

United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

February 3, 2026

COMMON SENSE POLICIES TO LOWER DRUG PRICES FOR PATIENTS

Dear Colleague,

America's health care system puts corporations before people and profits over patients. Americans are fed up with skyrocketing health care costs that put basic care out of reach. As 2026 begins, members of the Finance Committee and other Democrats across the Senate are turning our attention towards solutions that will make health care more affordable.

Finance Committee minority staff will dedicate substantial time and effort this year to developing the next generation of health care solutions that lower costs for American families. These solutions will rein in Big Pharma's outrageous price increases, lower costs for consumers, guarantee predictability for patients, and reduce wasteful government spending that pads the profits of big corporations. Alongside the co-signers of this letter, I invite you to be a part of this bold vision.

Throughout both terms of his presidency, Donald Trump has talked a big game about lowering drug prices. But it's just more Trump Theater. He has not actually delivered lower drug prices to the American people. In fact, the only concrete drug pricing policy Trump enacted within the past year was a price hike for the biggest blockbuster cancer drugs on earth, giving an \$8.8 billion windfall to the pharmaceutical industry. During January alone, drug manufacturers announced they have raised prices for 948 drugs—including on Opdivo, one of the life-saving cancer treatments Trump and Republicans bailed out.¹

While Trump's announcements on drug pricing are mostly a farce, Americans want real action to lower their drug costs. Democrats can enact real drug pricing reforms where Trump and Republicans only pretend to deliver. We are working on a prescription drug pricing policy that aims to deliver on the following three goals:

- Lowering the Prices Manufacturers Charge for Drugs : In 2022, Democrats took on Big Pharma and finally gave Medicare the power to negotiate drug prices without a single Republican vote. Savings from negotiation on the first ten drugs would total \$6 billion in a single year, with savings reaching \$12 billion for the second tranche of 15 drugs.² Meanwhile, it is far from clear whether Trump's so-called "deals" with Big Pharma will

¹ Loftus, P. January 2026. This year drugmakers cut prices for several widely used drugs. *Wall Street Journal*. Available at: <https://www.wsj.com/health/pharma/this-year-drugmakers-cut-prices-for-several-widely-used-drugs-f5f61165?mod=Searchresults&pos=2&page=1>

yield any savings whatsoever. Eighty-six percent of voters in the 2024 election support preserving or expanding Medicare's ability to negotiate drug prices, including 81 percent of Republican voters.³ Building on the success and broad appeal of Medicare drug price negotiations, Finance Committee staff will develop policies to:

- Incorporate international pricing into the Medicare drug price negotiation framework through new approaches, such as allowing the Secretary to consider international prices as a factor in the negotiation process, penalizing manufacturers when pricing exceeds international benchmarks, or using international price points as part of ceiling price calculations,
 - Allow Medicare to negotiate more drugs faster,
 - End Republican blockbuster drug bailouts from negotiation, and
 - Lower drug costs for Americans who get health insurance through their job or purchase it on their own.
- Reducing Out-of-Pocket Drug Costs Lowering the prices manufacturers charge for drugs does not guarantee that patients will benefit from lower drug costs at the pharmacy counter. In 2024 alone, the United States spent approximately \$5.4 trillion on health care⁴, and a large portion of that spending—potentially as much as 45 percent—is being absorbed by middlemen such as insurers, pharmacy benefit managers (PBMs), and drug distributors.⁵ Health care middlemen profit when drug costs are high because they make money off of drug margin or payments that are linked to the price of a drug, ripping off patients who pay more than they should. Medicare Part D and the patients it serves should stop footing the bill for inflated drug prices and instead pay for drugs in a more transparent manner that reduces middleman margin, similar to the Mark Cuban Cost Plus Drugs Company. Finance Committee staff will develop policies to:
 - Eliminate abuses in the prescription drug supply chain that drive up costs on generic drugs by eliminating egregious drug price markups, and
 - Ensure patient cost-sharing on brand drugs more closely resembles actual drug costs to plans and PBMs.
 - Restoring and Bolstering American Innovation Trump has been an unmitigated disaster for innovation and drug development. The actions of the Trump Administration today are ripping away the cures of tomorrow, and Democrats should not stand for it. Trump has allowed Robert F. Kennedy, Jr. and his sycophants to wreak havoc on the nation's core scientific infrastructure. The Congressional Budget Office (CBO) recently found that a

² CMS. April 2024. Medicare Drug Price Negotiation Program: Negotiated Prices for Initial Price Applicability Year 2026. Available at: <https://www.cms.gov/newsroom/fact-sheets/medicare-drug-price-negotiation-program-negotiated-prices-initial-price-applicability-year-2026>

³ Hart Research. January 2025. Democrats Have a Winning Hand to Play on Healthcare. Available at: <https://www.protectourcare.org/wp-content/uploads/2025/02/Protect-Our-Care-Polling-Memo-1-24-2025.pdf>.

⁴ Payerchin, R. January 2026. Health care spending reaches \$5.3 trillion, or 18% of U.S. economy, in 2024. *Medical Economics*. Available at: <https://www.medicaleconomics.com/view/health-care-spending-reaches-5-3-trillion-or-18-of-u-s-economy-in-2024>

⁵ Who profits from America's baffling health care system? October 2023. *The Economist*. Available at: <https://www.economist.com/business/2023/10/08/who-profits-most-from-americas-baffling-health-care-system>

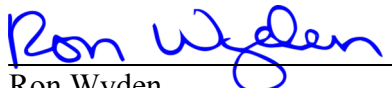
ten percent cut to the National Institutes of Health (NIH) funding and delays in Food and Drug Administration (FDA) approvals would result in 53 fewer new drugs approved for patients. This is likely an underestimate of the impact of Trump's proposed NIH cuts, which total a whopping 40 percent of the agency's budget.⁶ Further, an estimated 74,000 patients enrolled in clinical trials were affected by Trump's NIH cuts, causing patients to lose access to treatment for cancer and other diseases and potentially irrevocably disrupting progress toward finding and developing cures.⁷ Finance Committee staff will develop policies that:


- Create new incentives for innovation and drug development within Finance Committee jurisdiction, including through the tax code, and
- Leverage the tax code to create new sources of funding for federal grants, including from NIH, that support innovation and drug development.


In the coming weeks and months, we plan to release more details about the above policies. We invite any interested colleagues to join us by participating in and providing input to this effort. We want to make sure that the Senate is prepared to take action on these issues the next time Democrats have an opportunity to enact the bold, meaningful change the American people seek.


American taxpayers should be able to count on a health care system that offers value for their dollar, patients should have certainty that they can afford the care they need, and no family should live in fear that they are just one medical crisis away from financial ruin. Let's build the health care system every American deserves. We can start by putting patients before Big Pharma's profits and lowering prescription drug prices, delivering the real results that Trump and Republicans fail to.

Sincerely,


Ron Wyden
United States Senator
Ranking Member, Committee
on Finance


Catherine Cortez Masto
United States Senator


Peter Welch
United States Senator


Ruben Gallego
United States Senator

⁶ Wosen, J. & D. Payne. May 2025. New HHS document details deep NIH cuts as part of Trump budget request. *STAT*. Available at: <https://www.statnews.com/2025/05/30/nih-cuts-new-details-18-billion-budget-reduction-outlined-in-congressional-budget-justification/>

⁷ Patel, V. et al. November 2025. Clinical trials affected by research grant terminations at the National Institutes of Health. *JAMA*. Available at: <https://jamanetwork.com/journals/jamainternalmedicine/article-abstract/2840939>