

Honorable Mike Crapo  
Chair  
Committee on Finance  
U.S. Senate  
Washington, D.C. 20515

Honorable Brett Guthrie  
Chair  
Committee on Energy and Commerce  
U.S House of Representatives  
Washington, D.C. 20515

Dear Chair Crapo and Chair Guthrie,

On behalf of 37 organizations, representing consumers, patients, providers, and unions, we strongly urge you to oppose any legislative efforts to undermine the Medicare Drug Price Negotiation Program and instead act to ensure the program can continue delivering much-needed lower costs for our nation's seniors and people with disabilities that rely on Medicare. The Inflation Reduction Act and its Medicare Drug Price Negotiation Program is one of the most popular<sup>1</sup> and impactful pieces of legislation to address the unaffordable cost of prescription drugs. It works to bring down costs at the pharmacy counter for those who rely on Medicare, while also saving the Medicare program billions of dollars.

In the first round of negotiations, the Center for Medicare & Medicaid Services (CMS) lowered prices on drugs that treat common and debilitating conditions like diabetes, Crohn's disease, arthritis, blood clots, and more.<sup>2</sup> These lower prices will create an estimated \$6 billion in savings for Medicare and ensure lower health care costs for millions of Americans when they take effect in 2026.<sup>3</sup> CMS is building on this work by negotiating the second round of 15 medications—which taken together cost Medicare \$41 billion in just a one-year period and treated about 5.3 million people.<sup>4</sup> Given these significant savings, it comes as no surprise then that drug price negotiation is supported by the vast majority of American voters, including 92% of those who voted for Kamala Harris, 87% of swing voters, and 86% of voters that supported Trump in 2024. Additionally, 67% support negotiating **more** drugs than is happening now.<sup>5</sup>

But there are threats to the Medicare Drug Price Negotiation Program and CMS's ability to bring down the cost of lifesaving and sustaining medications. There are a number of recently introduced proposals that would significantly limit the number of drugs eligible, such as the *Ensuring Pathways to Innovative Cures (EPIC) Act of 2025*, which lengthens the number of years a drug must be on the market before it is eligible for negotiation from 7 years to 11 years for small molecule drugs.<sup>6</sup> If the negotiation eligibility requirement of 11 years was currently in place, more than half of the drugs CMS is currently negotiating and 50% of the drugs negotiated in the first round would **not** be eligible.<sup>7</sup> This change means families who rely on these drugs will have to wait 13 years (11 years plus the two-year negotiation process) for affordable prices to finally reach them. Our nation's seniors shouldn't have to wait extra time for life-saving drugs.

This proposed change would be a major handout to drug companies, allowing them to delay and limit their responsibility to provide reasonable prices. While some big drug companies will argue that longer exclusivity periods are needed to incentivize research and development,<sup>8</sup> in reality it is the lack of legislative and regulatory oversight in the existing system that incentivizes drug companies to keep older drugs under market exclusivity for longer in order to raise prices year over year, which stymies innovation.<sup>9</sup> The longer a company can raise prices on existing drugs, the less reason they have to invest in new treatments. The Medicare Drug Price Negotiation Program established essential oversight over the abusive pricing practices of drug companies.

Additionally, the Congressional Budget Office (CBO) found concerns around innovation to be unfounded. Their report shows over the next 30 years, of the estimated 1,300 drugs that would likely come to market, the existing negotiation exclusivity periods would result in only 13 fewer drugs—affecting a total of 0.01% of all drugs developed during that time but saving billions upon billions of dollars for American patients and taxpayers over that same period.<sup>10</sup> The proposed legislation isn't protecting innovation – it is protecting the profits of the big drug companies. And if passed it would open the door to every drug company trying to exempt more and more drugs, until the Medicare Drug Price Negotiation Program would functionally cease to exist.

