

September 14, 2020

Allies for Independence Statement on Trump Executive Order Related to Drug Pricing

On Sunday evening, President Trump signed an Executive Order (EO) on drug pricing. Specifically, the plan would tie payment for certain Medicare drugs to the lowest available costs of the drug abroad. The “most favored nation” order will attempt to link Medicare Part B and Part D drug prices to lower prices that are paid in other countries. While Allies for Independence believes in the importance of affordable drugs, this EO comes at a time of crisis in the United States.

There are legitimate concerns that the new policy may cause delays to innovation in new drugs and may disrupt a marketplace already in stress due to COVID-19. In addition to these issues, most concerning, the EO adopts the use of quality-adjusted life-years (QALYs) from other countries to measure health outcomes. The QALY tool measures the value of health outcomes and has been found to devalue the lives of individuals with disabilities, those who are aging, and those who have chronic illness because it assigns higher value to people in “perfect health” than people with which society deems in less-than-perfect health. So, if you are an individual impacted by a chronic illness or you are a person with a disability, the drug treatment your doctor says you need may not meet the standards set by the foreign government. Allies for Independence is deeply concerned that this new EO will make necessary treatments more difficult for people to access. The world is in the middle of a pandemic, and now is not the time to disrupt or change the way individuals who are already at a high risk receive their medicine.