



## **Statement from Brett Pletcher on Gilead Sciences' Settlement Over Charitable Donations**

Earlier today, the U.S. Department of Justice announced a \$97 million settlement with Gilead in connection with an industry-wide civil investigation into donations to charitable foundations that help low-income individuals afford medication. Gilead made its donations following guidance issued by the U.S. Department of Health and Human Services (HHS) that permits companies to make donations to assist patients with their required co-pays for medications. Gilead does not believe it violated the law and had no intention of doing so. The settlement amount was calculated based on the amount that federal insurance programs paid on behalf of patients who received Gilead's Pulmonary Arterial Hypertension (PAH) medication between 2007 and 2010. The settlement is not an admission of guilt by Gilead and there was never any allegation in this case that patients who received aid and medication did not need it or did not benefit from it.

The settlement involves Gilead's donations from 2007 to 2010 to a 501(c)(3) charitable foundation. The foundation helped patients with PAH afford co-pays imposed by their health plans. Gilead's donations complemented its free drug program and served as an important safety net for patients who needed financial assistance. PAH is a rare, debilitating and potentially fatal disorder characterized by high blood pressure that affects the lungs and heart. PAH disproportionately affects women. Gilead's donations facilitated access to treatments for people living with this life-threatening condition – including patients who were prescribed medications made by competitors.

Under HHS guidelines governing these programs, companies are allowed to receive aggregated information about how many patients were assisted by the charity, but they are not allowed to receive information about how many of those patients were prescribed the company's medication. The information at issue in this case was contained in a chart provided by the foundation that appeared to describe grants made to all patients assisted by the foundation whether or not they received Gilead's medication. When Gilead employees managing the program discovered the chart described only patients receiving Gilead's medication, Gilead instructed the charity to stop sending such information. Gilead proactively identified this mistake and corrected it years before this investigation was initiated.

Gilead has an extensive history of charitable giving and a deep commitment to communities around the world. The company provided almost \$400 million in cash donations last year to not-for-profit organizations. Gilead focuses its corporate giving on reducing healthcare disparities and eliminating barriers to healthcare encountered by underserved populations. The company has also made significant donations of our medications to patients in need. In response to the COVID-19 pandemic, Gilead donated 1.5 million doses of its investigational antiviral, remdesivir, to treat patients with the most severe symptoms of COVID-19. This follows a donation last year of up to 2.4 million bottles of HIV PrEP medication per year through 2030 to the U.S. Centers for Disease Control and Prevention, to be provided at no cost to people without insurance coverage and at risk for HIV. Additionally, Gilead is consistently recognized for its philanthropy ranking at the top of annual lists published by leading groups and industry publications such as the Chronicle of Philanthropy, Forbes and Funders Concerned About AIDS.

Gilead remains committed to compliant charitable giving and will continue to work to ensure that no patient is denied access to necessary medications due to financial considerations.