The American people are relying on you to protect their health and financial well-being. Now is the time for you to defend the foundations of the Medicare Drug Price Negotiation Program, which this legislation would undermine. It is critical that CMS continue to have the largest possible pool of drugs to negotiate from in order to maximize savings for Medicare enrollees at the pharmacy counter and for the Medicare program as a whole.

Sincerely,  
Families USA  
Public Citizen  
AFL-CIO  
AFSCME  
AFT: Education, Healthcare, Public Services  
Alliance for Retired Americans  
Beta Cell Action  
Center for Medicare Advocacy  
Citizen Action/Illinois  
Coalition on Human Needs  
Congregation of Our Lady of Charity of the Good Shepherd, U.S. Provinces  
Consilium Scientific  
Consumer Action  
Doctors for America

Empowering Pacific Islander Communities (EPIC)  
Justice in Aging  
Labor Campaign for Single Payer  
Medicare Rights Center  
MomsRising  
National Advocacy Center of the Sisters of the Good Shepherd  
National Committee to Preserve Social Security and Medicare  
National Nurses United  
NETWORK Lobby for Catholic Social Justice  
New Jersey Citizen Action  
Progressive Maryland  
Protect Our Care  
Rise Up WV  
RootsAction  
Service Employees International Union  
Social Security Works  
T1International  
United Steelworkers (USW)  
Unity Fellowship of Christ Church-NYC  
Unrig Our Economy  
VOCAL-NY  
Voices of Health Care Action  
Washington Community Action Network

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<sup>1</sup> KFF “KFF Health Tracking Poll September 2024” <https://www.kff.org/medicare/poll-finding/kff-health-tracking-poll-september-2024-support-for-reducing-prescription-drug-prices-remains-high/>

<sup>2</sup> Department of Health and Human Services “Negotiating for Lower Drug Prices Works, Saves Billions” <https://public3.pagefreezer.com/browse/HHS.gov/02-01-2025T05:49/https://www.hhs.gov/about/news/2024/08/15/historic-first-biden-harris-administration-successfully-negotiates-medicare-drug-prices-delivers-promise-lower-prescription-drug-costs-american-seniors.html>

<sup>3</sup> *ibid*

<sup>4</sup> Centers for Medicare and Medicaid Services. “HHS Announces 15 Additional Drugs Selected for Medicare Drug Price Negotiations in Continued Effort to Lower Prescription Drug Costs for Seniors” <https://www.cms.gov/newsroom/press-releases/hhs-announces-15-additional-drugs-selected-medicare-drug-price-negotiations-continued-effort-lower>

<sup>5</sup> Arnold Ventures. March 2025. <https://www.arnoldventures.org/resources/national-targeted-cd-registered-voter-surveys>

<sup>6</sup> [Text - S.832 - 119th Congress \(2025-2026\): EPIC Act of 2025 | Congress.gov | Library of Congress](#)

<sup>7</sup> Public Citizen. “Delaying Drug Negotiations = More Big Pharma Pricing Gouging.” <https://www.citizen.org/article/delaying-drug-price-negotiations-enables-more-pharma-price-gouging/#:~:text=Key%20takeaway%3A,tens%20of%20billions%20of%20dollars.>

<sup>8</sup> Congressman Greg Murphy. “Murphy Introduces Legislation to Eliminate IRA “Pill Penalty” and Improve Small Molecule Drug Innovation” <https://murphy.house.gov/media/press-releases/murphy-introduces-legislation-eliminate-ira-pill-penalty-and-improve-small>

<sup>9</sup> Hazel Law and Bailey Reavis. “The Reality of Prescription Drug Innovation: Drug Manufacturers Limit Innovation to Protect Patents and Profits” Families USA. <https://familiesusa.org/resources/the-reality-of-prescription-drug-innovation-drug-manufacturers-limit-innovation-to-protect-patents-and-profits/>

<sup>10</sup> Congressional Budget Office. “Re: Additional Information About Drug Price Negotiation and CBO’s Simulation Model of Drug Development” <https://www.cbo.gov/system/files/2023-12/59792-Letter.pdf>