



ZACH KLEIN

COLUMBUS CITY ATTORNEY

FOR IMMEDIATE RELEASE
Wednesday, January 15, 2025
Contact: Pete Shipley, 614.965.0203
Email: pjshipley@columbus.gov

City Attorney Klein: City Files Lawsuit Against Drug Companies and Pharmacy Middlemen that Artificially Inflated Insulin Prices

Says that anticompetitive pricing scheme cost City and taxpayers at least \$26 million in the past three and a half years alone

COLUMBUS, OH—Columbus City Attorney Zach Klein today announced that the City of Columbus filed litigation against several drug companies and pharmacy benefit managers (PBM) who artificially raised prices on insulin products for decades, costing taxpayers millions of dollars. Columbus joins several states and counties across the country who have already taken these companies to court to recoup taxpayer dollars.

“Price gouging people who need life-saving drugs like insulin is unconscionable. Drug manufacturers who conspired to drive up the price of insulin, pass the costs onto consumers, and pay off the pharmacy middlemen to look the other way need to be held accountable,” said Columbus City Attorney Zach Klein. **“This unethical pricing scheme has cost Columbus taxpayers millions of dollars in exorbitant fees, and this lawsuit aims to recoup these costs.”**

Columbus [joins attorneys general](#) in Arkansas, California, Kansas, Kentucky, Minnesota and Mississippi, as well as the [City of Cleveland](#) and other cities and counties across the country in suing three major insulin producers and several PBMs who manage prescription drug programs tied to the pricing and kickback scheme. Napoli Shkolnik PLLC and Ventura Law will serve as special counsel to the City. Under the terms of the contract approved by City Council in July 2024, there is no cost to the City for these services.

Defendants named in the lawsuit include: Eli Lilly, Novo Nordisk, Sanofi-Aventus, CVS Health, CVS Pharmacy, Caremark Health, United Health Group, Express Scripts Pharmacy, Optum Rx, and several others.

A recent analysis found that from February 2020 to November 2023, the City of Columbus spent at least \$26 million on diabetes medications and supplies as part of the healthcare plans for the city’s 9,000 employees—far more than it should have due to the alleged price gouging and kickback scheme.

According to the City's filing, even though the price to manufacture insulin and diabetes-related products has been decreasing, the costs of the drugs themselves have been increasing exponentially. The City cited a September 2018 study which calculated that, based on production costs, a reasonable price for a year's supply of human insulin is less than \$100 per person, and yet, a 2016 analysis showed that diabetics in the United States spent an average of \$5,705 each for insulin that year.

Over the past 25 years, the list price of certain insulins has increased in some cases by more than 1,000 percent. Across the board, companies named in the lawsuit raised prices dramatically and often in tandem with each other, even going so far as to raise prices by the same percentage within days of each other. The City alleges that this shadow pricing scheme was a deliberate attempt by competitors not to price compete against one another.

Recently, President Joe Biden's Inflation Reduction Act [capped insulin costs at \\$35 per month](#) for seniors on Medicare, a model congressional Democrats and President Biden have pushed to expand to all Americans.

The lawsuit has been filed with the United States District Court of New Jersey, but no hearing dates have been announced.