



Dissatisfied Parents Together (DPT)

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CONGRESS TO INVESTIGATE 10,000% INCREASE IN DPT VACCINE PRICES;
DPT GROUP CHARGES DRUG COMPANIES MAKE \$80 MILLION WINDFALL PROFIT

WASHINGTON, D.C. -- In response to a 10,000 percent increase in the price of DPT vaccine over the past four years, Ohio Senator Howard Metzenbaum has initiated a Government Accounting Office investigation into the price hike by drug companies. This action follows a charge by Dissatisfied Parents Together (DPT) at a July 25 congressional hearing that DPT manufacturers are making an estimated \$80 million windfall profit from the price increases.

Pointing out that the government pays for half of the 18 million doses of DPT (diphtheria, pertussis, tetanus) vaccine sold by drug companies annually - as much as \$100 million - Senator Metzenbaum questioned why DPT vaccine cost 11 cents per dose in 1982 and now costs \$11.40. "It is the taxpayer and the individual consumer who is footing this bill. I want to find out the reasons behind this price increase and why this money is not going into research on safer and less expensive vaccines," said Senator Metzenbaum.

In May of this year, Lederle Laboratories announced its latest increase from \$4.29 to \$11.40 per dose of DPT vaccine - a 170 percent price hike. The drug company claimed that \$8 of the total price is necessary to cover costs of lawsuits brought by parents of children killed or brain damaged by the pertussis (whooping cough) vaccine. In July 25 testimony before the House Subcommittee on Health and the

Environment, Jeffrey Schwartz, president of Dissatisfied Parents Together (DPT), asserted that the price hike was unjustified because only a handful of vaccine damage lawsuits have been settled or lost by drug companies.

"What proof does Lederle offer that it needs upwards of \$50 million per year to pay for DPT-related liability expenses or that it could not get liability insurance in the private sector for less than \$50 million per year?" asked Schwartz. "Lederle tells the Congress, doctors, and consumers that it must go out of the vaccine business unless it can raise its prices nearly 10,000 percent, but it tells the Securities and Exchange Commission, Wall Street, and prospective investors that the lawsuits pose no risk of 'material adverse effect' on the company," he said. He added that Lederle and Connaught Laboratories have a monopoly market of the DPT vaccine, which is mandated by law for all children entering school.

The parents' charges were underscored by a report of the House Health Subcommittee which revealed that only \$16.2 million was paid in settlements by seven U.S. vaccine manufacturers to 52 children injured by all childhood vaccines during the past five years. This works out to an average of \$300,000 per case, and it is not clear how much of the \$16.2 million payout was covered by insurance. Out of the cases that went to trial, vaccine manufacturers won four and lost six. Five are on appeal.

A national, non-profit educational organization, Dissatisfied Parents Together (DPT) represents many parents of children injured or killed by the pertussis vaccine. "We applaud Senator Metzenbaum's initiative in calling for this investigation," said Schwartz. "His action will help us find out why we are paying such a high price for an old, crude vaccine instead of being offered a safer one."