

United States Senate

WASHINGTON, DC 20510

January 21, 2025

President Donald J. Trump
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear President Trump:

We write regarding reports that the “drugmakers will ask the Trump administration to pause [Medicare] drug price negotiations” soon after you take office.¹ There is no legal basis for any pause, and allowing giant pharmaceutical companies to pressure you into one would dramatically increase costs for over 60 million Medicare beneficiaries and betray your own campaign promises. You once said that “[d]eals are my art form. Other people paint beautifully or write poetry. I like making deals, preferably big deals.”² You should use those skills to cut drug prices and flat out reject any request to end negotiations from giant pharmaceutical makers that have spent decades putting profits over patients.

In 2016, you told the American public that “if we negotiated the price of drugs ... we’d save \$300 billion a year.”³ The Inflation Reduction Act made these negotiations possible, and as you suggested, the newfound power is paying dividends.⁴ Since the law’s passage in 2022, the government has reduced U.S. list prices for targeted drugs by up to 79 percent and is expected to save “Medicare beneficiaries \$1.5 billion in out-of-pocket costs” alone in 2026.⁵ If continued, price negotiations will save taxpayers roughly \$100 billion over the next decade.⁶ The second round of price negotiations was announced on January 16th, and your administration will be

¹ Bloomberg, “Lilly Asks Biden Administration to Pause Drug-Price Negotiations,” Madison Muller, Cynthia Koons, and Josh Wingrove, January 13, 2025, <https://www.bloomberg.com/news/articles/2025-01-13/lilly-asks-biden-administration-to-pause-drug-price-negotiations>.

² Post on X by Donald J. Trump, December 29, 2014, <https://x.com/realDonaldTrump/status/549590421190770688?s=20>.

³The Washington Post, “Trumps truly absurd claim that he would save 300 billion a year on prescription drugs”, Glenn Kessler, February 18, 2016, <https://www.washingtonpost.com/news/fact-checker/wp/2016/02/18/trumps-truly-absurd-claim-he-would-save-300-billion-a-year-on-prescription-drugs/>.

⁴ Inflation Reduction Act of 2022, H.R.5376, <https://www.congress.gov/bill/117th-congress/house-bill/5376>; KFF, “FAQs about the Inflation Reduction Act’s Medicare Drug Price Negotiation Program,” Juliette Cubanski, November 19, 2024, <https://www.kff.org/medicare/issue-brief/faqs-about-the-inflation-reduction-acts-medicare-drug-price-negotiation-program/#:~:text=The%20Inflation%20Reduction%20Act%20of,D%20drugs%20in%20August%202024>.

⁵ The White House, “FACT SHEET: Biden-Harris Administration Announces New, Lower Prices for First Ten Drugs Selected for Medicare Price Negotiation to Lower Costs for Millions of Americans,” press release, August 15, 2024, <https://www.whitehouse.gov/briefing-room/statements-releases/2024/08/15/fact-sheet-biden-harris-administration-announces-new-lower-prices-for-first-ten-drugs-selected-for-medicare-price-negotiation-to-lower-costs-for-millions-of-americans/>.

⁶ CMS, “Negotiating for Lower Drug Prices Works, Saves Billions,” August 15, 2024, <https://www.cms.gov/newsroom/press-releases/negotiating-lower-drug-prices-works-saves-billions>.

responsible for negotiating discounted prices for these drugs by November 1, 2025.⁷ Notably, the list includes Ozempic, which is up to 10 to 15 times more expensive in the U.S. compared to other advanced economies.⁸ By rejecting Big Pharma’s efforts, you can make good on your promise to secure big deals.

