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1550 MAIN STREET, 4TH FLOOR Springfield, MA 01103 413-785-4610

January 19, 2022

Robert B. Ford Chairman and CEO Abbott 100 Abbott Park Road Abbott Park, IL 60064

Dear Mr. Ford,

I write to seek assurances that Abbott's at-home rapid COVID-19 antigen tests are affordable to Americans who need them. As the Omicron variant causes a surge in COVID-19 cases and more Americans seek rapid at-home testing, consumers must not face prohibitive prices for these testing kits. As the recipient of an Emergency Use Authorization (EUA) from the Food and Drug Administration (FDA) for an over-the-counter COVID-19 rapid antigen test, Abbott has a responsibility to ensure that the price for its test is fair, reasonable, and economical to those who need it during this public health emergency.

At-home testing is vital for identifying illness and stopping the spread of COVID-19. Officials at all levels of government are working to secure access to at-home rapid COVID-19 antigen tests, including distributing them to the public at no charge and providing them to schools and employers.¹ But access to at-home tests should not be limited to those able to secure them for free or those who can afford to pay the high prices currently charged for them. Manufacturers, including Abbott, should immediately commit to lowering the price for at-home rapid COVID-19 antigen tests.

The cost of at-home rapid COVID-19 antigen tests can pose a significant barrier to access. For example, at a retail price of \$24.00 for a two-test kit,² a family of four would spend approximately \$50 every time it needs to test — hundreds of dollars a month assuming weekly testing. While the federal government works to distribute free rapid tests, and has recently

¹ In Boston and in Washington, Wu and Biden both promise to help break coronavirus testing logjam, Boston Globe (Jan. 4, 2022), <u>https://www.bostonglobe.com/2022/01/04/metro/biden-wu-promise-help-break-testing-logjam/;</u> Ted Wayman, *Delivery of 227,000 rapid COVID-19 tests for school employees begins in Massachusetts*, WCVB (Jan. 1, 2022), <u>https://www.wcvb.com/article/rapid-covid-19-tests-for-school-employees-january-1-2022/38649607#</u>.

² Sharon Terlap, *Walmart, Kroger Raise Prices of Covid-19 Test Kits*, Wall St. J. (Jan. 5, 2022), https://www.wsj.com/articles/walmart-kroger-raise-prices-of-covid-19-test-kits-11641320476. required insurers to reimburse individuals for the cost of rapid tests they purchase,³ many must still pay these costs out-of-pocket. For the millions of Americans concerned about their health, trying to protect friends and family from infection, or in need of a negative test for work, travel, or child care, these prices are simply too high.

I am particularly concerned that the cost of at-home rapid COVID-19 antigen tests significantly exceeds their manufacturing cost. According to reports, a malaria test that uses technology similar to Abbott's PanBio COVID-19 Antigen Self-Test sells for just \$0.20 per test, suggesting a low manufacturing cost for rapid COVID-19 antigen tests.⁴ Indeed, according to one of the largest British test manufacturers, at-home tests can cost as little as \$2 each to manufacture.⁵ Additionally, manufacturers of at-home rapid COVID-19 antigen tests that received EUAs in early 2021 have seen significant profits from sales of what has been described as "high margin products."⁶ Yet, U.S. consumers face costs of \$12 or more for each at-home rapid COVID-19 antigen test. As we face an unprecedented wave of COVID cases, manufacturers and retailers must do more to ensure consumers see reasonable prices for at-home tests.

- 1. What is Abbott's current per-test cost to manufacture its rapid COVID-19 antigen test? How has that cost fluctuated during the pandemic?
- 2. What is the current average wholesale price Abbott charges retailers for its rapid COVID-19 antigen test? How has that price fluctuated during the pandemic?
- 3. Has Abbott communicated to the federal government any issues concerning supplies of input materials for its rapid COVID-19 antigen test?
- 4. What steps has Abbott taken to keep costs to consumers low for its rapid COVID-19 antigen test?

³ Shannon Pettypiece, *Biden administration to make 500 million at-home Covid tests available for free*, NBC News (Dec. 21, 2021), <u>https://www.nbcnews.com/politics/white-house/biden-administration-make-500-million-home-</u>

<u>covid-tests-available-free-n1286356;</u> Press Release, Department of Health and Human Services, *Biden-Harris Administration Requires Insurance Companies and Group Health Plans to Cover the Cost of At-Home COVID-19 Tests, Increasing Access to Free Tests* (Jan. 10, 2022), <u>https://www.hhs.gov/about/news/2022/01/10/biden-harris-administration-requires-insurance-companies-group-health-plans-to-cover-cost-at-home-covid-19-tests-increasing-access-free-tests.html.</u>

⁴ Sheri Fink, *Maker of Popular Covid Test Told Factory to Destroy Inventory*, N.Y. Times (Aug. 20, 2021), <u>https://www.nytimes.com/2021/08/20/us/abbott-covid-tests.html.</u>

⁵ Carl O'Donnell, *Rapid COVID-19 tests increasingly scarce, pricey as demand from employers jumps*, Reuters (Oct. 5, 2021), <u>https://www.reuters.com/business/healthcare-pharmaceuticals/rapid-covid-19-tests-increasingly-scarce-pricey-demand-employers-jumps-2021-10-05/.</u>

⁶ Bruce Japsen, *Omicron A Big Windfall For Test Makers Like Abbott Labs And Becton Dickinson*, Forbes (Dec. 22, 2021), <u>https://www.forbes.com/sites/brucejapsen/2021/12/22/omicron-a-big-windfall-for-test-makers-like-abbott-labs-and-becton-dickinson/?sh=6f085d9e4fe6</u>.

Edward J Markey

Edward J. Markey United States Senator

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January 19, 2022

Young Choi Chairman and CEO Access Bio, Inc. 65 Clyde Road Suite A Somerset, NJ 08873

Dear Mr. Choi,

I write to seek assurances that Access Bio's at-home rapid COVID-19 antigen tests are affordable to Americans who need them. As the Omicron variant causes a surge in COVID-19 cases and more Americans seek rapid at-home testing, consumers must not face prohibitive prices for these testing kits. As the recipient of an Emergency Use Authorization (EUA) from the Food and Drug Administration (FDA) for an over-the-counter COVID-19 rapid antigen test, Access Bio has a responsibility to ensure that the price for its test is fair, reasonable, and economical to those who need it during this public health emergency.

At-home testing is vital for identifying illness and stopping the spread of COVID-19. Officials at all levels of government are working to secure access to at-home rapid COVID-19 antigen tests, including distributing them to the public at no charge and providing them to schools and employers.⁷ But access to at-home tests should not be limited to those able to secure them for free or those who can afford to pay the high prices currently charged for them. Manufacturers, including Access Bio, should immediately commit to lowering the price for at-home rapid COVID-19 antigen tests.

