



the campaign for
SUSTAINABLE Rx PRICING



Drug Pricing Overview

119th Congress



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SUSTAINABLE Rx PRICING

Dear Member of Congress,

On behalf of the Campaign for Sustainable Rx Pricing (CSRxP), a nonpartisan coalition of consumers, employers, health plans, hospitals, nurses, pharmacists, pharmacy benefit companies and physicians committed to lowering the cost of prescription drugs, congratulations on being elected to represent your constituents and serve in the 119th Congress. Our coalition believes patients should never have to choose between paying for groceries and taking the medications that will improve their health — or even save their life. That's why we are eager to work with you to advance bipartisan, market-based solutions that will improve the lives of people in your community and across the country.

Prescription drug prices are out-of-control and lowering their cost is one of the biggest policy challenges facing our nation today. According to recent surveys, a clear majority of Americans are [concerned](#) about prescription drug prices, believe the price of prescription drugs is [unreasonable](#) and want to [hold](#) big drug companies accountable to lower prices.

A [majority of voters](#) are very concerned about the cost of prescription drug prices and support prescription drug pricing reforms.

In contrast, brand name pharmaceutical companies continue to operate their business as usual, increasing drug prices year over year. In the first week of 2025, brand name drug makers increased prices on [250 prescription drugs](#), with a median increase outpacing inflation. In 2024, brand name drug makers increased prices on nearly 1,000 prescription drugs. And a recent [report](#) found that the list prices of Medicare Part D's top 25 best-selling prescription drugs have increased by an average of 98 percent — or nearly double — since entering the market.

AARP: [Prices](#) for Top Medicare Part D Drugs Have Nearly Doubled Since Entering the Market

In addition to setting the list prices of prescription drugs, brand name pharmaceutical companies use every possible tactic to game the system to extend monopolies and delay competition from more affordable generic and biosimilar medicines. The playbook includes filing dozens of late-stage patents on one drug, creating a nearly impenetrable patent thicket. One analysis estimates patent thickets on five of the top-selling brand name drugs cost American patients more than [\\$16 billion](#) in one year.

Another tactic used by brand name pharmaceutical companies is always on direct-to-consumer (DTC) advertising. Drug companies spend billions of dollars each year to boost sales and increase utilization of their biggest blockbuster medicines. And then use the tax code to write off the advertising expense.

GAO: An Average of \$6 Billion is Spent on DTC Advertising Each Year

These anti-competitive practices are why Americans pay [significantly higher prices](#) for brand name prescription drugs than every other country in the world. For example, the list price for Novo Nordisk's blockbuster GLP-1 product for weight loss, Wegovy, is 7x more in the U.S. vs. China.

List Price of Novo Nordisk's Wegovy®: U.S.: \$1,349 | China: \$194

President Donald Trump and Members of Congress have an historic opportunity to advance bipartisan, market-based solutions that hold pharmaceutical companies accountable and lower the cost of prescription drugs for America's patients.

We are providing you with a robust roadmap on how the Trump Administration and Congress can accomplish this goal and deliver meaningful savings.

The CSRxP toolkit includes:

- [Out-of-Control Drug Prices: Defining the Problem](#)
- [DTC Advertising by the Numbers](#)
- [Patent Abuse is the Root Cause of High Prices](#)
- [GLP-1 Spending is Unsustainable](#)
- [Proposals for Change: Competition, Affordability, and Transparency](#)

CSRxP looks forward to working with you to tackle this important issue and make prescription drugs more affordable for all Americans.

Sincerely,

Lauren Aronson

Lauren Aronson

Executive Director

Campaign for Sustainable Rx Pricing

laronson@mc-dc.com



About CSRxP

Who we are

The Campaign for Sustainable Rx Pricing (CSRxP) is a broad-based coalition of leaders – physicians, nurses, hospitals, consumers, health plans, PBMs, pharmacists and businesses – promoting bipartisan, market-based solutions to lower drug prices in America.

Our mission

To make prescription drugs more affordable for all Americans. CSRxP advocates for bipartisan solutions that hold pharmaceutical companies accountable for out-of-control drug prices and provide more affordable choices for patients. We believe in market-based reforms that address the underlying causes of high drug prices in the U.S. through increased transparency, competition and value.

