

Administration of Joseph R. Biden, Jr., 2023

Statement on Prescription Drug Cost Reduction Efforts

August 29, 2023

For far too long, Americans have paid more for prescription drugs than any major economy. And while the pharmaceutical industry makes record profits, millions of Americans are forced to choose between paying for medications they need to live or paying for food, rent, and other basic necessities. Those days are ending.

Today my administration announced the first 10 Medicare Part D drugs that have been selected for price negotiation—for the first time ever. They are among the most common and costly prescriptions that treat everything from heart failure, blood clots, diabetes, arthritis, Crohn's disease, and more. This is on top of progress we made in reducing the cost of insulin to \$35 a month for seniors on Medicare.

We've reached this milestone because of the Inflation Reduction Act, one of the most significant laws ever enacted and one that passed with the leadership of Democrats in Congress. We took on Big Pharma and special interests, overcoming opposition from every Republican in Congress, and the American people won.

When implemented, prices on negotiated drugs will decrease for up to 9 million seniors. These seniors currently pay up to \$6,497 in out-of-pocket costs per year for these prescriptions. In addition, the nonpartisan Congressional Budget Office reports that this will save taxpayers \$160 billion by reducing how much Medicare pays for drugs through negotiation and inflation rebates.

This plan is a key part of Bidenomics, my economic vision for growing the economy from the middle out and the bottom up, not the top down. And it's working. That's why Big Pharma has already filed eight lawsuits against my administration and spent nearly \$400 million last year to try to stop our progress. Let me be clear: I am not backing down. There is no reason why Americans should be forced to pay more than any developed nation for lifesaving prescriptions just to pad Big Pharma's pockets. For many Americans, the cost of one drug is the difference between life and death, dignity and dependence, hope and fear. That is why we will continue the fight to lower health care costs, and we will not stop until we finish the job.

Categories: Statements by the President : Prescription drug cost reduction efforts.

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