

BANKING/ FINANCE

Gilead Chooses Middle Ground in Pricing of Its Coronavirus Drug



JASON DOYI

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by Robert Langreth

Gilead Sciences Inc. said that it will charge U.S. hospitals roughly \$3,120 for most patients who need remdesivir, picking a middle ground in a high-profile decision on the cost of one of the first drugs for COVID-19.

Patients suffering from the illness caused by the novel coronavirus are usually given six vials of remdesivir over five days. The price, which comes to \$520 a vial, would apply to commercially insured patients in the U.S., according to a letter from Gilead Chief Executive Officer Daniel O'Day posted on the company's website Monday.

It plans charge \$390 a vial, or \$2,340 for a five-day regimen, for direct government purchases by the U.S. or other developed countries.

Gilead's pricing decision is consequential because it sets a precedent for how much future COVID-19 treatments might cost. While it's higher than some patient groups had pushed for, it was close to a level that some drug-pricing watchdogs have said would be acceptable based on remdesivir's expected benefit.

The medicine could yield substantial profits for Gilead if large quantities are needed for many months, as seems likely.

Gilead said in a statement that it would offer the lower price to developed countries in order to create a one-price model that would avoid the need for negotiations that could slow down access.

"We wanted to make sure that nothing gets in the way of remdesivir getting to patients," O'Day said in an interview. The price "will make sure all patients around the world have access to this medicine."

Brazil, which is in the midst of the one of the world's worst outbreaks, may be one of the countries set to get the lower price.

Remdesivir is one of the first widely used drugs for COVID-19. It received an emergency use authorization from U.S. regulators in May, after a big trial found it sped recovery by about four days in hospitalized patients. Hundreds of treatments and vaccines are in development around the globe as researchers race

to find ways to halt a global pandemic that's infected over 10 million people and killed more than 500,000.

Gilead had promised to donate the drug through June, but what the company would charge after that supply runs out has been furiously debated.

It wasn't immediately clear how many U.S. patients would qualify for the lower price beyond those treated at facilities operated by the Department of Veterans Affairs. Meanwhile, for patients in the Medicare program for the elderly, hospitals will purchase the medicine at commercial rates, Gilead said.

The company suggested that it could have charged more based on the value the medicine provides, the typical approach drugmakers use in setting pricing for new and innovative therapies. It argued remdesivir could save \$12,000 per patient by getting people out of the hospital faster. But it went with a lower price in order to make sure that all developed countries could afford it.

The price "is within the reasonable range, and should contribute significantly" to Gilead's revenue and growth through the mid-2020s," Geoffrey Porges, an analyst at SVB Leerink LLC, said in a note to clients. Porges has advocated for a price that allows Gilead to make a reasonable profit as an incentive for private companies to research medicines for this and future epidemics.

Shares of Gilead gained as much as 2.7% in trading Monday in New York.

Gilead also said Monday it reached an agreement with the Department of Health and Human Services to manage allocation of remdesivir in the U.S. through September. In a statement, HHS said the agreement would cover more than 500,000 treatment courses of remdesivir for American hospitals.

Some advocates, including consumer-rights group Public Citizen, have said the drug should just cost \$1 a day based on calculations that it could be manufactured at scale by generic drugmakers for this amount. Public Citizen issued a statement calling Gilead's price "offensive."

In the interview, O'Day said \$1 per day was "not a realistic price point."

Robert Langreth reports for Bloomberg News.



CITY OF DORAL NOTICE OF PUBLIC HEARING

All residents, property owners and other interested parties are hereby notified of a **VIRTUAL ZONING WORKSHOP** on **Thursday, July 9, 2020 at 10:00 AM** with the applicant(s), administration and City staff participating via video conferencing.

Governor DeSantis' Executive Order Number 20-69 and Extension 20-150 suspended the requirements of Section 112.286, Florida Statutes and the Florida Sunshine Law, that a quorum to be present in person, and that a local government body meet at a specific public place. The Executive Order also allows local government bodies to utilize communications media technology, such as telephonic and video conferencing for local government body meetings.

Public Comments: members of the public that wish to provide comments may do so by emailing the City Clerk at cityclerk@cityofdoral.com. Comments must be submitted with your name and full address by **Wednesday, July 8, 2020**. The comments will be circulated to the administration, as well as remain as a part of the record for the meeting.

