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United States Senate

COMMITTEE ON HEALTH, EDUCATION,
LABOR, AND PENSIONS

WASHINGTON, DC 20510-6300

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<http://help.senate.gov>

May 11, 2018

Dr. Vasant Narasimhan
Chief Executive Officer
Novartis International AG
Forum 1
Novartis Campus
CH-4056 Basel
Switzerland

Dr. Fabrice Chouraqui
President
Novartis Pharmaceutical Corporation
One Health Plaza
East Hanover, NJ 07936

Dear Dr. Narasimhan and Dr. Chouraqui:

Recent news reports revealed that Novartis International AG (Novartis) entered into a \$1.2 million contract with President Trump's attorney, Michael D. Cohen, in the early days of the Trump Administration as a way of gaining access to the President. This arrangement raises serious concerns about the lengths Novartis was willing to go in order to curry favor with this Administration and, perhaps more troublingly, what it expected or was promised in return. I therefore request information and documents to explain Novartis's engagement with Cohen, who is currently under federal criminal investigation for potential bank fraud, wire fraud, and violations of campaign finance law. It's important that people have the transparency they need to hold their government accountable, and that must include transparency about how money is spent in efforts to gain attention and favor from public officials.

According to recent reports, Novartis sought the consulting services of Michael Cohen through his limited liability company, Essential Consultants, at the beginning of the Trump Administration.¹ Novartis executives reportedly became aware of Cohen, who "promis[ed] access" to the Administration and touted his knowledge of the President's thinking on health care, and Novartis and Cohen subsequently signed a \$1.2 million, one-year contract in February 2017 for consulting on "US healthcare policy matters, including the Affordable Care Act."²

¹ <https://www.nytimes.com/2018/05/09/business/novartis-att-cohen-mueller.html?smtyp=cur&smid=tw-nytimes>

² https://www.washingtonpost.com/politics/mueller-questioned-payment-to-trump-lawyer-michael-cohen/2018/05/09/6ad3a7d6-538d-11e8-a551-5b648abe29ef_story.html?noredirect=on&utm_term=.bd200f78d5c8;
https://www.nbcnews.com/politics/donald-trump/stormy-lawyer-transactions-suggest-cohen-was-selling-access-trump-n872731?cid=sm_npd_ms_tw_lw

Cohen and Novartis employees had their first meeting under the agreement in March 2017.³ The meeting led Novartis to conclude that Cohen “would be unable to provide the services that Novartis had anticipated related to U.S. healthcare policy matters,” and the company elected not to continue using his consulting services. However, Novartis continued to make \$100,000 payments each month through the end of the contract, meaning Cohen ultimately received the full \$1.2 million. Novartis explained that the contract could only be terminated for cause, but also acknowledged that the company did not want to “anger” the President.⁴ As the contract neared expiration, Cohen reportedly approached the company about renewing, but Novartis declined.

Special Counsel Robert Mueller’s office contacted Novartis last November about the deal with Cohen and interviewed Novartis employees, including then-CEO Joe Jimenez. The company has stated that it “provided all the information requested” and considers this matter closed.⁵

Novartis executives joined several White House-led events from early 2017 to early 2018. In January 2017, Cohen and Jimenez were part of a small group of drug company CEOs who met with President Trump. In January 2018, as the current Novartis CEO, Dr. Narasimhan joined a group dinner with President Trump at the World Economic Forum in Davos, although Novartis insists that the dinner was unrelated to their contract with Cohen. At the dinner, he stated his company was “really pleased with the tax reform” and with “the great progress being made at FDA.”⁶ Novartis’s lobbying disclosures also show significantly higher spending in 2017 than in previous years; the company spent nearly \$8.8 million in 2017, compared to annual spending around \$7 million from 2007 to 2016.⁷

The information available thus far raises serious questions about Novartis’s business practices and the measures the company took to gain favorable treatment from the Trump Administration. At best, this series of events reveals a company that was willing to invest millions of dollars in unvetted and unproductive relationships to try and sway government officials in its favor. To help me understand Novartis’s relationship with Michael Cohen and Essential Consultants, as well as the possible intersection between this contract and Novartis’s engagement with Trump Administration officials, please provide the following documents and information by no later than May 25, 2018:

1. Please provide a copy of the contract between Novartis and Essential Consultants.
2. Please provide a detailed timeline of the relationship between Novartis and Michael Cohen/Essential Consultants since November 9, 2016. This timeline should include engagement on behalf of Novartis by any affiliated consultants or lobbyists and on behalf of Michael Cohen and Essential Consultants by any of their employees.
3. Please provide a detailed list of meetings and calls that took place between Novartis and Michael Cohen/Essential Consultants since November 9, 2016. For each meeting or call,

³ <http://thehill.com/blogs/blog-briefing-room/news/robert-mueller-novartis-michael-cohen-donald-trump-stormy-daniels>

⁴ <https://www.statnews.com/pharmalot/2018/05/09/trumps-lawyer-cohen-fixer-novartis/>

⁵ <https://www.statnews.com/pharmalot/2018/05/09/trumps-lawyer-cohen-fixer-novartis/>

⁶ <https://www.whitehouse.gov/briefings-statements/remarks-president-trump-dinner-european-business-leaders/>

⁷ <https://www.opensecrets.org/lobby/clientsum.php?id=D000022163&year=2017id=D000022163&year=2017>

please include the date, time, and location at which such communications took place, as well as a list of individuals who participated.

4. Please provide all documents and communications between (a) Novartis and any affiliated agents, consultants, or lobbyists and (b) Michel D. Cohen and any other agents or employees of Essential Consultants, since November 9, 2016. Such communications should include, but not be limited to, emails, letters, faxes and any other written materials.
5. Please provide a detailed list of meetings and calls that took place between Novartis and Trump Administration officials since January 20, 2017. Trump Administration officials include federal employees within the White House and the Department of Health and Human Services and its sub-agencies. For each meeting or call, please include the date, time, and location at which such communications took place, as well as a list of individuals who participated.
6. Please provide all documents and communications between (a) Novartis and any affiliated agents, consultants, or lobbyists and (b) Trump Administration officials, including federal employees within the White House and the Department of Health and Human Services and its sub-agencies, since January 20, 2017. Such communications should include, but not be limited to, emails, letters, faxes and any other written materials.
7. Did Novartis enter into any other contracts over \$1 million with consultants to gain access to and insight into the White House or the Department of Health and Human Services and its sub-agencies at any point between November 2006 and February 2017? If so, please provide a list of all entities or individuals with whom Novartis contracted for this purpose.

Thank you in advance for your attention to this matter. If you have any questions, or would like to further discuss compliance with this request, please contact Beth Stein, General Counsel for the Ranking Member of the Health, Education, Labor, and Pensions Committee, at 202-224-0767.

Sincerely,



Patty Murray
United States Senator
Ranking Member, Senate Committee on
Health, Education, Labor, and Pensions

cc: The Honorable Lamar Alexander, United States Senator
Chairman, Senate Committee on Health, Education, Labor, and Pensions