

Medicare Negotiations for Lower Drug Prices Explained: Jardiance

Thanks to the Biden-Harris administration and Democrats in Congress, Medicare now has the power to negotiate lower prescription drug prices. Negotiations have concluded for the first 10 drugs selected for negotiation, and in the first year alone these lower prices will save people on Medicare \$1.5 billion in out-of-pocket costs and save taxpayers \$6 billion. These savings negotiated with drug companies go back into Medicare to provide better benefits for seniors like a \$35 monthly cap on insulin and a \$2,000 annual out-of-pocket maximum. By 2030, up to 80 drugs will have lower negotiated prices.

One of the first ten drugs [selected for negotiation](#) is Jardiance, a drug used to treat type 2 diabetes, manufactured by Boehringer Ingelheim and Eli Lilly. Thanks to the Biden-Harris administration, the price drug companies charge for Jardiance will drop from [\\$573](#) to a maximum of [\\$197](#) for a 30-day supply, a \$376 or 66 percent price decrease. Jardiance has made billions of dollars in revenue, and big drug companies like Boehringer Ingelheim and Eli Lilly are eager to protect their sky-high profits by blocking the Medicare Negotiation so they can continue to charge patients unaffordable prices.

The Nearly Two Million People Who Rely on Jardiance Will Save Thousands.

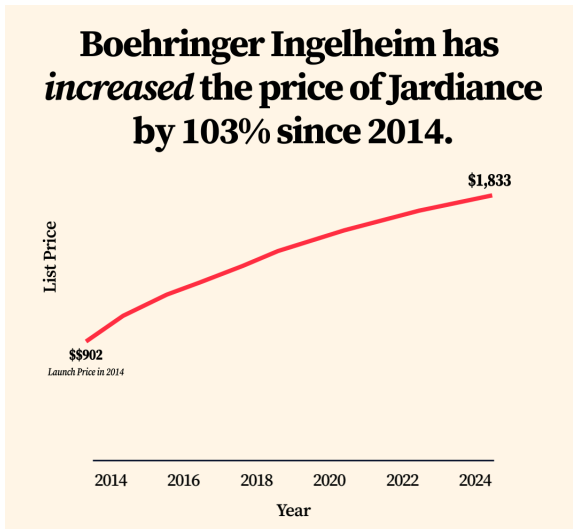
- [Nearly 1.9 million](#) people enrolled in Medicare Part D rely on Jardiance as of 2023 – around [2.5 percent](#) of Medicare Part D enrollees.

Jardiance Costs Taxpayers Billions.

- Jardiance has cost Medicare a cumulative [\\$23.3 billion](#) – an average of \$4,695 per person taking Jardiance in 2023.
- If the negotiated prices had been in effect in 2023, Medicare would have saved an estimated [\\$708 million](#).

Boehringer Ingelheim and Eli Lilly Price Gouge Americans for Jardiance.

- Jardiance costs significantly more in the U.S. than in other high-income countries. For example, Boehringer Ingelheim and Eli Lilly charge U.S. customers [more than 6x](#) more than customers in Switzerland, and 14x more to U.S. customers than to customers in France.
- According to Analysource, Jardiance has increased in price by 103 percent since its launch in [2014](#) – nearly 4 times [faster](#) than inflation for most prescription drugs and 3 times [faster](#) than inflation overall.
- Starting in 2026, Boehringer Ingelheim and Eli Lilly cannot charge seniors more than [\\$113](#) for a 30-day supply of Jardiance.



Boehringer Ingelheim and Eli Lilly Rake In Profits While Rewarding Shareholders and Lobbying.

- Jardiance has generated a [combined \\$38 billion](#) in global revenue since its launch.
- [Boehringer Ingelheim](#) and [Eli Lilly](#) have spent a [combined \\$13.3 billion](#) ([Boehringer Ingelheim](#) is a private company) on stock buybacks for their investors since launching Jardiance.
- [Boehringer Ingelheim](#) and [Eli Lilly](#) have spent a [combined \\$112.7 million](#) on lobbying since launching Jardiance.

Table 1: Jardiance By The Numbers.

Jardiance Quick Facts	
Years on U.S. Market Since Approval	11
Jardiance List Price Increase Since Launch	103 percent
Global Revenue Since Jardiance’s Launch	\$38 billion
Lobbying Since Jardiance’s Launch	\$112.7 million
Stock Buybacks Since Jardiance’s Launch	\$13.3 billion
Negotiated Savings (for a 30-day supply)	\$376
Negotiated Price Discount	66 percent

Jardiance Is Disproportionately Taken by Medicare Enrollees of Color. Relative to their proportion in the population enrolled in Medicare Part D:

- The **proportion** of American Indian and Alaska Natives on Medicare Part D taking Jardiance is **3.33 times higher**. American Indian and Alaska Native adults are [almost three times more likely](#) to be diagnosed with diabetes and [2.3 times more likely](#) to die from diabetes. American Indian and Alaska Native Medicare beneficiaries diagnosed with diabetes seek Emergency care [more than twice as often](#) as white beneficiaries.
- The **proportion** of Asian American, Native Hawaiian, and Pacific Islanders on Medicare Part D taking Jardiance is **1.62 times higher**. Asian Americans are [40 percent](#) more likely to be diagnosed with diabetes. Native Hawaiians/Pacific Islanders are [2.5 times](#) more likely to be diagnosed with diabetes and [2.5 times](#) more likely to die from diabetes.
- The **proportion** of Black Americans on Medicare Part D taking Jardiance is **1.3 times higher**. Black Americans are [60 percent more likely](#) to be diagnosed with diabetes and [twice as likely](#) to die from the disease when compared to their white counterparts. Black Americans are [2.5 times as likely](#) to be hospitalized for complications of diabetes and have [nearly three times](#) higher rates of emergency department visits for the disease than their white counterparts.
- The **proportion** of Latinos on Medicare Part D taking Jardiance is **1.29 times higher**. Latinos are [70 percent](#) more likely to be diagnosed with diabetes and [1.3 times](#) more likely to die from diabetes when compared to their non-Hispanic white counterparts. Latinos are more likely to have [higher levels](#) of disability-related diabetes compared to their non-Hispanic white counterparts.