The cost of at-home rapid COVID-19 antigen tests can pose a significant barrier to access. For example, at a retail price of \$24.00 for a two-test kit,⁸ a family of four would spend approximately \$50 every time it needs to test — hundreds of dollars a month assuming weekly testing. While the federal government works to distribute free rapid tests, and has recently

⁷ In Boston and in Washington, Wu and Biden both promise to help break coronavirus testing logjam, Boston Globe (Jan. 4, 2022), <u>https://www.bostonglobe.com/2022/01/04/metro/biden-wu-promise-help-break-testing-logjam/;</u> Ted Wayman, *Delivery of 227,000 rapid COVID-19 tests for school employees begins in Massachusetts*, WCVB (Jan. 1, 2022), <u>https://www.wcvb.com/article/rapid-covid-19-tests-for-school-employees-january-1-2022/38649607#</u>. ⁸ Sharon Terlap, *Walmart, Kroger Raise Prices of Covid-19 Test Kits*, Wall St. J. (Jan. 5, 2022),

https://www.wsj.com/articles/walmart-kroger-raise-prices-of-covid-19-test-kits-11641320476.

required insurers to reimburse individuals for the cost of rapid tests they purchase,⁹ many must still pay these costs out-of-pocket. For the millions of Americans concerned about their health, trying to protect friends and family from infection, or in need of a negative test for work, travel, or child care, these prices are simply too high.

I am particularly concerned that the cost of at-home rapid COVID-19 antigen tests significantly exceeds their manufacturing cost. According to reports, a malaria test that uses technology similar to Abbott's PanBio COVID-19 Antigen Self-Test sells for just \$0.20 per test, suggesting a low manufacturing cost for rapid COVID-19 antigen tests.¹⁰ Indeed, according to one of the largest British test manufacturers, at-home tests can cost as little as \$2 each to manufacture.¹¹ Additionally, manufacturers of at-home rapid COVID-19 antigen tests that received EUAs in early 2021 have seen significant profits from sales of what has been described as "high margin products."¹² Yet, U.S. consumers face costs of \$12 or more for each at-home rapid COVID-19 antigen test. As we face an unprecedented wave of COVID cases, manufacturers and retailers must do more to ensure consumers see reasonable prices for at-home tests.

- 1. What is Access Bio's current per-test cost to manufacture its rapid COVID-19 antigen test? How has that cost fluctuated during the pandemic?
- 2. What is the current average wholesale price Access Bio charges retailers for its rapid COVID-19 antigen test? How has that price fluctuated during the pandemic?
- 3. Has Access Bio communicated to the federal government any issues concerning supplies of input materials for its rapid COVID-19 antigen test?
- 4. What steps has Access Bio taken to keep costs to consumers low for its rapid COVID-19 antigen test?

⁹ Shannon Pettypiece, *Biden administration to make 500 million at-home Covid tests available for free*, NBC News (Dec. 21, 2021), <u>https://www.nbcnews.com/politics/white-house/biden-administration-make-500-million-home-</u>

<u>covid-tests-available-free-n1286356</u>; Press Release, Department of Health and Human Services, *Biden-Harris Administration Requires Insurance Companies and Group Health Plans to Cover the Cost of At-Home COVID-19 Tests, Increasing Access to Free Tests* (Jan. 10, 2022), <u>https://www.hhs.gov/about/news/2022/01/10/biden-harris-administration-requires-insurance-companies-group-health-plans-to-cover-cost-at-home-covid-19-tests-increasing-access-free-tests.html.</u>

¹⁰ Sheri Fink, *Maker of Popular Covid Test Told Factory to Destroy Inventory*, N.Y. Times (Aug. 20, 2021), <u>https://www.nytimes.com/2021/08/20/us/abbott-covid-tests.html.</u>

¹¹ Carl O'Donnell, *Rapid COVID-19 tests increasingly scarce, pricey as demand from employers jumps*, Reuters (Oct. 5, 2021), <u>https://www.reuters.com/business/healthcare-pharmaceuticals/rapid-covid-19-tests-increasingly-scarce-pricey-demand-employers-jumps-2021-10-05/.</u>

¹² Bruce Japsen, *Omicron A Big Windfall For Test Makers Like Abbott Labs And Becton Dickinson*, Forbes (Dec. 22, 2021), <u>https://www.forbes.com/sites/brucejapsen/2021/12/22/omicron-a-big-windfall-for-test-makers-like-abbott-labs-and-becton-dickinson/?sh=6f085d9e4fe6</u>.

Edward J Markey

Edward J. Markey United States Senator

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January 19, 2022

Lin Jixun CEO ACON Laboratories, Inc. 10125 Mesa Rim Road San Diego, CA 92121

Dear Mr. Jixun,

I write to seek assurances that ACON Laboratories' at-home rapid COVID-19 antigen tests are affordable to Americans who need them. As the Omicron variant causes a surge in COVID-19 cases and more Americans seek rapid at-home testing, consumers must not face prohibitive prices for these testing kits. As the recipient of an Emergency Use Authorization (EUA) from the Food and Drug Administration (FDA) for an over-the-counter COVID-19 rapid antigen test, ACON Laboratories has a responsibility to ensure that the price for its test is fair, reasonable, and economical to those who need it during this public health emergency.

At-home testing is vital for identifying illness and stopping the spread of COVID-19. Officials at all levels of government are working to secure access to at-home rapid COVID-19 antigen tests, including distributing them to the public at no charge and providing them to schools and employers.¹³ But access to at-home tests should not be limited to those able to secure them for free or those who can afford to pay the high prices currently charged for them. Manufacturers, including ACON Laboratories., should immediately commit to lowering the price for at-home rapid COVID-19 antigen tests.

The cost of at-home rapid COVID-19 antigen tests can pose a significant barrier to access. For example, at a retail price of \$24.00 for a two-test kit,¹⁴ a family of four would spend approximately \$50 every time it needs to test — hundreds of dollars a month assuming weekly testing. While the federal government works to distribute free rapid tests, and has recently

¹³ In Boston and in Washington, Wu and Biden both promise to help break coronavirus testing logjam, Boston Globe (Jan. 4, 2022), <u>https://www.bostonglobe.com/2022/01/04/metro/biden-wu-promise-help-break-testing-logjam/</u>; Ted Wayman, *Delivery of 227,000 rapid COVID-19 tests for school employees begins in Massachusetts*, WCVB (Jan. 1, 2022), <u>https://www.wcvb.com/article/rapid-covid-19-tests-for-school-employees-january-1-</u>2022/38649607#.

¹⁴ Sharon Terlap, *Walmart, Kroger Raise Prices of Covid-19 Test Kits*, Wall St. J. (Jan. 5, 2022), https://www.wsj.com/articles/walmart-kroger-raise-prices-of-covid-19-test-kits-11641320476.

required insurers to reimburse individuals for the cost of rapid tests they purchase,¹⁵ many must still pay these costs out-of-pocket. For the millions of Americans concerned about their health, trying to protect friends and family from infection, or in need of a negative test for work, travel, or child care, these prices are simply too high.

