<u>Trump orders new efforts to lower drug</u> prices

The president said he would build on the Medicare drug-price negotiation program begun under Joe Biden, but supports a change sought by the pharmaceutical industry.

ву Dan Diamond Washington Post

President Donald Trump on Tuesday signed an <u>executive order</u> intended to lower drug prices, returning to a longtime priority and vowing changes to drug-pricing initiatives rolled out by the Biden administration.

Trump's order contains a number of policy ideas, including proposals to further lower the cost of insulin and injectable epinephrine for low-income and uninsured Americans; importing more low-cost drugs from abroad; and streamlining the federal approval process for generic and biosimilar versions of branded medications.

Trump also said he would build on a popular program launched by the Biden administration to directly negotiate the price of drugs with the pharmaceutical industry — but support a change sought by the industry, which has called for delaying the period before negotiations can begin on some of the priciest medications, a category known as small-molecule drugs.

"It is time to restore the progress our Nation made in my first term to deliver lower prescription drug prices by putting Americans first and making America healthy again," Trump wrote in the order.

The Biden administration regularly touted its own efforts to lower drug prices, with former president Joe Biden and his allies saying that Medicare's <u>initiative to negotiate with the pharmaceutical industry</u> resulted in about \$6 billion in initial savings on some of the priciest drugs used by older Americans.

Steve Knievel, a drug-pricing advocate at Public Citizen, a nonprofit consumer advocacy group, said that some of the Trump administration's aims were "laudable," such as the president's pledge to achieve more savings through

drug-price negotiations than the Biden administration did. But he criticized Trump's concession to the pharmaceutical industry by supporting a delay to negotiations on some of the industry's priciest drugs.

"It strains credulity that they are serious when they say they want to negotiate deeper discounts — when in the same breath they are indicating they want to delay drug price negotiation," Knievel said.

Under the 2022 Inflation Reduction Act, federal officials can begin negotiating the price of small-molecule drugs seven years after the drugs are approved by the Food and Drug Administration and can set new prices for the drugs two years later. Delaying the timeline for negotiations on those drugs would require an act of Congress.

Some congressional Republicans have <u>introduced legislation</u> to delay the negotiations, echoing the drug industry's <u>argument</u> that the current timeline is too aggressive and threatens their incentives for research and development of new medications. Those GOP lawmakers and the drug industry have pointed to the longer timeline allowed before negotiations can begin on <u>biologics</u>, a different kind of drug that tend to be more complex; those drugs are not eligible for negotiation until 11 years after FDA approval, with new prices set two years later.

Other ideas in Trump's proposal, such as importing more low-cost drugs from countries like Canada, are not supported by the pharmaceutical industry.

Rachel Sachs, a law professor at Washington University in St. Louis, questioned whether Trump's drug-pricing proposals could be stymied by other actions that his administration had taken. She pointed to <u>recent cuts</u> at the Department of Health and Human Services, including layoffs to FDA support staff who helped support drug reviews, even as Trump says that he wants to accelerate the approval of generic medications.

"Some of these ideas will be very difficult to implement in the face of the significant gutting of various parts of HHS," said Sachs, who served as a senior adviser in the HHS general counsel's office during the Biden administration. She added that some of the policies were "repeats" of ideas that Trump had pursued in his first term, such as importing drugs, to limited or negligible success.

"The language is vague enough that it will be important to watch closely what the administration does," Sachs said.

Trump first campaigned on lowering drug prices in his successful 2016 presidential campaign, an idea that won him common ground with some Democrats. But some of his administration's proposals to lower drug prices were blocked in the courts or not finalized, while the Biden administration went further and ensured that some <u>ideas</u> pushed by Trump, such as cuts to out-of-pocket costs for insulin, were <u>enshrined</u> in law.

Majorities of Americans support efforts by the federal government to lower drug prices, according to polls by KFF, a nonpartisan health-care research and polling organization, and other groups. Asked by KFF in <u>January</u> about priorities for the incoming Trump administration, 55 percent of respondents said that expanding the number of prescription drugs that the federal government negotiates the price on for people with Medicare should be a "top priority."