

**Hearing Before the United States Senate  
Committee on Health, Education, Labor, and Pensions  
May 10, 2023**

**Testimony of Lars Fruergaard Jørgensen  
President and CEO, Novo Nordisk**

Chairman Sanders, Ranking Member Cassidy, and members of the Committee, thank you for holding this hearing and for giving me an opportunity to speak today on behalf of Novo Nordisk.

At Novo Nordisk, our mission is to pioneer scientific breakthroughs that improve patient care and to ultimately cure the diseases we research.

We share the Committee’s concerns that too many people continue to fall through the cracks of the U.S. healthcare system. We hope today’s conversation will lead to meaningful action and changes that benefit patients. I will share some additional thoughts, but first, I’d like to briefly introduce myself.

I grew up in a tight-knit family in a small rural town in Denmark. Together with my three sisters, I helped my parents run our family farm. That early experience taught me to take responsibility and work hard, not only for myself, but also for others.

It also taught me the importance of finding solutions that are sustainable—back then it was about balancing the interests of the family, the business, the environment, and the community we were a part of.

I joined Novo Nordisk as a Finance Graduate almost 32 years ago, having just returned from studies in the U.S., and I went on to work for the company in the Netherlands, the U.S., and Japan, before I returned to Danish headquarters in 2004. By then, my father had been diagnosed with diabetes, so I know the disease not only professionally, but personally.

I am incredibly humbled and honored to find myself in the position of being the CEO of a company today that always keeps the patient at the center of everything we do.

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While many patients and healthcare professionals know of Novo Nordisk, some people in this room may not. So, I'd like to also briefly introduce the company.

Our company was born out of a love story between two Danish scientists, August and Marie Krogh. When Marie developed diabetes, the couple embarked on a path to find a cure. This journey is where Novo Nordisk's commitment to treat and defeat diabetes began.

While our company has grown to employ more than 55,000 colleagues around the world with 16 production sites in nine countries, and to expand our research and development into several new therapeutic areas, many people are surprised to learn that our majority shareholder is a foundation—the Novo Nordisk Foundation.

This means our company cannot be acquired. It also means our articles of association's commitment that we “conduct [our] activities in a financially, environmentally, and socially responsible way” cannot be weakened or altered.

In fact, our Board of Directors evaluates me and the entire executive team on how we deliver on all of these factors.

Moreover, the Novo Nordisk Foundation is the largest charitable foundation in the world. Just last year, the Foundation awarded almost \$1 billion in grants around the world. Some of these projects combat hunger, poverty, and public health in developing countries; while others support research partnerships between industry and academia here in the United States; and still others focus on cutting-edge innovations around quantum computing and fighting anti-microbial resistant bacteria.

Thanks to our unique structure with the Novo Nordisk Foundation, we can be proud that our business successes not only mean bringing innovative medicines to patients around the world, but also ensure our dividends help fuel the Foundation's investment in additional scientific and humanitarian causes.

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As a company committed to defeating diabetes for over a century, I'd like to address a serious misconception that has taken on a life of its own.

Too often, it is repeated that insulin has been on the market for a hundred years. This implies that nothing has changed since insulin was discovered in 1921.

Nothing could be further from the truth.

When insulin was discovered, patients were supplied with a large reusable needle, glass syringes, a whetstone to keep the needlepoint sharp, and sterilizing equipment for boiling the needles and syringes between use.

Early insulin had to be injected repeatedly throughout the day and night. Patients also commonly suffered severe allergic reactions and considerable medical complications.

The reality is, while the insulin of the 1920s saved lives, it was difficult to use, and tight control was demanded to prevent blindness, amputations, and kidney failure.

Even today, patients with diabetes exist on a razor thin line balancing their blood sugar.

This means that while advancement in insulins—such as going from animal to human and from human to analog fast-acting or long-acting—may sound insignificant to those of us who don't live with diabetes; in reality even small steps forward can meaningfully improve a patient's life.

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At Novo Nordisk, we know that no matter how pioneering a drug may be, it can only help patients when it's accessible and affordable.

No one who needs insulin should have to ration or go without because they cannot afford it.

This should never happen.

Novo Nordisk has aggressively worked to fill gaps in the U.S. healthcare system for people taking insulin, but we know there are still problems that need to be addressed.

That is why we are all here today.

Patients who struggle to afford insulin too often find they are trapped by an integrated insurance system full of misaligned economic incentives.

It is a system that is driven by increasing the dollars going to insurers, their Group Purchasing Organizations, and their Pharmacy Benefit Managers—or “PBMs,” instead of patients living with diabetes.

Over the years, these middlemen have added more and more fees, discounts, points, and rebates across the supply chain—siphoning more money out of the system.

From every dollar of medicine we sell, Novo Nordisk pays back an average of 75 cents—and for insulins, it is often higher—to these middlemen to ensure our medicines remain covered by insurance companies and remain available to patients.

Every day we ask ourselves: what more can we do for patients?

Over the last several years, we’ve implemented many new programs to help ensure that no American living with diabetes goes without insulin, and we are constantly evaluating what more can we do.

Today, patients have access to a suite of affordability options that provide Novo Nordisk insulins at low or no cost.

We provide an immediate, one-time supply of free insulin to patients who face rationing.

Our Patient Assistance Program provides a steady supply of free insulin to patients in need whose households fall below 400% of the Federal Poverty Line. That’s \$120,000 for a family of four.

We have made human insulin available at Walmart and other pharmacies that is sold for approximately \$25 a vial for all patients regardless of income and insurance coverage status.

We are working hard to ensure that these programs reach and help as many patients as possible.

And we want to work with this Committee and Congress to lower patients’ out-of-pocket costs.

Now is the time for all participants in the healthcare system—including insurers, their PBMs, their Group Purchasing Organizations, and, of course, manufacturers—to work for solutions that put the patient first.

Thank you. I look forward to your questions.

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