I am particularly concerned that the cost of at-home rapid COVID-19 antigen tests significantly exceeds their manufacturing cost. According to reports, a malaria test that uses technology similar to Abbott's PanBio COVID-19 Antigen Self-Test sells for just \$0.20 per test, suggesting a low manufacturing cost for rapid COVID-19 antigen tests.¹⁶ Indeed, according to one of the largest British test manufacturers, at-home tests can cost as little as \$2 each to manufacture.¹⁷ Additionally, manufacturers of at-home rapid COVID-19 antigen tests that received EUAs in early 2021 have seen significant profits from sales of what has been described as "high margin products."¹⁸ Yet, U.S. consumers face costs of \$12 or more for each at-home rapid COVID-19 antigen test. As we face an unprecedented wave of COVID cases, manufacturers and retailers must do more to ensure consumers see reasonable prices for at-home tests.

- 1. What is ACON Laboratories' current per-test cost to manufacture its rapid COVID-19 antigen test? How has that cost fluctuated during the pandemic?
- 2. What is the current average wholesale price ACON Laboratories charges retailers for its rapid COVID-19 antigen test? How has that price fluctuated during the pandemic?
- 3. Has ACON Laboratories communicated to the federal government any issues concerning supplies of input materials for its rapid COVID-19 antigen test?
- 4. What steps has ACON Laboratories taken to keep costs to consumers low for its rapid COVID-19 antigen test?

¹⁵ Shannon Pettypiece, *Biden administration to make 500 million at-home Covid tests available for free*, NBC News (Dec. 21, 2021), <u>https://www.nbcnews.com/politics/white-house/biden-administration-make-500-million-home-</u>

<u>covid-tests-available-free-n1286356;</u> Press Release, Department of Health and Human Services, *Biden-Harris Administration Requires Insurance Companies and Group Health Plans to Cover the Cost of At-Home COVID-19 Tests, Increasing Access to Free Tests* (Jan. 10, 2022), <u>https://www.hhs.gov/about/news/2022/01/10/biden-harris-administration-requires-insurance-companies-group-health-plans-to-cover-cost-at-home-covid-19-tests-increasing-access-free-tests.html.</u>

¹⁶ Sheri Fink, *Maker of Popular Covid Test Told Factory to Destroy Inventory*, N.Y. Times (Aug. 20, 2021), https://www.nytimes.com/2021/08/20/us/abbott-covid-tests.html.

¹⁷ Carl O'Donnell, *Rapid COVID-19 tests increasingly scarce, pricey as demand from employers jumps*, Reuters (Oct. 5, 2021), <u>https://www.reuters.com/business/healthcare-pharmaceuticals/rapid-covid-19-tests-increasingly-scarce-pricey-demand-employers-jumps-2021-10-05/.</u>

¹⁸ Bruce Japsen, Omicron A Big Windfall For Test Makers Like Abbott Labs And Becton Dickinson, Forbes (Dec. 22, 2021), <u>https://www.forbes.com/sites/brucejapsen/2021/12/22/omicron-a-big-windfall-for-test-makers-like-abbott-labs-and-becton-dickinson/?sh=6f085d9e4fe6</u>.

Edward J Markey

Edward J. Markey United States Senator

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January 19, 2022

Thomas Polen Chairman, CEO, and President Becton, Dickinson & Company 1 Becton Drive Franklin Lakes, NJ 07417

Dear Mr. Polen,

I write to seek assurances that Becton, Dickinson & Company's at-home rapid COVID-19 antigen tests are affordable to Americans who need them. As the Omicron variant causes a surge in COVID-19 cases and more Americans seek rapid at-home testing, consumers must not face prohibitive prices for these testing kits. As the recipient of an Emergency Use Authorization (EUA) from the Food and Drug Administration (FDA) for an over-the-counter COVID-19 rapid antigen test, Becton, Dickinson & Company has a responsibility to ensure that the price for its test is fair, reasonable, and economical to those who need it during this public health emergency.

At-home testing is vital for identifying illness and stopping the spread of COVID-19. Officials at all levels of government are working to secure access to at-home rapid COVID-19 antigen tests, including distributing them to the public at no charge and providing them to schools and employers.¹⁹ But access to at-home tests should not be limited to those able to secure them for free or those who can afford to pay the high prices currently charged for them. Manufacturers, including Becton, Dickinson & Company, should immediately commit to lowering the price for at-home rapid COVID-19 antigen tests.

The cost of at-home rapid COVID-19 antigen tests can pose a significant barrier to access. For example, at a retail price of \$24.00 for a two-test kit,²⁰ a family of four would spend approximately \$50 every time it needs to test — hundreds of dollars a month assuming weekly testing. While the federal government works to distribute free rapid tests, and has recently

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²⁰ Sharon Terlap, *Walmart, Kroger Raise Prices of Covid-19 Test Kits*, Wall St. J. (Jan. 5, 2022), https://www.wsj.com/articles/walmart-kroger-raise-prices-of-covid-19-test-kits-11641320476.

required insurers to reimburse individuals for the cost of rapid tests they purchase,²¹ many must still pay these costs out-of-pocket. For the millions of Americans concerned about their health, trying to protect friends and family from infection, or in need of a negative test for work, travel, or child care, these prices are simply too high.

I am particularly concerned that the cost of at-home rapid COVID-19 antigen tests significantly exceeds their manufacturing cost. According to reports, a malaria test that uses technology similar to Abbott's PanBio COVID-19 Antigen Self-Test sells for just \$0.20 per test, suggesting a low manufacturing cost for rapid COVID-19 antigen tests.²² Indeed, according to one of the largest British test manufacturers, at-home tests can cost as little as \$2 each to manufacture.²³ Additionally, manufacturers of at-home rapid COVID-19 antigen tests that received EUAs in early 2021 have seen significant profits from sales of what has been described as "high margin products."²⁴ Yet, U.S. consumers face costs of \$12 or more for each at-home rapid COVID-19 antigen test. As we face an unprecedented wave of COVID cases, manufacturers and retailers must do more to ensure consumers see reasonable prices for at-home tests.

- 1. What is Becton, Dickinson & Company's current per-test cost to manufacture its rapid COVID-19 antigen test? How has that cost fluctuated during the pandemic?
- 2. What is the current average wholesale price Becton, Dickinson & Company charges retailers for its rapid COVID-19 antigen test? How has that price fluctuated during the pandemic?
- 3. Has Becton, Dickinson & Company communicated to the federal government any issues concerning supplies of input materials for its rapid COVID-19 antigen test?

²¹ Shannon Pettypiece, *Biden administration to make 500 million at-home Covid tests available for free*, NBC News (Dec. 21, 2021), <u>https://www.nbcnews.com/politics/white-house/biden-administration-make-500-million-home-</u>

<u>covid-tests-available-free-n1286356</u>; Press Release, Department of Health and Human Services, *Biden-Harris Administration Requires Insurance Companies and Group Health Plans to Cover the Cost of At-Home COVID-19 Tests, Increasing Access to Free Tests* (Jan. 10, 2022), <u>https://www.hhs.gov/about/news/2022/01/10/biden-harris-administration-requires-insurance-companies-group-health-plans-to-cover-cost-at-home-covid-19-tests-increasing-access-free-tests.html.</u>

²² Sheri Fink, *Maker of Popular Covid Test Told Factory to Destroy Inventory*, N.Y. Times (Aug. 20, 2021), https://www.nytimes.com/2021/08/20/us/abbott-covid-tests.html.

