



Are Trump's drug pricing policies saving anyone money?

Experts question the effectiveness of the Trump administration's strategies to cut pharmaceutical costs in the USA. Washington Correspondent Susan Jaffe reports.

For Wyden's report on drug pricing see https://www.finance.senate.gov/imo/media/doc/drug_deal_disclosure_act_accompanying_report.pdf

For The Guardian's reporting on drug pricing in the UK see <https://www.theguardian.com/society/2026/feb/04/cost-of-uks-drug-price-with-us-will-come-out-of-nhs-budget>

For more on Trump's efforts to bring down drug prices in his first term see [World Report Lancet 2018; 391: 2197-98](#)

President Donald Trump has long complained that the high prices Americans pay for prescription drugs “fuel global innovation while foreign health systems get a free ride”, as he declared in an executive order last year. “This abuse of Americans’ generosity, who deserve low-cost pharmaceuticals on the same terms as other developed nations, must end.”

In his quest for price cuts, the president has rolled out a series of initiatives in recent months that use the threat of tariffs and inducements, including speedy drug approvals, to persuade manufacturers to raise pharmaceutical prices overseas—normally an unappealing prospect in any market. And Trump wants the extra revenue to be used to lower prices in the USA. The strategy is already working, he claims. “The result is price differences of 300, 400, 500, 600 percent and more—all available right now at a new website called TrumpRx.gov”, he told Congress in his February State of the Union address. He and his Health and Human Services secretary, Robert F Kennedy Jr, often repeat these sweeping claims even though they are mathematically impossible. Patients cannot be charged, let alone pay, a price that is less than zero.

But as the November midterm elections approach, the administration's efforts to cut drug prices could provide some talking points for candidates trying to assure worried voters that Republicans are addressing one of their top concerns: the rising cost of living. And 77% of Americans say Trump's policies are responsible for the problem, according to a CNN poll published on May 13.

TrumpRx is a government website created in January that offers prices for 74 drugs, as of May 18, or less than 1%

of the US Food and Drug Administration (FDA)-approved medicines sold in the USA. A week earlier, it contained 87 drugs and invited visitors to “Find the world's lowest prices on prescription drugs.” That language has since been replaced with terms such as “best deals” and “lowest prices on prescription drugs in the developed world”. The administration is planning to add more drugs to the site in the future.

It is difficult to assess whether patients are saving money by using TrumpRx since only “a handful of drug products are discounted exclusively on TrumpRx”, according to a report released in April by Senator Ron Wyden of Oregon, the senior Democrat on the Senate Finance Committee. The report also found that “64 percent of the drugs on TrumpRx either already have pre-existing and lower-priced generics”, or better company direct-to-consumer discount offers, or equivalent cash prices available at other websites.

Among the ways the administration is working to lower drug prices is a “preliminary agreement” with the UK unveiled in December, 2025. The UK will pay pharmaceutical manufacturers 25% more for new prescription drugs so that the companies will lower their US prices. The arrangement will cost the UK Department of Health and Social Care, which funds the NHS in England “initially an extra £1 billion [about \$1.3 billion] over three years”, The Guardian reported in February. Representatives from both countries have yet to confirm that amount for *The Lancet*. Critics have threatened to sue the UK government to block the agreement.

In return for the UK's commitment, the USA will exempt all UK pharmaceutical imports from tariffs beginning Jan 1, 2026, until Jan 19, 2029, the day before a new

US president takes the oath of office. “This makes the UK the first country in the world to secure 0% tariffs on pharmaceutical exports to the US”, the NHS said in an April press release.

The UK had a very different response the first time Trump tried to pressure countries he described as “global freeloaders” to pay more for drugs. In 2018, a spokesperson for the British embassy in Washington, DC, told *The Lancet*: “The NHS is now, and always will be, a public service free at the point of need; it is not, and never will be, for sale to the private sector, whether overseas or domestic; and no trade agreements will ever alter these fundamental facts.”

Countries that do not follow the UK's example by agreeing to similar deals could face 100% tariffs on pharmaceutical products exported to the USA. However, Australia will not be one of them, Health Minister Mark Butler told reporters in April. “Good affordable medicine prices are protected by Australian law”, he said. “They will not change because of any decision taken by the US administration.”

Trump also used the tariff cudgel in July, 2025, when he wrote to 17 leading manufacturers of sole-source brand-name drugs and biologics. He demanded that they charge Americans the lowest prices paid by other developed countries, a policy known as “most favored nation” (MFN) prices. The companies are AbbVie, Amgen, AstraZeneca, Boehringer Ingelheim, Bristol Myers Squibb, Eli Lilly, EMD Serono, Genentech, Gilead, GSK, Johnson & Johnson, Merck, Novartis, Novo Nordisk, Pfizer, Regeneron, and Sanofi.