Where you can learn more

To learn more about the Campaign for Sustainable Rx Pricing (CSRxP) and our proposals to change the drug pricing market, visit www.csrxp.org and www.csrxp.org/solutions.

Sign up to receive our weekly newsletter to learn about the biggest developments each week on the rising prescription drug crisis at www.csrxp.org.

Experts Available to you:

Our CSRxP leadership team is always available to provide additional background or speak on the issue.

Lauren Aronson, CSRxP Executive Director,
laronson@mc-dc.com

CSRxP Communications Team, CSRxP@CSRxP.org



For real-time updates, follow CSRxP on:



CSRxP Membership



Out-of-Control Drug Prices: Defining the Problem

Every American deserves access to affordable medicine. Unfortunately, Big Pharma's out-of-control drug prices prevent many families from getting the medicines they need. No one should ever have to choose between paying for necessities and taking the medicine that will improve their health — or even save their life. While pharmaceutical companies make life-saving treatments and cures, it does not give them the right to price gouge hardworking families and extend monopolies long past reasonable periods of exclusivity to pad their bottom lines.

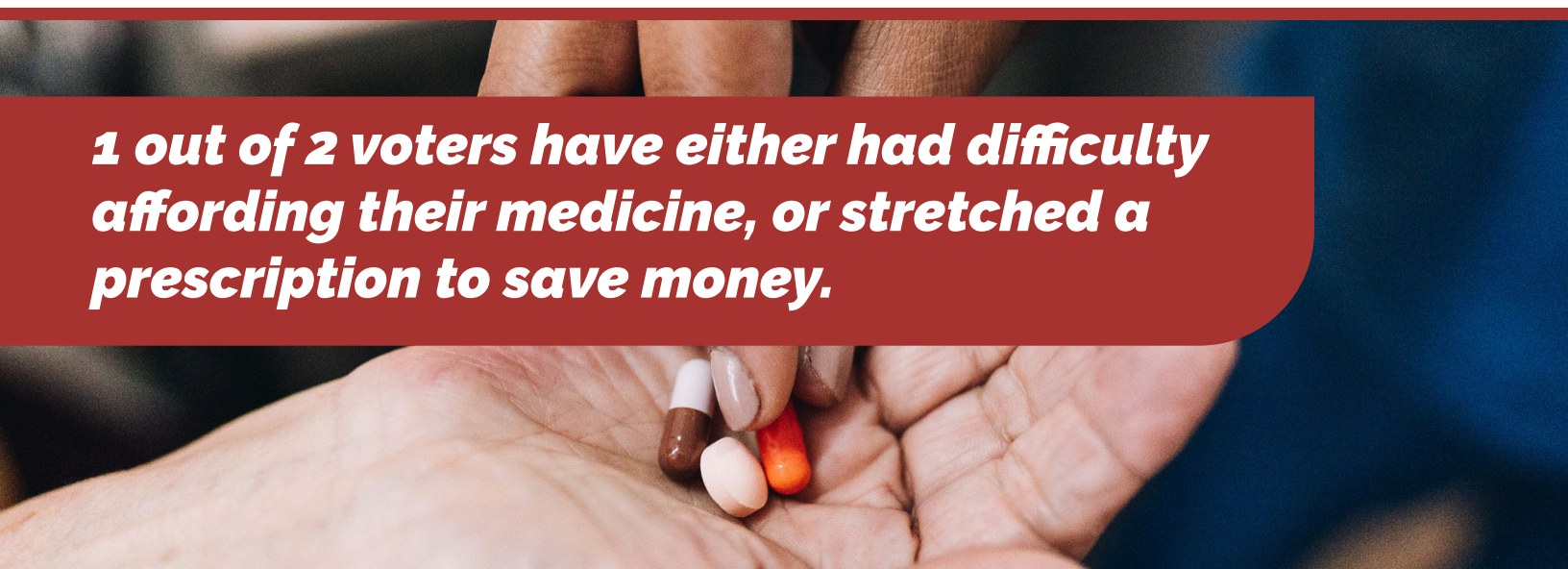
Despite efforts from the branded pharmaceutical industry to suggest otherwise, drug makers — and drug makers alone — set prices on the products they market and are the drivers of the unsustainable growth in drug prices and excessive spending on prescription drugs today. Drug companies set excessively high list prices at launch for new drugs and raise those prices every year, oftentimes at rates that far exceed inflation.