²³ Carl O'Donnell, *Rapid COVID-19 tests increasingly scarce, pricey as demand from employers jumps*, Reuters (Oct. 5, 2021), <u>https://www.reuters.com/business/healthcare-pharmaceuticals/rapid-covid-19-tests-increasingly-scarce-pricey-demand-employers-jumps-2021-10-05/.</u>

²⁴ Bruce Japsen, Omicron A Big Windfall For Test Makers Like Abbott Labs And Becton Dickinson, Forbes (Dec. 22, 2021), <u>https://www.forbes.com/sites/brucejapsen/2021/12/22/omicron-a-big-windfall-for-test-makers-like-abbott-labs-and-becton-dickinson/?sh=6f085d9e4fe6</u>.

4. What steps has Becton, Dickinson & Company taken to keep costs to consumers low for its rapid COVID-19 antigen test?

Thank you in advance for your attention to this matter. If you have any questions, please contact Adam Axler (<u>adam_axler@markey.senate.gov</u>) or Ian Jones (<u>ian_jones@markey.senate.gov</u>) at 202-224-2742 in my office.

Edward J Markey

Edward J. Markey United States Senator

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Hyung-Ki Kim CEO Celltrion USA, Inc. 2520 Meridian Parkway, Suite 200 Durham, NC 27713

Dear Mr. Kim,

I write to seek assurances that Celltrion's at-home rapid COVID-19 antigen tests are affordable to Americans who need them. As the Omicron variant causes a surge in COVID-19 cases and more Americans seek rapid at-home testing, consumers must not face prohibitive prices for these testing kits. As the recipient of an Emergency Use Authorization (EUA) from the Food and Drug Administration (FDA) for an over-the-counter COVID-19 rapid antigen test, Celltrion has a responsibility to ensure that the price for its test is fair, reasonable, and economical to those who need it during this public health emergency.

At-home testing is vital for identifying illness and stopping the spread of COVID-19. Officials at all levels of government are working to secure access to at-home rapid COVID-19 antigen tests, including distributing them to the public at no charge and providing them to schools and employers.²⁵ But access to at-home tests should not be limited to those able to secure them for free or those who can afford to pay the high prices currently charged for them. Manufacturers, including Celltrion, should immediately commit to lowering the price for at-home rapid COVID-19 antigen tests.

The cost of at-home rapid COVID-19 antigen tests can pose a significant barrier to access. For example, at a retail price of \$24.00 for a two-test kit,²⁶ a family of four would spend approximately \$50 every time it needs to test — hundreds of dollars a month assuming weekly testing. While the federal government works to distribute free rapid tests, and has recently

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²⁶ Sharon Terlap, *Walmart, Kroger Raise Prices of Covid-19 Test Kits*, Wall St. J. (Jan. 5, 2022), https://www.wsj.com/articles/walmart-kroger-raise-prices-of-covid-19-test-kits-11641320476.

required insurers to reimburse individuals for the cost of rapid tests they purchase,²⁷ many must still pay these costs out-of-pocket. For the millions of Americans concerned about their health, trying to protect friends and family from infection, or in need of a negative test for work, travel, or child care, these prices are simply too high.

I am particularly concerned that the cost of at-home rapid COVID-19 antigen tests significantly exceeds their manufacturing cost. According to reports, a malaria test that uses technology similar to Abbott's PanBio COVID-19 Antigen Self-Test sells for just \$0.20 per test, suggesting a low manufacturing cost for rapid COVID-19 antigen tests.²⁸ Indeed, according to one of the largest British test manufacturers, at-home tests can cost as little as \$2 each to manufacture.²⁹ Additionally, manufacturers of at-home rapid COVID-19 antigen tests that received EUAs in early 2021 have seen significant profits from sales of what has been described as "high margin products."³⁰ Yet, U.S. consumers face costs of \$12 or more for each at-home rapid COVID-19 antigen test. As we face an unprecedented wave of COVID cases, manufacturers and retailers must do more to ensure consumers see reasonable prices for at-home tests.

- 1. What is Celltrion's current per-test cost to manufacture its rapid COVID-19 antigen test? How has that cost fluctuated during the pandemic?
- 2. What is the current average wholesale price Celltrion charges retailers for its rapid COVID-19 antigen test? How has that price fluctuated during the pandemic?
- 3. Has Celltrion communicated to the federal government any issues concerning supplies of input materials for its rapid COVID-19 antigen test?
- 4. What steps has Celltrion taken to keep costs to consumers low for its rapid COVID-19 antigen test?

²⁷ Shannon Pettypiece, *Biden administration to make 500 million at-home Covid tests available for free*, NBC News (Dec. 21, 2021), <u>https://www.nbcnews.com/politics/white-house/biden-administration-make-500-million-home-</u>

<u>covid-tests-available-free-n1286356;</u> Press Release, Department of Health and Human Services, *Biden-Harris Administration Requires Insurance Companies and Group Health Plans to Cover the Cost of At-Home COVID-19 Tests, Increasing Access to Free Tests* (Jan. 10, 2022), <u>https://www.hhs.gov/about/news/2022/01/10/biden-harris-administration-requires-insurance-companies-group-health-plans-to-cover-cost-at-home-covid-19-tests-increasing-access-free-tests.html.</u>

²⁸ Sheri Fink, *Maker of Popular Covid Test Told Factory to Destroy Inventory*, N.Y. Times (Aug. 20, 2021), <u>https://www.nytimes.com/2021/08/20/us/abbott-covid-tests.html.</u>

²⁹ Carl O'Donnell, *Rapid COVID-19 tests increasingly scarce, pricey as demand from employers jumps*, Reuters (Oct. 5, 2021), <u>https://www.reuters.com/business/healthcare-pharmaceuticals/rapid-covid-19-tests-increasingly-scarce-pricey-demand-employers-jumps-2021-10-05/.</u>

³⁰ Bruce Japsen, *Omicron A Big Windfall For Test Makers Like Abbott Labs And Becton Dickinson*, Forbes (Dec. 22, 2021), <u>https://www.forbes.com/sites/brucejapsen/2021/12/22/omicron-a-big-windfall-for-test-makers-like-abbott-labs-and-becton-dickinson/?sh=6f085d9e4fe6</u>.