He also demanded that MFN pricing be applied to drugs purchased by the Medicare and Medicaid government

health insurance programmes as well as commercial insurers. Other demands required companies to offer MFN pricing directly to consumers and businesses as well as build or expand manufacturing facilities in the USA.

These changes will require “all manufacturers to negotiate harder with foreign freeloading nations”, to get more money for their products from other countries, his letter continues. The additional revenue “must be repatriated to lower drug prices for American patients and taxpayers through an explicit agreement with the United States”, Trump wrote. By April, all 17 had finalised agreements with the administration, even though industry representatives say there is no guarantee that manufacturers will use the extra revenue as Trump wishes since that is a matter each company must decide.

In return for their cooperation, the administration will give companies a 3-year exemption from tariffs on the drugs and active ingredients they import into the USA. Manufacturers will also be eligible for accelerated reviews when they seek approval from the FDA for new drugs. The FDA typically reserves expedited reviews for drugs to treat unmet medical needs or respond to a public health emergency like the COVID-19 pandemic, not as an inducement to modify prices, said Sarah Karlin-Smith, Research Director for the Access to Medicines Program at Public Citizen, a consumer advocacy group. “It’s quite unusual for the FDA to make decisions based on drug costs”, she said.

In an example cited in an Administration fact sheet of April 23, Regeneron will reduce the cash price for its cholesterol drug Praluent, from \$537 to \$225 for patients who buy it through the TrumpRx website. However, as of May 18, it was not yet available from the site. The fact sheet also said Regeneron will not charge patients who use Otarmeni, its newly approved medication to treat a rare genetic disease that causes deafness.

Other examples the Administration highlighted are savings as much as \$3000 annually for patients without health insurance who purchase GLP-1 weight loss drugs through the TrumpRx website, and more than \$6000 in savings for uninsured patients who buy in-vitro fertilisation medications.

On May 5, 2026, the White House issued a report claiming that MFN pricing will generate \$529 billion in domestic savings during the next 10 years. “By tying US drug prices to international prices, prospective MFN will lower US prices and put upward pressure on prices paid in other wealthy nations.”

Rachel Sachs, a professor of law at Washington University School of Law who specialises in health law and drug pricing, said the Administration’s strategy is flawed. “Prices don’t decrease by themselves because other countries pay more”, she said. “Manufacturers want to charge as much as they can in each of these countries, and so they will not decrease their prices here unless there is a change in the law or regulations or the structure of the market.” None of the Administration’s proposals have been enacted into law, said Sachs, who was a senior advisor for drugs in the Biden Administration.

Critics also question whether voluntary confidential agreements can achieve the long-lasting price reductions generated by the Medicare programme’s negotiations with drugmakers, as required by the 2022 Inflation Reduction Act. Savings for the first ten medicines selected for negotiations are expected to save Medicare an estimated \$6 billion and save patients \$1.5 billion. Negotiated prices for the next 15 drugs are expected to save Medicare \$12 billion. On May 18, the Supreme Court rejected a challenge by the pharmaceutical industry seeking block the negotiations.

Industry leaders also say the Administration should do more to rein in insurance companies and pharmacy benefits managers, which contribute to high drug costs. “We strongly oppose

‘Most Favored Nation’ price control policies that would harm US innovation while doing nothing to address problems here at home—such as insurance practices that deny care and drive up patient costs”, said Sarah Ryan, a spokesperson for the Pharmaceutical Research and Manufacturers of America, which represents 32 leading US pharmaceutical and biomedical research companies.

Insurers counter that drugmakers have extended patent protections to delay or eliminate competition from cheaper generic alternatives. “Accelerating access to generics and biosimilars broadly could generate \$422.9 billion in savings for the US health care system”, according to a recent statement from AHIP, a trade association representing the health insurance industry.

So far, Administration officials have not disclosed key details that would support their claims of hundreds of billions of dollars in savings produced by MFN pricing. They have refused requests for copies of the agreements signed by the 17 brand name pharmaceutical makers, which prompted Public Citizen to file a federal lawsuit to obtain the first two of those agreements with Pfizer and Eli Lilly. “At this point we don’t know what the deals include”, said Public Citizen’s US Drug Policy Advocate, Steve Kniewel. The group seeks information on how long the agreements will be in effect, what drugs are included at what prices, and how drug companies would direct increased foreign revenues to reduce US drug prices, among other things.

“If these deals are so great, why is the Trump administration afraid of showing them to the public?”, Wyden asked last month. He has joined 18 Senate Democrats to introduce legislation that would force the Administration to disclose the terms of what he called “sweetheart deals that shower goodies on these companies”.

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For the White House report on MFN see <https://www.whitehouse.gov/research/2026/05/savings-from-most-favored-nation-drug-pricing-policy/>