Enbrel, which is used to treat rheumatoid arthritis and other painful inflammatory diseases; and Sensipar, which is used to treat the effects of kidney failure and parathyroid cancer.

We will hear from the top U.S. executive from [Novartis](#) about that company's massive price increases for Gleevec, a drug that treats chronic myeloid leukemia, a rare form of cancer of the blood and bone marrow.

And we will hear from the CEO of [Mallinckrodt](#) about the pricing of its drug called H.P. Acthar Gel, which is used to treat a rare seizure disorder in little babies.

We are going to keep our opening statements short today so we can get to the testimony. Before I turn to the Ranking Member, **I would again like to honor our former Chairman, Elijah Cummings, who launched this investigation 18 months ago. His number one priority then—and our number one priority now—is the health of the people who are being harmed on a daily basis by these astronomical price increases.**

So I would like to conclude my statement by playing a clip of three individuals—patients and doctors—who are being directly and negatively affected by the actions of these three drug companies. Thank you. And with that, I recognize my good friend, the Ranking Member, Mr. Comer, for his opening statement.

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