Edward J Markey

Edward J. Markey United States Senator

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1550 MAIN STREET, 4TH FLOOR Springfield, MA 01103 413-785-4610

January 19, 2022

Dr. Sean Parsons Founder, CEO, and Managing Director Ellume Health 4930 Executive Court South Frederick, MD 21703

Dear Dr. Parsons,

I write to seek assurances that Ellume Health's at-home rapid COVID-19 antigen tests are affordable to Americans who need them. As the Omicron variant causes a surge in COVID-19 cases and more Americans seek rapid at-home testing, consumers must not face prohibitive prices for these testing kits. As the recipient of an Emergency Use Authorization (EUA) from the Food and Drug Administration (FDA) for an over-the-counter COVID-19 rapid antigen test, Ellume Health has a responsibility to ensure that the price for its test is fair, reasonable, and economical to those who need it during this public health emergency.

At-home testing is vital for identifying illness and stopping the spread of COVID-19. Officials at all levels of government are working to secure access to at-home rapid COVID-19 antigen tests, including distributing them to the public at no charge and providing them to schools and employers.³¹ But access to at-home tests should not be limited to those able to secure them for free or those who can afford to pay the high prices currently charged for them. Manufacturers, including Ellume Health, should immediately commit to lowering the price for at-home rapid COVID-19 antigen tests.

The cost of at-home rapid COVID-19 antigen tests can pose a significant barrier to access. For example, at a retail price of \$24.00 for a two-test kit,³² a family of four would spend approximately \$50 every time it needs to test — hundreds of dollars a month assuming weekly testing. While the federal government works to distribute free rapid tests, and has recently

³¹ In Boston and in Washington, Wu and Biden both promise to help break coronavirus testing logjam, Boston Globe (Jan. 4, 2022), <u>https://www.bostonglobe.com/2022/01/04/metro/biden-wu-promise-help-break-testing-logjam/</u>; Ted Wayman, *Delivery of 227,000 rapid COVID-19 tests for school employees begins in Massachusetts*, WCVB (Jan. 1, 2022), <u>https://www.wcvb.com/article/rapid-covid-19-tests-for-school-employees-january-1-</u>2022/38649607#.

³² Sharon Terlap, *Walmart, Kroger Raise Prices of Covid-19 Test Kits*, Wall St. J. (Jan. 5, 2022), https://www.wsj.com/articles/walmart-kroger-raise-prices-of-covid-19-test-kits-11641320476.

required insurers to reimburse individuals for the cost of rapid tests they purchase,³³ many must still pay these costs out-of-pocket. For the millions of Americans concerned about their health, trying to protect friends and family from infection, or in need of a negative test for work, travel, or child care, these prices are simply too high.

I am particularly concerned that the cost of at-home rapid COVID-19 antigen tests significantly exceeds their manufacturing cost. According to reports, a malaria test that uses technology similar to Abbott's PanBio COVID-19 Antigen Self-Test sells for just \$0.20 per test, suggesting a low manufacturing cost for rapid COVID-19 antigen tests.³⁴ Indeed, according to one of the largest British test manufacturers, at-home tests can cost as little as \$2 each to manufacture.³⁵ Additionally, manufacturers of at-home rapid COVID-19 antigen tests that received EUAs in early 2021 has seen significant profits from sales of what have been described as "high margin products."³⁶ Yet, U.S. consumers face costs of \$12 or more for each at-home rapid COVID-19 antigen test. As we face an unprecedented wave of COVID cases, manufacturers and retailers must do more to ensure consumers see reasonable prices for at-home tests.

- 1. What is Ellume Health's current per-test cost to manufacture its rapid COVID-19 antigen test? How has that cost fluctuated during the pandemic?
- 2. What is the current average wholesale price Ellume Health charges retailers for its rapid COVID-19 antigen test? How has that price fluctuated during the pandemic?
- 3. Has Ellume Health communicated to the federal government any issues concerning supplies of input materials for its rapid COVID-19 antigen test?
- 4. What steps has Ellume Health taken to keep costs to consumers low for its rapid COVID-19 antigen test?

³³ Shannon Pettypiece, *Biden administration to make 500 million at-home Covid tests available for free*, NBC News (Dec. 21, 2021), <u>https://www.nbcnews.com/politics/white-house/biden-administration-make-500-million-home-</u>

<u>covid-tests-available-free-n1286356;</u> Press Release, Department of Health and Human Services, *Biden-Harris Administration Requires Insurance Companies and Group Health Plans to Cover the Cost of At-Home COVID-19 Tests, Increasing Access to Free Tests* (Jan. 10, 2022), <u>https://www.hhs.gov/about/news/2022/01/10/biden-harris-administration-requires-insurance-companies-group-health-plans-to-cover-cost-at-home-covid-19-tests-increasing-access-free-tests.html.</u>

³⁴ Sheri Fink, *Maker of Popular Covid Test Told Factory to Destroy Inventory*, N.Y. Times (Aug. 20, 2021), https://www.nytimes.com/2021/08/20/us/abbott-covid-tests.html.

³⁵ Carl O'Donnell, *Rapid COVID-19 tests increasingly scarce, pricey as demand from employers jumps*, Reuters (Oct. 5, 2021), <u>https://www.reuters.com/business/healthcare-pharmaceuticals/rapid-covid-19-tests-increasingly-scarce-pricey-demand-employers-jumps-2021-10-05/.</u>

³⁶ Bruce Japsen, *Omicron A Big Windfall For Test Makers Like Abbott Labs And Becton Dickinson*, Forbes (Dec. 22, 2021), <u>https://www.forbes.com/sites/brucejapsen/2021/12/22/omicron-a-big-windfall-for-test-makers-like-abbott-labs-and-becton-dickinson/?sh=6f085d9e4fe6</u>.

Edward J Markey

Edward J. Markey United States Senator

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January 19, 2022

Yi Liu Founder and CEO iHealth Labs, Inc. 120 San Lucar Court Sunnyvale, CA 94086

Dear Mr. Liu,

I write to seek assurances that iHealth Labs' at-home rapid COVID-19 antigen tests are affordable to Americans who need them. As the Omicron variant causes a surge in COVID-19 cases and more Americans seek rapid at-home testing, consumers must not face prohibitive prices for these testing kits. As the recipient of an Emergency Use Authorization (EUA) from the Food and Drug Administration (FDA) for an over-the-counter COVID-19 rapid antigen test, iHealth Labs has a responsibility to ensure that the price for its test is fair, reasonable, and economical to those who need it during this public health emergency.

At-home testing is vital for identifying illness and stopping the spread of COVID-19. Officials at all levels of government are working to secure access to at-home rapid COVID-19 antigen tests, including distributing them to the public at no charge and providing them to schools and employers.³⁷ But access to at-home tests should not be limited to those able to secure them for free or those who can afford to pay the high prices currently charged for them. Manufacturers, including iHealth Labs, should immediately commit to lowering the price for at-home rapid COVID-19 antigen tests.