The following application will be considered:

HEARING NO.: 20-07-DOR-02

APPLICANT: James R. Williams, Jr., Esq. on behalf of Orbis Fortium, LLC. (The "Applicant")

PROJECT NAME: Shelton Academy

PROJECT OWNER: Gel Realty LLC

LOCATION: 9455 NW 40 Street Road, Doral, FL 33178

FOLIO NUMBER: 35-3028-015-0010 and 35-3028-015-0020

SIZE OF PROPERTY: +/- 4 acres

PRESENT LAND USE: Office and Residential

PRESENT ZONING: Industrial Commercial (IC)

PROPOSED ZONING: Office-1 District

REQUEST: The Applicant is requesting the rezoning of the property from Industrial Commercial (IC) to Office-1 District (O-1)

LEGAL DESCRIPTION: Lots 1 and 2, in Block 1 of "SWISS CHALET SUBDIVISION", according to the Plat thereof, as recorded in Plat Book 140, Page 79, of the Public Records of Miami-Dade County, Florida

Location Map



ZONING WORKSHOP PROCESS: The zoning workshop consists of two sessions:

1. **First Session.** The first session of a zoning workshop shall provide a forum for members of the public to learn about proposed developments within the city. Developments may be presented to the public simultaneously, in several locations within the meeting site. During this session, members of the public are encouraged to ask questions and to provide feedback to the applicant about the proposed development. The applicant shall provide visual depictions, such as renderings, drawings, pictures, and the location of the proposed development. In addition, representatives of the applicant shall be available to answer questions that members of the public may have about the proposed development. The members of the City Council shall not be present during the first session of the zoning workshop. No meeting shall start before 6:00 PM Eastern Standard Time and shall take place at a time and date to maximize public participation.

2. **Second Session.** The second session of a zoning workshop shall provide a forum for the City Council to learn about the proposed developments discussed at the first session of the zoning workshop. No quorum requirement shall apply. Developments shall be presented by the applicants sequentially, one at a time, for the City Council's review and comment. The applicant shall again present visual depictions of the proposed development. In addition, the applicant shall be available to answer any questions that members of the City Council may have about the proposed development.

No quorum requirement shall apply nor will any vote on any project be taken, but roll call will be taken, as it is a publicly noticed meeting.

Information relating to this request is on file and may be examined in the City of Doral, Planning and Zoning Department located at **8401 NW 53rd Terrace, Doral, FL 33166**. Maps and other data pertaining to these applications are available for public inspection during normal business hours in City Hall. Any persons wishing to speak at a public hearing should register with the City Clerk prior to that item being heard. Inquiries regarding the item may be directed to the Planning and Zoning Department at 305-59-DORAL.

Pursuant to Section 286.0105, Florida Statutes If a person decides to appeal any decisions made by the City Council with respect to any matter considered at such meeting or hearing, they will need a record of the proceedings and, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for introduction or admission of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law. In accordance with the Americans with Disabilities Act, all persons who are disabled and who need special accommodations to participate in this meeting because of that disability should contact the Planning and Zoning Department at 305-59-DORAL no later than three (3) business days prior to the proceeding.

NOTE: If you are not able to communicate, or are not comfortable expressing yourself, in the English language, it is your responsibility to bring with you an English-speaking interpreter when conducting business at the City of Doral during the zoning application process up to, and including, appearance at a hearing. This person may be a friend, relative or someone else. A minor cannot serve as a valid interpreter. The City of Doral DOES NOT provide translation services during the zoning application process or during any quasi-judicial proceeding.

NOTA: Si usted no está en capacidad de comunicarse, o no se siente cómodo al expresarse en inglés, es de su responsabilidad traer un intérprete del idioma inglés cuando trate asuntos públicos o de negocios con la Ciudad de Doral durante el proceso de solicitudes de zonificación, incluyendo su comparecencia a una audiencia. Esta persona puede ser un amigo, familiar o alguien que le haga la traducción durante su comparecencia a la audiencia. Un menor de edad no puede ser intérprete. La Ciudad de Doral NO suministra servicio de traducción durante ningún procedimiento o durante el proceso de solicitudes de zonificación.

Connie Diaz, MMC
City Clerk
City of Doral

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