Table 2: Jardiance Is Disproportionately Taken by Medicare Enrollees of Color

Race/Ethnicity	Medicare Part D Pop.	Jardiance Population	Difference
Black	11 percent	14 percent	1.3 times higher
Latino	10 percent	13 percent	1.29 times higher
Asian American, Native Hawaiian, and Pacific Islander	4 percent	6 percent	1.62 times higher
American Indian and Alaska Native	0.3 percent	1 percent	3.33 times higher

Jardiance Is Most Expensive In Rural States Like South Dakota. The ten drugs selected for price negotiation by Medicare, with few exceptions, are most expensive in heavily rural states. Jardiance costs people on Medicare Part D residing in South Dakota, Nebraska, and Wyoming the most out-of-pocket.

Table 3: States with the Highest Out-of-Pocket Costs for People Enrolled In Medicare Part D Taking Jardiance

State	Average	Difference From	Rurality
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	Out-of-Pocket Costs for Jardiance By State	National Average*	
South Dakota	\$544	1.88 times higher	42.8 percent of residents live in rural areas
Nebraska	\$503	1.73 times higher	27 percent of residents live in rural areas
Wyoming	\$503	1.73 times higher	38 percent of residents live in rural areas

*Medicare Part D beneficiaries not in the Extra Help program pay an average of [\\$290](#) annually for Jardiance

Boehringer Ingelheim and Eli Lilly Have A Long History of Jacking Up Prices and Exploiting Patents for Jardiance:

- **[Law Street Media](#): Generic Jardiance Draws Patent Lawsuit.** “Boehringer Ingelheim Pharmaceuticals Inc., and related entities filed a complaint against Dr. Reddy’s Laboratories Ltd. accusing the defendants of patent infringement [...] The complaint claims that the plaintiffs will be financially harmed, substantially and irreparably, if the defendants aren’t enjoined from infringing upon their patent.” [Law Street Media, [8/24/22](#)]
- **[Fierce Pharma](#): Novartis, Merck And Allergan Join Big Pharma's 2020 Price-Hike Parade.** “The first two days of the New Year ushered in hundreds of price hikes across the drug industry, and the tally has just kept growing. [...] The most commonly prescribed drugs carrying higher prices include Pfizer and Bristol-Myers Squibb’s Eliquis, Eli Lilly and Boehringer Ingelheim’s Jardiance, BI’s Tradjenta, Gilead’s Truvada and Pfizer’s Chantix, according to GoodRx. All but a few of the price hikes are under 10%, a level famously set years back by Allergan CEO Brent Saunders in his pledge about pharma's "social contract." Some of them pushed right up to that threshold, though, with increases of 9.9%.” [Fierce Pharma, [1/6/20](#)]
- **[Fierce Pharma](#): Eli Lilly, Boehringer Shake Up Diabetes Deal To Focus On Hot Property Jardiance.** “Eli Lilly and Boehringer Ingelheim have stormed to a market-leading position with their SGLT-2 diabetes drug Jardiance, and they’re pushing that med to the forefront of their longstanding diabetes partnership. The two will no longer share Trajenta, a DPP-4 diabetes treatment whose key patent is set to expire in 2023, and its sister combination meds. [...] Instead, the partners tweaked their 2011 alliance deal to continue

cooperating on Jardiance, which grew a whopping 47% last year to more than \$2 billion worldwide, but send Trajenta to Boehringer's stable and Basaglar to Lilly's. Not only is Jardiance the top SGLT-2 drug by market share in the U.S. and 'many markets worldwide,' as the partners said Monday. It also has many years of patent life left to go. Trajenta, on the other hand, could see generic copycats in 2023 if not sooner, and is likely to go up against generic versions of its top in-class competitor, Merck & Co.'s Januvia, in 2022." [Fierce Pharma, [11/4/19](#)]

Additional Resources

- [Protect Our Care](#): NEW REPORT: Big Drug Companies Continue to Put Profits Over People
- [Protect Our Care](#): GREED WATCH: Eight Big Drug Companies That Rip Off Patients Announce Nearly \$100 Billion in Revenue and Over \$15 Billion in Dividends and Stock Buybacks
- [Protect Our Care](#): NEW REPORT: In 2023, Greedy Drug Companies Raked in \$684 Billion and Spent \$106 Billion Rewarding Shareholders
- [Protect Our Care](#): Big Drug Companies Continue To Bring In Hundreds of Billions While Americans Struggle To Afford Skyrocketing Prices
- [Protect Our Care](#): Fact Sheet: American Seniors Will Save As Medicare Negotiates Lower Drug Costs
- [Protect Our Care](#): Big Drug Companies Are in Court to Stop Medicare Negotiation and Protect Their Sky-High Profits
- [Protect Our Care](#): FACT SHEET: How Medicare's New Drug Price Negotiation Power Will Advance Health Equity
- [Protect Our Care](#): By the Numbers: The Ten Costly Drugs That Are Now Eligible to Have Lower Prices Negotiated by Medicare