The cost of at-home rapid COVID-19 antigen tests can pose a significant barrier to access. For example, at a retail price of \$24.00 for a two-test kit,³⁸ a family of four would spend approximately \$50 every time it needs to test — hundreds of dollars a month assuming weekly testing. While the federal government works to distribute free rapid tests, and has recently

³⁷ In Boston and in Washington, Wu and Biden both promise to help break coronavirus testing logjam, Boston Globe (Jan. 4, 2022), <u>https://www.bostonglobe.com/2022/01/04/metro/biden-wu-promise-help-break-testing-logjam/</u>; Ted Wayman, *Delivery of 227,000 rapid COVID-19 tests for school employees begins in Massachusetts*, WCVB (Jan. 1, 2022), <u>https://www.wcvb.com/article/rapid-covid-19-tests-for-school-employees-january-1-</u>2022/38649607#.

³⁸ Sharon Terlap, *Walmart, Kroger Raise Prices of Covid-19 Test Kits*, Wall St. J. (Jan. 5, 2022), https://www.wsj.com/articles/walmart-kroger-raise-prices-of-covid-19-test-kits-11641320476.

required insurers to reimburse individuals for the cost of rapid tests they purchase,³⁹ many must still pay these costs out-of-pocket. For the millions of Americans concerned about their health, trying to protect friends and family from infection, or in need of a negative test for work, travel, or child care, these prices are simply too high.

I am particularly concerned that the cost of at-home rapid COVID-19 antigen tests significantly exceeds their manufacturing cost. According to reports, a malaria test that uses technology similar to Abbott's PanBio COVID-19 Antigen Self-Test sells for just \$0.20 per test, suggesting a low manufacturing cost for rapid COVID-19 antigen tests.⁴⁰ Indeed, according to one of the largest British test manufacturers, at-home tests can cost as little as \$2 each to manufacture.⁴¹ Additionally, manufacturers of at-home rapid COVID-19 antigen tests that received EUAs in early 2021 has seen significant profits from sales of what have been described as "high margin products."⁴² Yet, U.S. consumers face costs of \$12 or more for each at-home rapid COVID-19 antigen test. As we face an unprecedented wave of COVID cases, manufacturers and retailers must do more to ensure consumers see reasonable prices for at-home tests.

- 1. What is iHealth Labs' current per-test cost to manufacture its rapid COVID-19 antigen test? How has that cost fluctuated during the pandemic?
- 2. What is the current average wholesale price iHealth Labs charges retailers for its rapid COVID-19 antigen test? How has that price fluctuated during the pandemic?
- 3. Has iHealth Labs communicated to the federal government any issues concerning supplies of input materials for its rapid COVID-19 antigen test?
- 4. What steps has iHealth Labs taken to keep costs to consumers low for its rapid COVID-19 antigen test?

³⁹ Shannon Pettypiece, *Biden administration to make 500 million at-home Covid tests available for free*, NBC News (Dec. 21, 2021), <u>https://www.nbcnews.com/politics/white-house/biden-administration-make-500-million-home-</u>

<u>covid-tests-available-free-n1286356;</u> Press Release, Department of Health and Human Services, *Biden-Harris Administration Requires Insurance Companies and Group Health Plans to Cover the Cost of At-Home COVID-19 Tests, Increasing Access to Free Tests* (Jan. 10, 2022), <u>https://www.hhs.gov/about/news/2022/01/10/biden-harris-administration-requires-insurance-companies-group-health-plans-to-cover-cost-at-home-covid-19-tests-increasing-access-free-tests.html.</u>

⁴⁰ Sheri Fink, *Maker of Popular Covid Test Told Factory to Destroy Inventory*, N.Y. Times (Aug. 20, 2021), https://www.nytimes.com/2021/08/20/us/abbott-covid-tests.html.

⁴¹ Carl O'Donnell, *Rapid COVID-19 tests increasingly scarce, pricey as demand from employers jumps*, Reuters (Oct. 5, 2021), <u>https://www.reuters.com/business/healthcare-pharmaceuticals/rapid-covid-19-tests-increasingly-scarce-pricey-demand-employers-jumps-2021-10-05/.</u>

⁴² Bruce Japsen, *Omicron A Big Windfall For Test Makers Like Abbott Labs And Becton Dickinson*, Forbes (Dec. 22, 2021), <u>https://www.forbes.com/sites/brucejapsen/2021/12/22/omicron-a-big-windfall-for-test-makers-like-abbott-labs-and-becton-dickinson/?sh=6f085d9e4fe6</u>.

Edward J Markey

Edward J. Markey United States Senator

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1550 Main Street, 4th Floor Springfield, MA 01103 413-785-4610

January 19, 2022

Estela Raychaudhuri President InBios International, Inc. 307 Westlake Avenue North #300 Seattle, WA 98109

Dear Ms. Raychaudhuri,

I write to seek assurances that InBios International's at-home rapid COVID-19 antigen tests are affordable to Americans who need them. As the Omicron variant causes a surge in COVID-19 cases and more Americans seek rapid at-home testing, consumers must not face prohibitive prices for these testing kits. As the recipient of an Emergency Use Authorization (EUA) from the Food and Drug Administration (FDA) for an over-the-counter COVID-19 rapid antigen test, InBios International has a responsibility to ensure that the price for its test is fair, reasonable, and economical to those who need it during this public health emergency.

At-home testing is vital for identifying illness and stopping the spread of COVID-19. Officials at all levels of government are working to secure access to at-home rapid COVID-19 antigen tests, including distributing them to the public at no charge and providing them to schools and employers.⁴³ But access to at-home tests should not be limited to those able to secure them for free or those who can afford to pay the high prices currently charged for them. Manufacturers, including InBios International, should immediately commit to lowering the price for at-home rapid COVID-19 antigen tests.

The cost of at-home rapid COVID-19 antigen tests can pose a significant barrier to access. For example, at a retail price of \$24.00 for a two-test kit,⁴⁴ a family of four would spend approximately \$50 every time it needs to test — hundreds of dollars a month assuming weekly testing. While the federal government works to distribute free rapid tests, and has recently

⁴³ In Boston and in Washington, Wu and Biden both promise to help break coronavirus testing logjam, Boston Globe (Jan. 4, 2022), <u>https://www.bostonglobe.com/2022/01/04/metro/biden-wu-promise-help-break-testing-logjam/</u>; Ted Wayman, *Delivery of 227,000 rapid COVID-19 tests for school employees begins in Massachusetts*, WCVB (Jan. 1, 2022), <u>https://www.wcvb.com/article/rapid-covid-19-tests-for-school-employees-january-1-2022/38649607#</u>.

⁴⁴ Sharon Terlap, *Walmart, Kroger Raise Prices of Covid-19 Test Kits*, Wall St. J. (Jan. 5, 2022), https://www.wsj.com/articles/walmart-kroger-raise-prices-of-covid-19-test-kits-11641320476.

required insurers to reimburse individuals for the cost of rapid tests they purchase,⁴⁵ many must still pay these costs out-of-pocket. For the millions of Americans concerned about their health, trying to protect friends and family from infection, or in need of a negative test for work, travel, or child care, these prices are simply too high.

