

## WHAT THEY ARE SAYING:

# Opposing “Most Favored Nation” Rx Pricing Proposal



Most Favored Nation threatens to destroy the innovation necessary to discover life-saving cures, transformative treatments and more than 4.9 million U.S. jobs. What's more, foreign reference pricing policies would bolster China's increased dominance most of all.

We Work For Health and other leading voices are raising serious concerns about the impact of the Most Favored Nation pricing proposal on innovation and jobs across America:



“While intended to put America first, the EO will have precisely the opposite effect, reduce the United States’ global lead in both pharmaceutical innovation and patient access to novel drugs and therapies.” – **American Action Forum: Michael Baker, Director of Health Care Policy**



“... MFN will likely not lead to other countries paying more for medicines. Without any wealthy country paying market price for medicines, companies cannot expect to recuperate the R&D costs for the medicines they create. This will depress innovation and cause drug shortages to a degree that is entirely unacceptable.” – **Americans for Tax Reform**



“When we speak of access, it includes affordability and availability. Change that does not improve access, does not make life better for people in Arizona or across our nation. A Most Favored Nations policy in the United States, if not carefully implemented, would harm the patients we work to help and stifle the thriving health innovation ecosystem that Arizonans have spent decades building.” – **AzBio: Joan Koerber-Walker, President and CEO**



“Most favored nation is a deeply flawed proposal that would devastate our nation’s small- and mid-size biotech companies – the very companies that are the leading drivers of medical innovation in the United States and the cornerstone of America’s biotechnology leadership.” – **Biotechnological Innovation Organization (BIO): John F. Crowley, President and CEO**



“MFN dodges meaningful reform now and guarantees long-term harm, distorting market incentives and undercutting the innovation patients rely on.” – **Center for a Free Economy, Ryan Ellis, President**



“Adoption of foreign price control schemes ultimately means vulnerable patients have decreased access to medicines they need. Foreign countries that employ price control schemes and socialized medicine essentially discriminate against rare diseases and chronically ill patients by devaluing innovation and implementing excessive access restrictions” - **Council of State Bioscience Associations**



“The current system works by ensuring broad patient access to medicine while enabling companies to reinvest in research and development. Drastic changes such as MFN pricing would upend this balance and threaten job creation and investment in states like Georgia.” - **Georgia Life Sciences**



“America leads the world in drug development because we reward risk-taking. MFN would reverse that -- cutting off the lifeblood of future cures and weakening our global leadership. We urge policymakers to reject MFN and pursue smarter reforms that improve access without sacrificing innovation. The future of medicine depends on it.” - **Incubate Coalition**



“At a time when China is becoming an increasingly fierce competitor in this industry, policymakers should stop approaching America’s biopharmaceutical industry with price controls and tariffs and instead start supporting it in two key ways: 1. by insisting that other countries pay their fair share for medicines—thereby raising the floor instead of racing to the bottom; and 2. by investing in public-private partnerships to develop the technological innovations that can help companies cost-competitively manufacture medicines in the United States (generic and innovative alike).” - **Information Technology & Innovation Foundation: Stephen Ezell, Vice President, Global Innovation Policy, and Director, Center for Life Sciences Innovation**



“But price controls virtually always lead to unintended consequences: shortages of the price-controlled products or services; lower quality as manufacturers cut corners to meet government-imposed price points; less innovation, since companies don’t know if they’ll be allowed to recover their costs; and a black market where people pay more to get what they want or need.” – **Institute for Policy Innovation: Merrill Matthews, Resident Scholar**



“Importing European-style price controls won’t help Americans access medicines or make them cheaper. Rather, these policies will dampen innovation and R&D, threaten patient access and empower bureaucrats abroad to undermine America’s health system.” - **National Association of Manufacturers**

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“While linking drug prices in the United States to the lowest prices paid in other countries may generate short-term savings, such policies carry significant risks for Americans. These include delays in access to treatments, reduced treatment options, and increased strain on health care providers. Any approach to drug pricing reform must be transparent, focused on sustaining access to high quality, person-centered care, and grounded in patient perspectives.” - **National Health Council**

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“Importing foreign price controls on prescription drugs into the United States will lead to much less revenue for the pharmaceutical industry — and much less money to invest in the development of the next generation of medicines.” – **Pacific Research Institute: Sally Pipes, CEO**

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“Rather than accept the price controls’ high burden, the U.S. should focus on improving the efficiency of the drug pricing market. Focusing on these policy-created inefficiencies can generate significant savings for patients while still promoting the important goals of increasing access and promoting innovation.” – **Pacific Research Institute: Wayne Winegarden, Senior Fellow**

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“...policies across-the-board must be consistent to enable robust innovation and investment across all sectors. That means strongly rebuking price controls and government micro-management of all business sectors.”  
- **Small Business and Entrepreneurship Council**

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“MFN is nothing more than a destructive price control that will distort the market and result in fewer new drugs being developed. The goal of lowering drug prices is noble, but instituting price controls that will align U.S. prices with foreign countries will backfire and end up harming patients.” – **Taxpayers Protection Alliance Consumer Center: Christina Smith, Director**

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“The President is right to object to foreign governments' price controls on pharmaceuticals, which result in America disproportionately funding most pharmaceutical research. However, the answer is not to import foreign government price control policies into the United States, but instead to pressure foreign governments to give up their price controls.” - **U.S. Chamber of Commerce: Tom Quaadman, Senior Vice President for Economic Policy**

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“But tackling the problem by taking it out on the innovators—by importing other countries’ backward policies—will only harm the world’s greatest producer of cures and replicate those countries’ failing systems. Europe’s price controls have reduced its once-thriving pharmaceutical industry to dust, while Europeans (and Australians and Canadians) have access to far fewer new drugs than are available to Americans, including breakthrough cancer treatments. Those nations also show how a lack of innovation leads to even higher healthcare costs in the longer run.”

– Wall Street Journal: Kimberly A. Strassel, member of the editorial board

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“If the U.S. continues to hamstring its own industry, we will risk ceding the future of medicine to China, our access to medical innovations, and a robust industrial research and manufacturing base with high-paying jobs that follow.” -

We Work For Health: Dan Leonard, Executive Director

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“Any effort to ease Americans’ health care burden is admirable, but the most-favored-nation policy is not the approach to take and it does not take into consideration the real-world cost.” - We Work For Health