The median annual list price among newly approved drugs in 2023 was more than [\\$300,000](#) – roughly \$80,000 higher than the median price of \$222,000 in 2022. For one-time gene therapy treatments, list prices were [even higher](#) in 2023, ranging from \$2.2 million to \$3.2 million. Drug makers increased prices on [250 brand name drugs](#) to start 2025 and [nearly 1,000](#) prescription [products](#) in 2024, even though many Americans already cannot afford the medications they need to get well and remain healthy.

The price increases implemented at the outset of the year follow years of unsustainable price increases imposed by Big Pharma on consumers and taxpayers. During the period of January 2022 to January 2023, for example, drug makers raised prices in excess of inflation for [1,982 drugs](#), with an average price increase of 15.2 percent. The average price increase was nearly \$590 per product.

Egregious prices and a lack of competition to high-priced brand name drugs also substantially burden the many small businesses and large employers who seek to offer affordable health insurance and their employees because, as prescription drug expenditures increase, cost-sharing and premium costs [also rise](#).

Far too often consumers experience the unfortunate and unfair choice of purchasing medications and paying their bills for food and housing. Patients and their families simply should never be presented with such a choice.



1 out of 2 voters have either had difficulty affording their medicine, or stretched a prescription to save money.

By The Numbers



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Out-of-Control Drug Prices

Nearly 1,000: The number of Big Pharma price increases on brand name drugs in 2024, according to data from [MM+M](#) and [The Wall Street Journal](#).

4.5 percent: The median percentage increase of Big Pharma's price increases in January 2025, significantly exceeding the most recent [2.7 percent](#) rate of inflation from the U.S. Bureau of Labor Statistics.

Nine-in-ten: Number of U.S. voters who are concerned about the price Rx drugs in the country, according to a 2025 [survey](#) from CSRxP.

Patent Abuse

\$16 Billion: Big Pharma's patent thickets on just five drugs cost U.S. consumers over \$16 billion in lost savings in one year, according to a 2023 [report](#) from Matrix Global Advisors (MGA).

\$1.8 Billion: The amount the nonpartisan Congressional Budget Office (CBO) estimated The Affordable Prescription for Patients Act, also known as Cornyn-Blumenthal, would save.

Direct-to-Consumer Advertising

\$8 Billion: A May 2023 [report](#) in Fierce Pharma found Big Pharma spent nearly \$8.1 billion on direct-to-consumer (DTC) advertising pushing brand name prescription drugs in 2022. According to the U.S. Government Accountability Office (GAO), Big Pharma spends an average of [\\$6 billion](#) on these ads annually.

86 percent: The number of U.S. voters who support requiring drug companies to list the price of their drugs in their DTC advertising, according to a 2025 [survey](#) from CSRxP.

\$300,000+: The median annual launch price of drugs approved by the U.S. Food and Drug Administration (FDA) in 2023, up 35 percent compared to the previous year, according to a February 2024 [analysis](#) from Reuters.

All But One: Big Pharma's price hikes outpaced inflation on nearly 1,000 popular medications every year except one between 2006 and 2020, according to a January 2024 [analysis](#) by AARP.

62 percent: A majority of U.S. voters blame drug companies for the high price of Rx drugs in the country, according to a 2025 [survey](#) from CSRxP.

4x: Brand name drug companies target their most profitable products for reformulation to extend monopolies and prohibit generic competition from entering the market. "Between 1995 and 2010, approval of new formulations was four times more likely among blockbuster drugs," according to a May 2022 [study](#) published in JAMA Health Forum.

Less Than One-Third: Fewer than one-third of the most commonly featured drugs in DTC television advertising were rated as having high therapeutic value, according to a 2023 [paper](#) in JAMA Network.