I am particularly concerned that the cost of at-home rapid COVID-19 antigen tests significantly exceeds their manufacturing cost. According to reports, a malaria test that uses technology similar to Abbott's PanBio COVID-19 Antigen Self-Test sells for just \$0.20 per test, suggesting a low manufacturing cost for rapid COVID-19 antigen tests.⁴⁶ Indeed, according to one of the largest British test manufacturers, at-home tests can cost as little as \$2 each to manufacture.⁴⁷ Additionally, manufacturers of at-home rapid COVID-19 antigen tests that received EUAs in early 2021 have seen significant profits from sales of what has been described as "high margin products."⁴⁸ Yet, U.S. consumers face costs of \$12 or more for each at-home rapid COVID-19 antigen test. As we face an unprecedented wave of COVID cases, manufacturers and retailers must do more to ensure consumers see reasonable prices for at-home tests.

- 1. What is InBios International's current per-test cost to manufacture its rapid COVID-19 antigen test? How has that cost fluctuated during the pandemic?
- 2. What is the current average wholesale price InBios International charges retailers for its rapid COVID-19 antigen test? How has that price fluctuated during the pandemic?
- 3. Has InBios International communicated to the federal government any issues concerning supplies of input materials for its rapid COVID-19 antigen test?
- 4. What steps has InBios International taken to keep costs to consumers low for its rapid COVID-19 antigen test?

⁴⁵ Shannon Pettypiece, *Biden administration to make 500 million at-home Covid tests available for free*, NBC News (Dec. 21, 2021), <u>https://www.nbcnews.com/politics/white-house/biden-administration-make-500-million-home-</u>

<u>covid-tests-available-free-n1286356;</u> Press Release, Department of Health and Human Services, *Biden-Harris Administration Requires Insurance Companies and Group Health Plans to Cover the Cost of At-Home COVID-19 Tests, Increasing Access to Free Tests* (Jan. 10, 2022), <u>https://www.hhs.gov/about/news/2022/01/10/biden-harris-administration-requires-insurance-companies-group-health-plans-to-cover-cost-at-home-covid-19-tests-increasing-access-free-tests.html.</u>

⁴⁶ Sheri Fink, *Maker of Popular Covid Test Told Factory to Destroy Inventory*, N.Y. Times (Aug. 20, 2021), https://www.nytimes.com/2021/08/20/us/abbott-covid-tests.html.

⁴⁷ Carl O'Donnell, *Rapid COVID-19 tests increasingly scarce, pricey as demand from employers jumps*, Reuters (Oct. 5, 2021), <u>https://www.reuters.com/business/healthcare-pharmaceuticals/rapid-covid-19-tests-increasingly-scarce-pricey-demand-employers-jumps-2021-10-05/.</u>

⁴⁸ Bruce Japsen, Omicron A Big Windfall For Test Makers Like Abbott Labs And Becton Dickinson, Forbes (Dec. 22, 2021), <u>https://www.forbes.com/sites/brucejapsen/2021/12/22/omicron-a-big-windfall-for-test-makers-like-abbott-labs-and-becton-dickinson/?sh=6f085d9e4fe6</u>.

Edward J Markey

Edward J. Markey United States Senator

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January 19, 2022

Stephen S. Tang President and CEO OraSure Technologies 220 East First Street Bethlehem, PA 18015

Dear Mr. Tang,

I write to seek assurances that OraSure Technologies' at-home rapid COVID-19 antigen tests are affordable to Americans who need them. As the Omicron variant causes a surge in COVID-19 cases and more Americans seek rapid at-home testing, consumers must not face prohibitive prices for these testing kits. As the recipient of an Emergency Use Authorization (EUA) from the Food and Drug Administration (FDA) for an over-the-counter COVID-19 rapid antigen test, OraSure Technologies has a responsibility to ensure that the price for its test is fair, reasonable, and economical to those who need it during this public health emergency.

At-home testing is vital for identifying illness and stopping the spread of COVID-19. Officials at all levels of government are working to secure access to at-home rapid COVID-19 antigen tests, including distributing them to the public at no charge and providing them to schools and employers.⁴⁹ But access to at-home tests should not be limited to those able to secure them for free or those who can afford to pay the high prices currently charged for them. Manufacturers, including OraSure Technologies, should immediately commit to lowering the price for at-home rapid COVID-19 antigen tests.

The cost of at-home rapid COVID-19 antigen tests can pose a significant barrier to access. For example, at a retail price of \$24.00 for a two-test kit,⁵⁰ a family of four would spend approximately \$50 every time it needs to test — hundreds of dollars a month assuming weekly testing. While the federal government works to distribute free rapid tests, and has recently

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⁵⁰ Sharon Terlap, *Walmart, Kroger Raise Prices of Covid-19 Test Kits*, Wall St. J. (Jan. 5, 2022), https://www.wsj.com/articles/walmart-kroger-raise-prices-of-covid-19-test-kits-11641320476.

required insurers to reimburse individuals for the cost of rapid tests they purchase,⁵¹ many must still pay these costs out-of-pocket. For the millions of Americans concerned about their health, trying to protect friends and family from infection, or in need of a negative test for work, travel, or child care, these prices are simply too high.

I am particularly concerned that the cost of at-home rapid COVID-19 antigen tests significantly exceeds their manufacturing cost. According to reports, a malaria test that uses technology similar to Abbott's PanBio COVID-19 Antigen Self-Test sells for just \$0.20 per test, suggesting a low manufacturing cost for rapid COVID-19 antigen tests.⁵² Indeed, according to one of the largest British test manufacturers, at-home tests can cost as little as \$2 each to manufacture.⁵³ Additionally, manufacturers of at-home rapid COVID-19 antigen tests that received EUAs in early 2021 have seen significant profits from sales of what has been described as "high margin products."⁵⁴ Yet, U.S. consumers face costs of \$12 or more for each at-home rapid COVID-19 antigen test. As we face an unprecedented wave of COVID cases, manufacturers and retailers must do more to ensure consumers see reasonable prices for at-home tests.

- 1. What is OraSure Technologies' current per-test cost to manufacture its rapid COVID-19 antigen test? How has that cost fluctuated during the pandemic?
- 2. What is the current average wholesale price OraSure Technologies charges retailers for its rapid COVID-19 antigen test? How has that price fluctuated during the pandemic?
- 3. Has OraSure Technologies communicated to the federal government any issues concerning supplies of input materials for its rapid COVID-19 antigen test?
- 4. What steps has OraSure Technologies taken to keep costs to consumers low for its rapid COVID-19 antigen test?

⁵¹ Shannon Pettypiece, *Biden administration to make 500 million at-home Covid tests available for free*, NBC News (Dec. 21, 2021), <u>https://www.nbcnews.com/politics/white-house/biden-administration-make-500-million-home-</u>

<u>covid-tests-available-free-n1286356</u>; Press Release, Department of Health and Human Services, *Biden-Harris Administration Requires Insurance Companies and Group Health Plans to Cover the Cost of At-Home COVID-19 Tests, Increasing Access to Free Tests* (Jan. 10, 2022), <u>https://www.hhs.gov/about/news/2022/01/10/biden-harris-administration-requires-insurance-companies-group-health-plans-to-cover-cost-at-home-covid-19-tests-increasing-access-free-tests.html.</u>

⁵² Sheri Fink, *Maker of Popular Covid Test Told Factory to Destroy Inventory*, N.Y. Times (Aug. 20, 2021), https://www.nytimes.com/2021/08/20/us/abbott-covid-tests.html.

