

Protect Our Care: Reminder: Merck is raking in record profits as it goes to court to raise drug prices on American seniors

Posted on Monday, Sep 11, 2023

>> **WisPolitics is now on the State Affairs network. Get custom keyword notifications, bill tracking and all WisPolitics content. [Get the app or access via desktop.](#)**

WASHINGTON, DC – Today, the federal government will be filing a judgment motion in *Merck v. Becerra et al.* Merck is [one of several drug companies](#) suing the federal government to stop Medicare from negotiating lower prescription drug prices on behalf of millions of seniors. Merck's Januvia was recently announced as one of the 10 drugs selected for negotiation. This comes just after Merck announced it raked in [\\$15 billion](#) last quarter – a \$450 million increase over last year. While they make billions, Americans pay exorbitantly high prices for prescription drugs.

By The Numbers

- Merck has reported [nearly \\$51 billion](#) in global sales for Januvia since it launched in 2006.
- Januvia is responsible for over **\$28 billion** in gross Medicare spending as of 2021.
- Merck has issued over **\$200 billion** in stock buybacks since launching Januvia.
- Merck has spent over **\$115 million** on lobbying since launching Januvia.
- Merck has been on the market [without competition](#) for **over 17 years**.
- In 2022, **885,000 Medicare enrollees** took Januvia.
- Januvia costs the average Medicare enrollee without a subsidy **over \$500 per year out-of-pocket**.
- Merck reported **\$15 billion in earnings** for Q2 2023, a 3% increase from Q2 2022.
- Merck initiated over [\\$300 million](#) in stock buybacks in Q2 2023.

- Merck's stock price has [increased 24%](#) over the past year.

Merck Has Made Billions From Januvia At The Expense of Seniors. Merck has [reported](#) nearly \$51 billion (\$50,897,600,000) in global sales for Januvia since it launched in 2006. Januvia is responsible for \$28 billion in gross Medicare spending. Merck has issued over \$200 billion in stock buybacks since launching Januvia and spent over \$115 million on lobbying. In 2022, 885,000 Medicare enrollees took Januvia. Januvia costs the average Medicare enrollee without a subsidy over \$500 per year out-of-pocket.

Merck Has Gamed The Patent System To Protect Billions In Revenue. Merck has been on the market [without competition](#) for over 17 years, and Merck has gamed the patent system to thwart competition for an additional 3.3 years, protecting \$3.5 billion in revenue.

Instead Of Spending On Research & Development, Merck Has Spent Lavishly On Stock Buybacks To Boost The Company's Value and Reward Shareholders. Rather than pricing Januvia at an affordable and accessible price, Merck has spent hundreds of billions on stock buybacks to boost its investors and reward its executives. While the company rakes in billions, U.S. drug prices for Januvia are [up to nine times higher](#) than prices in other high-income countries like Australia.

Merck's stock price has [increased 24%](#) over the past year after the company initiated [\\$300 million](#) in stock buybacks in Q2 2023. On Aug 1, [CFO Caroline Litchfield](#) touted the company's "very strong growth of 14%" and said they expect that to continue: "As we look out to 2024 and beyond, we continue to expect strong growth including the impact of additional approvals." Merck also acquired Prometheus Biosciences for [\\$10.8 billion](#) in June.

Read more about why Medicare needs the power to negotiate lower drug costs and the five drugs that tell the story, including Januvia, [here](#).