



February 16, 2026

VIA ELECTRONIC SUBMISSION

Oregon Prescription Drug Affordability Board
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RE: Oregon Prescription Drug Affordability Board (PDAB): February 18, 2026, Meeting Materials

Dear members of the Oregon Prescription Drug Affordability Board,

Eli Lilly and Company (Lilly) appreciates the opportunity to provide our perspective on the Oregon PDAB (“the Board”) meeting materials for February 18, 2026, which includes the Draft Drug Review Report (“Report”), featuring our product Trulicity®.¹ Lilly is one of the country’s leading innovation-driven, research-based pharmaceutical and biotechnology corporations. Our company is devoted to seeking answers for some of the world’s most urgent medical needs through discovery and development of breakthrough medicines and technologies and through the health information we offer.

Lilly is Committed to Patient Affordability

Throughout our nearly 150-year history, Lilly has worked to address some of the most pressing health challenges facing humanity, including infections, diabetes, depression, cancer, and obesity. Today, more than 58 million people are estimated to use Lilly medicines. We know that our commitment to patients and society goes beyond the medicines we make. We are committed to equitable and affordable access to our medicines so that our breakthroughs can transform more people’s lives.

In addition to patient support programs discussed below, Lilly also donates medicines to charitable organizations such as the Lilly Cares Foundation, an Indiana nonprofit corporation separate from Lilly, established in 1997, that is recognized by the Internal Revenue Service as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Lilly Cares provides Lilly medications for free to qualifying patients.² Patients in households with annual adjusted gross incomes of up to 400 percent of the federal poverty level are currently eligible for free insulin through Lilly Cares (currently \$62,600 for an individual or \$128,600 for a family of four).³

Trulicity® is Affordable in Oregon

We remain concerned that the Board has not provided a fulsome analysis of the measures necessary to make an accurate “affordability” determination, obscuring its ability to focus on

¹ Oregon Prescription Drug Affordability Board. “Agenda and meeting materials for September 17, 2025.” <https://dfr.oregon.gov/pdab/Documents/20250917-PDAB-document-package.pdf>.

² Lilly Cares Foundation. Available Medications. <https://www.lillycares.com/available-medications>

³ Lilly Cares Foundation. <https://www.lillycares.com/how-to-apply#check-eligibility>

an appropriate policy response.⁴ The primary focus of any cost review by the Board should be on patients, and Trulicity® is broadly affordable for Oregon patients. The Board's own data shows that median patient out-of-pocket costs (\$10/per claim for Trulicity®) are affordable.⁵ Any isolated affordability challenges that may occur with Trulicity® are most likely a function of restrictive plan benefit designs, such as high upfront deductibles or adverse tier placement.

Health plans design formularies which determine patients' out-of-pocket costs. According to the Board's data, 34 percent of plans place Trulicity on a non-preferred tier.⁶ Non-preferred tiers require patients to pay more for their medicine than if it was on the preferred tier. Patients subject to plan designs with large deductibles or high cost-sharing tiers are more likely to struggle to afford their medicines.

In these circumstances, Lilly helps to reduce patient out-of-pocket costs for commercially insured patients. Lilly offers a variety of affordability solutions through patient support programs and copay assistance across the major products in our portfolio. For example, patients that qualify for the Trulicity® Savings Card pay as little as \$25 per month for Trulicity®.⁷ The Board should take these patient programs into account when considering the affordability of medicines.

While we have consistently raised the importance of assessing "affordability" challenges based on the real-world impact to patients, the Board makes clear in the evidence provided that its focus remains on affordability to the system. Even by this measure, Trulicity should not be deemed "unaffordable". Gross drug spending based on Wholesale Acquisition Cost (WAC), i.e. the "list price", is a poor metric for determining the underlying costs incurred by commercial and government payers. Manufacturer rebates, overlooked in gross spending calculations, drive significant reductions in overall plan liability for a drug's treatment costs. Moreover, examining spending in the aggregate creates a consistent bias against products that are highly utilized because they are effective in treating a common chronic condition - revealing little about the actual costs on a per-patient basis. Below, we elaborate on these methodological flaws and suggest more effective approaches for structural reform of the system.

The Board's Rationale for Trulicity®'s Affordability Determination is Flawed

Reiterating prior comments that Lilly submitted to the Board, we remain concerned about the methodology the Board employs to measure and define affordability.⁸

The draft Report justification for the finding of an affordability challenge for Trulicity® includes the following data points:

- Total gross spending of \$152,767,272

⁴ Oregon Prescription Drug Affordability board. "OAR 925-200-0020 conducting an affordability review." <https://dfr.oregon.gov/pdab/Documents/OAR-925-200-0020.pdf>.

