



Lilly to Participate in New Model Designed to Make Insulins More Affordable for Seniors in Medicare Part D

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Participation Adds to Lilly's Suite of Affordability Solutions

INDIANAPOLIS, March 11, 2020 /PRNewswire/ -- Eli Lilly and Company (NYSE: LLY) is proud to announce its planned participation in the new Part D Senior Savings Model, announced today by the Centers for Medicare & Medicaid Services (CMS), that aims to improve the affordability of insulin for seniors in Medicare Part D. The Model will go into effect January 1, 2021, through the CMS Innovation Center, and Lilly will participate by offering to include all formulations of Lilly's insulins.

"Lilly is committed to finding solutions for people who need help affording their insulin, and we continue to look for ways to help fill gaps in the system. This is a great example of collaboration between the government and private companies to address a problem faced by many seniors taking insulin," said David A. Ricks, Lilly's chairman and CEO. "We are pleased with the significant, positive impact this Model is expected to have on insulin affordability for seniors, and we encourage our industry counterparts—both manufacturers and insurance plans—to participate in order to ensure all seniors taking insulin are able to see lower costs at the pharmacy counter."

No one should have to ration insulin when managing their diabetes, which is why Lilly has introduced several options in recent years for people who need help. Lilly offers a broad suite of affordability solutions that includes lower-priced versions of branded insulins, out-of-pocket price caps at retail pharmacies for people with commercial insurance plans, help for people with immediate needs and donations of insulin to approximately 200 free clinics across the U.S. These solutions are helping up to 20,000 people each month better afford their insulin. Anyone who uses a Lilly insulin can call the Lilly Diabetes Solution Center at (833) 808-1234 (9 a.m. to 8 p.m. Eastern Time Monday through Friday) to see whether there is an option that reduces their out-of-pocket costs.

The Part D Senior Savings Model is an especially important addition to the cost-saving options Lilly currently offers. Of the small percentage of people who pay more than \$100 per prescription for a Lilly insulin, the majority are in Medicare Part D plans, and current law prohibits manufacturers from providing co-pay assistance to those patients. However, through this new Model, seniors in participating Medicare Part D insurance plans will see out-of-pocket costs for covered Lilly insulins reduced to no more than \$35 per 30-day supply during their deductible phase, during initial coverage and while in the coverage gap. Seniors who take insulin and enroll in a plan participating in the Model are expected to save an average of \$446 in annual out-of-pocket costs for insulin, with only slightly higher premiums. This means that the insurance plan chosen by seniors will become even more important during open enrollment for 2021, as it will dictate the out-of-pocket costs a person taking insulin may face.

Lilly will continue to collaborate with other stakeholders to develop long-term policy solutions that address the gaps in our current U.S. health care system, as real change to our reimbursement system is needed.

About Diabetes

Approximately 30 million Americans and an estimated 425 million adults worldwide have diabetes. Type 2 diabetes is the most common type internationally, accounting for an estimated 90 to 95 percent of all diabetes cases in the United States alone. Diabetes is a chronic disease that occurs when the body does not properly produce or use the hormone insulin.

About Lilly Diabetes

Lilly has been a global leader in diabetes care since 1923, when we introduced the world's first commercial insulin. Today we are building upon this heritage by working to meet the diverse needs of people with diabetes and those who care for them. Through research, collaboration and quality manufacturing we strive to make life better for people affected by diabetes. We offer a wide range of therapies and a continued determination to provide real solutions—from medicines and technologies to support programs and more. For the latest updates, visit <http://www.lillydiabetes.com/> or follow us on Twitter: @LillyDiabetes and Facebook: LillyDiabetesUS.

About Eli Lilly and Company

Lilly is a global healthcare leader that unites caring with discovery to create medicines that make life better for people around the world. We were founded more than a century ago by a man committed to creating high-quality medicines that meet real needs, and today we remain true to that mission in all our work. Across the globe, Lilly employees work to discover and bring life-changing medicines to those who need them, improve the understanding and management of disease, and give back to communities through philanthropy and volunteerism. To learn more about Lilly, please visit us at www.lilly.com. P-LLY

This press release contains forward-looking statements (as that term is defined in the Private Securities Litigation Reform Act of 1995) about Lilly insulins, and the costs of these medicines, and reflects Lilly's current belief. For further discussion of these and other risks and uncertainties, see Lilly's most recent Form 10-K and Form 10-Q filings with the United States Securities and Exchange Commission. Except as required by law, Lilly undertakes no duty to update forward-looking statements to reflect events after the date of this release.

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