Indeed, the pharmaceutical industry’s efforts to pause this law are not aligned with your record on drug pricing. In addition to supporting negotiations, you have outlined various initiatives to push back at Big Pharma – which you have said “is getting away with murder.”⁹ For example, during your first administration, you signed executive orders to ensure “Medicare patients receive the lowest price that drug companies offer comparable foreign nations,” and to prevent drug manufacturers from conspiring with prescription drug middlemen to keep selling high-priced drugs over lower-cost generics.¹⁰ More recently, you have signaled your desire to go after the pharmaceutical industry, and your pick to lead the Department of Health and Human Services, RFK, Jr., has similarly called for action to curb Big Pharma’s abuse, including through direct negotiations and to “cap drug prices so that companies can’t charge Americans substantially more than Europeans pay.”¹¹

But Big Pharma continues to fight against these efforts. Multiple giant pharmaceutical companies and trade groups have already filed unsuccessful lawsuits against the negotiation provisions – and continue to file suit.¹² Now, according to Bloomberg, “drugmakers will ask the Trump administration to pause drug price negotiations: ‘They need to fix [the Inflation Reduction Act] before negotiating down the price of more drugs,’ Lilly Chief Executive Officer Dave Ricks said.”¹³

Given your past support for negotiations and efforts to lower prescription drug costs, you should flat out reject these requests from Big Pharma. This law does not need to be paused. It is working

⁷ KFF, “FAQs about the Inflation Reduction Act’s Medicare Drug Price Negotiation Program,” Juliette Cubanski, November 19, 2024, <https://www.kff.org/medicare/issue-brief/faqs-about-the-inflation-reduction-acts-medicare-drug-price-negotiation-program/#:~:text=The%20Inflation%20Reduction%20Act%20of%20D%20drugs%20in%20August%202024>; NBC, “Medicare announces 15 new drugs up for price negotiations, including Ozempic,” Berkeley Lovelace Jr., January 17, 2025, <https://www.nbcnews.com/health/health-news/medicare-drugs-price-negotiations-ozempic-rcna187937>;

⁸ *Id.*; NBC, “Ozempic maker defends high U.S. price: It’s ‘helping’ reduce the cost of obesity,” Berkeley Lovelace Jr. and Meagan Fitzgerald, August 25, 2024, <https://www.nbcnews.com/health/health-news/ozempic-maker-defends-high-us-price-s-helping-reduce-cost-obesity-rcna161175>.

⁹ The Washington Post, “Trump on drug prices: Pharma companies are ‘getting away with murder,’” Carolyn Y. Johnson, January 11, 2017, <https://www.washingtonpost.com/news/wonk/wp/2017/01/11/trump-on-drug-prices-pharma-companies-are-getting-away-with-murder/>.

¹⁰ Administration of Donald J. Trump, Executive Order 13951 – An America-First Healthcare Plan, September 24, 2020, p. 2, <https://www.govinfo.gov/content/pkg/DCPD-202000722/pdf/DCPD-202000722.pdf#:~:text=And%20my%20Administration%20is%20taking,Prices%20by%20Putting%20America%20First>.

¹¹ Wall Street Journal, “Trump Can Make America Healthy Again,” Robert F. Kennedy Jr., September 5, 2024, <https://www.wsj.com/opinion/trump-can-make-america-healthy-again-rfk-jr-reforms-chronic-disease-crisis-a9b4b8c0>.

¹² PharmaVoice, “Pharmas’ IRA court losses mount. They keep pursuing them.,” Amy Baxter, August 26, 2024, <https://www.pharmavoices.com/news/ira-court-pharma-merck-bms-novartis/725145/#:~:text=%E2%80%99CBMS%20was%20disappointed%20with%20the,to%20the%20Fifth%20Circuit%20court>.

¹³ Bloomberg Law, “Drugmakers Will Ask Trump to Pause Price Negotiations (1),” Madison Muller, Cynthia Koons, and Josh Wingrove, January 13, 2025, <https://news.bloomberglaw.com/health-law-and-business/lilly-asks-biden-administration-to-pause-drug-price-negotiations>.

just fine for Medicare, and you can make it work even better. We ask that you defend the law aggressively in court and use your power to negotiate the price of these drugs to negotiate the best deal possible for seniors. We urge you not to increase prices for seniors, and given your previous support for lowering prescription drug costs, welcome opportunities to collaborate to lower drug pricing. Thank you for your attention to this matter.

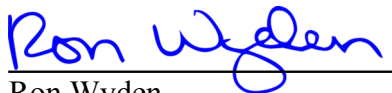
Sincerely,



Elizabeth Warren
United States Senator



Bernard Sanders
United States Senator



Ron Wyden
United States Senator

Cc: Robert F. Kennedy Jr.