⁵³ Carl O'Donnell, *Rapid COVID-19 tests increasingly scarce, pricey as demand from employers jumps*, Reuters (Oct. 5, 2021), <u>https://www.reuters.com/business/healthcare-pharmaceuticals/rapid-covid-19-tests-increasingly-scarce-pricey-demand-employers-jumps-2021-10-05/.</u>

⁵⁴ Bruce Japsen, *Omicron A Big Windfall For Test Makers Like Abbott Labs And Becton Dickinson*, Forbes (Dec. 22, 2021), <u>https://www.forbes.com/sites/brucejapsen/2021/12/22/omicron-a-big-windfall-for-test-makers-like-abbott-labs-and-becton-dickinson/?sh=6f085d9e4fe6</u>.

Edward J Markey

Edward J. Markey United States Senator

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1550 MAIN STREET, 4TH FLOOR Springfield, MA 01103 413-785-4610

January 19, 2022

Douglas C. Bryant President and CEO Quidel Corporation 9975 Summers Ridge Road San Diego, CA 92121

Dear Mr. Bryant,

I write to seek assurances that Quidel Corporation's at-home rapid COVID-19 antigen tests are affordable to Americans who need them. As the Omicron variant causes a surge in COVID-19 cases and more Americans seek rapid at-home testing, consumers must not face prohibitive prices for these testing kits. As the recipient of an Emergency Use Authorization (EUA) from the Food and Drug Administration (FDA) for an over-the-counter COVID-19 rapid antigen test, Quidel Corporation has a responsibility to ensure that the price for its test is fair, reasonable, and economical to those who need it during this public health emergency.

At-home testing is vital for identifying illness and stopping the spread of COVID-19. Officials at all levels of government are working to secure access to at-home rapid COVID-19 antigen tests, including distributing them to the public at no charge and providing them to schools and employers.⁵⁵ But access to at-home tests should not be limited to those able to secure them for free or those who can afford to pay the high prices currently charged for them. Manufacturers, including Quidel Corporation, should immediately commit to lowering the price for at-home rapid COVID-19 antigen tests.

The cost of at-home rapid COVID-19 antigen tests can pose a significant barrier to access. For example, at a retail price of \$24.00 for a two-test kit,⁵⁶ a family of four would spend approximately \$50 every time it needs to test — hundreds of dollars a month assuming weekly testing. While the federal government works to distribute free rapid tests, and has recently

⁵⁵ In Boston and in Washington, Wu and Biden both promise to help break coronavirus testing logjam, Boston Globe (Jan. 4, 2022), <u>https://www.bostonglobe.com/2022/01/04/metro/biden-wu-promise-help-break-testing-logjam/</u>; Ted Wayman, *Delivery of 227,000 rapid COVID-19 tests for school employees begins in Massachusetts*, WCVB (Jan. 1, 2022), <u>https://www.wcvb.com/article/rapid-covid-19-tests-for-school-employees-january-1-</u>2022/38649607#.

⁵⁶ Sharon Terlap, *Walmart, Kroger Raise Prices of Covid-19 Test Kits*, Wall St. J. (Jan. 5, 2022), https://www.wsj.com/articles/walmart-kroger-raise-prices-of-covid-19-test-kits-11641320476.

required insurers to reimburse individuals for the cost of rapid tests they purchase,⁵⁷ many must still pay these costs out-of-pocket. For the millions of Americans concerned about their health, trying to protect friends and family from infection, or in need of a negative test for work, travel, or child care, these prices are simply too high.

I am particularly concerned that the cost of at-home rapid COVID-19 antigen tests significantly exceeds their manufacturing cost. According to reports, a malaria test that uses technology similar to Abbott's PanBio COVID-19 Antigen Self-Test sells for just \$0.20 per test, suggesting a low manufacturing cost for rapid COVID-19 antigen tests.⁵⁸ Indeed, according to one of the largest British test manufacturers, at-home tests can cost as little as \$2 each to manufacture.⁵⁹ Additionally, manufacturers of at-home rapid COVID-19 antigen tests that received EUAs in early 2021 have seen significant profits from sales of what has been described as "high margin products."⁶⁰ Yet, U.S. consumers face costs of \$12 or more for each at-home rapid COVID-19 antigen test. As we face an unprecedented wave of COVID cases, manufacturers and retailers must do more to ensure consumers see reasonable prices for at-home tests.

- 1. What is Quidel Corporation's current per-test cost to manufacture its rapid COVID-19 antigen test? How has that cost fluctuated during the pandemic?
- 2. What is the current average wholesale price Quidel Corporation charges retailers for its rapid COVID-19 antigen test? How has that price fluctuated during the pandemic?
- 3. Has Quidel Corporation communicated to the federal government any issues concerning supplies of input materials for its rapid COVID-19 antigen test?
- 4. What steps has Quidel Corporation taken to keep costs to consumers low for its rapid COVID-19 antigen test?

⁵⁷ Shannon Pettypiece, *Biden administration to make 500 million at-home Covid tests available for free*, NBC News (Dec. 21, 2021), <u>https://www.nbcnews.com/politics/white-house/biden-administration-make-500-million-home-</u>

<u>covid-tests-available-free-n1286356</u>; Press Release, Department of Health and Human Services, *Biden-Harris Administration Requires Insurance Companies and Group Health Plans to Cover the Cost of At-Home COVID-19 Tests, Increasing Access to Free Tests* (Jan. 10, 2022), <u>https://www.hhs.gov/about/news/2022/01/10/biden-harris-administration-requires-insurance-companies-group-health-plans-to-cover-cost-at-home-covid-19-tests-increasing-access-free-tests.html.</u>

⁵⁸ Sheri Fink, *Maker of Popular Covid Test Told Factory to Destroy Inventory*, N.Y. Times (Aug. 20, 2021), <u>https://www.nytimes.com/2021/08/20/us/abbott-covid-tests.html.</u>

⁵⁹ Carl O'Donnell, *Rapid COVID-19 tests increasingly scarce, pricey as demand from employers jumps*, Reuters (Oct. 5, 2021), <u>https://www.reuters.com/business/healthcare-pharmaceuticals/rapid-covid-19-tests-increasingly-scarce-pricey-demand-employers-jumps-2021-10-05/</u>.

⁶⁰ Bruce Japsen, *Omicron A Big Windfall For Test Makers Like Abbott Labs And Becton Dickinson*, Forbes (Dec. 22, 2021), <u>https://www.forbes.com/sites/brucejapsen/2021/12/22/omicron-a-big-windfall-for-test-makers-like-abbott-labs-and-becton-dickinson/?sh=6f085d9e4fe6</u>.

Edward J Markey

Edward J. Markey United States Senator