⁵ Oregon Prescription Drug Affordability Board. "Agenda and meeting materials for September 17, 2025." <https://dfr.oregon.gov/pdab/Documents/20250917-PDAB-document-package.pdf>, pg. 173.

⁶ Ibid. at pg. 189.

⁷ See, e.g., Eli Lilly and Company, Trulicity Savings Card, available [here](#).

⁸ Eli Lilly and Company. "Re: Prescription Drug Affordability Review of Lilly Products." April 15, 2025 (pgs. 10-14). <https://dfr.oregon.gov/pdab/Documents/Public-comments-drug-reviews.pdf>.

- 18,659 Oregonians using Trulicity®
- WAC trend averaging five percent annually and exceeding inflation in multiple years
- Annual out-of-pocket patient cost was approximately \$528
- A majority of commercial plans included access-related factors⁹

None of these factors support an affordability challenge and in fact the only data point of actual costs paid (patient out-of-pocket costs) is less than \$50 per month. We address each point below:

Wholesale Acquisition Cost (WAC) is a flawed measure disconnected from the actual prices realized by payers. Although the Board may consider WAC in the cost review process, its ultimate statutory directive is to identify whether a drug “may create affordability challenges for health care systems or high out-of-pocket costs for patients in Oregon” which determination cannot reasonably rest on WAC.¹⁰ WAC does not represent the final net cost of the drug because rebates and other price concessions can impact the final net cost incurred by payors (including state payers). It is unclear how WAC increasing faster than inflation could increase the cost to the healthcare system when WAC does not measure the cost to the system (and given that the net prices paid by many state purchasers generally accommodate inflation impact, as noted above).

Aggregate gross drug spending should not be the basis for determining an affordability challenge – to patients or the system as a whole. The use of total gross drug spending data by the Board in the selection process can result in the biased selection of medicines with high aggregate spending that treat large populations of individuals with chronic medical conditions, like Trulicity®. Both plan premiums and medical loss ratio (MLR) calculations are derived from net drug spending, after consideration of manufacturer rebates and other price concessions that lower overall financial liability for payers.¹¹ Affordability determinations should reflect estimated net spending and should also be examined on a patient basis, instead of in aggregate.

Finally, the Board omits any assessment of a treatment’s ability to reduce medical costs to the state – another crucial input to overall system costs. Indeed, medical cost offsets attributable to a drug ultimately accrue to state purchasers. Taken together, the Board’s analysis must rest on a more accurate and holistic picture of financial impact.

The Board should not identify an affordability challenge based on health plan behavior. Plan-reported access issues are largely a function of a patient’s benefit design, a decision made by health plans, not manufacturers. As stated above, health plans also determine patient out-of-pocket expenses. Even so, the reported average of patient-out-of-pocket costs for Trulicity® based on plan data is less than \$50 per month. This average is even lower when

⁹ Oregon Prescription Drug Affordability board. <https://dfr.oregon.gov/pdab/Documents/20260218-PDAB-document-package.pdf> p. 35

¹⁰ [OAR 925-200-0010](#)

¹¹ CMCS Informational Bulletin. Medical Loss Ratio (MLR) Requirements Related to Third-Party Vendors. May 15, 2019. Available [here](#).

only taking into account commercial patients and does not include recent Medicare benefit design changes to out-of-pocket drug costs or Lilly affordability programs.

Better Solutions that Actually Address Patient Affordability are Available

Lilly is pleased to see that some of the policy recommendations adopted in the Board Report for 2025 would meaningfully address issues in the pharmaceutical payment system without inviting the unintended consequences inherent with price-setting schemes.¹² Lilly also urges the board to include similar recommendations in the Draft Drug Review Report that address warped supply chain incentives that expose patients to higher cost sharing obligations. Addressing such issues would enable lower costs for patients at the point-of-sale and create the conditions for list and net price parity.

Lilly appreciates the opportunity to respond to the Board materials. We appreciate that the Board shares our commitment to prescription drug access and patient affordability. We are proud of the impact that our efforts have had on making prescription drugs more affordable for patients and believe Lilly medicines help make the lives of Oregon patients healthier and better.

Sincerely,

A handwritten signature in blue ink that reads "Cynthia Ransom". The signature is fluid and cursive, with the first name "Cynthia" and last name "Ransom" clearly distinguishable.

Senior Director, Government Pricing & Payer
Lilly USA, LLC

¹² <https://dfr.oregon.gov/pdab/Documents/reports/PDAB-Annual-Report-2025.pdf> p. 30