

fallen dramatically in the last year. Instead of raising money through IPOs, large pharmaceutical and biotech firms were looking to boost their cash flow through mergers and acquisitions, with deals totaling \$220 billion in 2014 compared to just \$65 billion in 2007.⁵

Yet perhaps the most salient problem at the 2016 conference was the public outcry over rising pharmaceutical prices. List prices for branded medications had climbed more than 12 percent in 2015 and more than 14 percent the previous year, with overall spending on medication up 8.5 percent.⁶ Even with insurance, these cost increases have the power to affect the health and well-being of patients directly. According to the Kaiser Family Foundation, almost one-quarter of people said their family chose not to fill at least one prescription in the last year, with numbers rising for those in poor or fair health.⁷ A similar survey from Kaiser found that people believe the government's top two health care priorities should be related to the price of medication.⁸

This rising concern was exacerbated by a number of national public scandals over dramatic, sudden price increases for existing drugs. Outside the Westin in San Francisco, a cadre of protesters railed against Gilead Science's pricing of Sovaldi, a breakthrough cure for hepatitis C that Gilead had priced at \$84,000 for the three-month course of treatment.⁹ Signs read, "Gilead = Greed" and "Don't Be Greedy! Treat the Needy!"¹⁰

In that respect, perhaps the biggest story at the J. P. Morgan Healthcare Conference was about who *wasn't* in attendance. And with that, we arrive at the story of Martin Shkreli – yes, that guy. The "Pharma Bro," who at the age of thirty-two became a global poster child for the excesses of Big Pharma, had long walked the hallways of the Westin in his time running hedge funds and pharmaceutical companies. When he led the hedge fund MSMB Capital Management in 2010, Shkreli entered the

⁵ Robert Weisman, *Drug Price Policies, China May Slow Biotech Bull Market*, BOSTON GLOBE (Jan. 10, 2016), www.bostonglobe.com/business/2016/01/10/biotech-bull-market-may-slow/PzzRRSFujEkiDntFtMT5IP/story.html.

⁶ Press Release, IMS Health, *IMS Health Study: U.S. Drug Spending Growth Reaches 8.5 Percent in 2015* (Apr. 14, 2016), www.imshealth.com/en/about-us/news/ims-health-study-us-drug-spending-growth-reaches-8.5-percent-in-2015; Katie Thomas, *Drug Prices Keep Rising Despite Intense Criticism*, N.Y. TIMES (Apr. 26, 2016), www.nytimes.com/2016/04/27/business/drug-prices-keep-rising-despite-intense-criticism.html?_r=0.

⁷ Bianca DiJulio, Jamie Firth, & Mollyann Brodie, *Kaiser Health Tracking Poll: August 2015*, KAISER FAMILY FOUNDATION (Aug. 20, 2015), <http://kff.org/health-costs/poll-finding/kaiser-health-tracking-poll-august-2015/>.

⁸ Bianca DiJulio, Jamie Firth, & Mollyann Brodie, *Kaiser Health Tracking Poll: April 2015*, KAISER FAMILY FOUNDATION (Apr. 21, 2015), <http://kff.org/health-costs/poll-finding/kaiser-health-tracking-poll-april-2015/>.

⁹ Rebecca Robbins, *Drug Makers Dismiss Outrage over High Prices as 'Abomination'*, STAT (Jan. 12, 2016), www.statnews.com/2016/01/12/public-outrage-drug-prices/.

¹⁰ *Ibid.*