63 percent: The number of voters who support outright banning pharmaceutical DTC advertising for Rx drugs, according to a 2025 [survey](#) from CSRxP.



By The Numbers

Blame Game

\$275 Million: In [2022](#) and [2023](#), Big Pharma spent at least \$275 million opposing drug pricing solutions and pushing a debunked blame game designed to evade accountability and point a finger at others in the supply chain.

\$52 Million: According to a November 2023 [report](#) in POLITICO, The Pharmaceutical Research and Manufacturers of America (PhRMA) donated more than \$50 million to dark money groups in 2022 to oppose prescription drug pricing solutions in Congress.

87 to 11: By a margin of 76 percent, the vast majority of U.S. voters agree with the statement, “Lawmakers in Congress should reject the pharmaceutical industry’s blame game targeting others in the supply chain, and instead focus on holding brand name drug companies accountable to lower prescription drug prices” after being told, “the pharmaceutical industry has waged a multi-year campaign seeking to blame others in the prescription drug supply chain for high drug costs, including pointing a finger at pharmacy benefit managers and hospitals,” according to a 2023 [poll](#) from CSRxP.

False Innovation Rhetoric

300: In November 2023, PhRMA released a report accidentally demonstrating that the innovation pipeline for serious conditions, like cancer, had actually grown since the passage of legislation Big Pharma claimed would hamper breakthroughs. PhRMA’s [report](#) showed there were 300 more cancer medicines in development after the law they opposed was passed, than in [December 2020](#), before the law was passed.

\$815 Million: In 2023, brand name drug makers’ unjustified price hikes on just five prescription medications cost the U.S. an additional \$815 million, according to a December 2024 [analysis](#) from the Institute of Clinical and Economic Review (ICER). The analysis examined price increases that occurred without any new clinical evidence or improvements to justify the increases.

7 of 10: Seven out of the 10 largest drug manufacturers spent more on marketing expenses than R&D in 2020, according to an October 2021 [report](#) from AHIP.

210: U.S. taxpayers have funded research that [contributed](#) to every single one of the 210 new drugs that the FDA approved between 2010-2016.

\$1.8 Billion: Price hikes on AbbVie’s Humira that were not supported by new clinical evidence accounted for an unnecessary increase in U.S. drug spending of more than \$1.8 billion from 2017-2018 according to a 2019 [analysis](#) from ICER.

200 Percent: Since 2000, there has been a 200 percent increase in the number of continuation patents – meaning patents related to existing drugs – that brand name drug makers have filed, according to an August 2023 [analysis](#) in JAMA. Meanwhile, there has only been a 15 percent increase in the number of original patents filed.

\$36 Billion: Selling and marketing expenses for the ten largest drug manufacturers by revenue exceeded R&D investments by \$36 billion in 2020, according to an October 2021 [report](#) from AHIP.

Drug Prices in the U.S. vs. Other Countries

\$1,349 vs. \$194: The price of Novo Nordisk's blockbuster GLP-1 product for weight loss, Wegovy, in the U.S. compared to China, according to recent [reports](#).

3.22x Higher: The prices of a set of brand name drugs in the U.S. compared to a series of comparable countries in the Organization for Economic Co-operation and Development (OECD), according to a January 2024 [study](#) from the U.S. Health and Human Services' Office of the Assistant Secretary for Planning and Evaluation.

\$1,126 vs. \$552: The average cost Americans spend per person on prescription medicines compared to \$552 per person in comparable countries, according to an [analysis](#) by the Peterson-KFF Health System Tracker.

\$191,000 vs. \$44,000: The annual list price for Merck's cancer drug Keytruda in the U.S. compared to Japan, according to a 2024 [report](#) from the Senate Committee on Health, Education, Labor and Pensions (HELP).





Big Pharma's Patent Abuse & Egregious Pricing Practices

Big Pharma's Patent Abuse is the Root Cause of Out-of-Control Prescription Drug Prices

Big Pharma has a long history of price-gouging American patients through [tactics](#) designed to game the U.S. patent system and [block competition from more affordable alternatives - enabling Big Pharma to maintain monopolies](#) over their biggest money-makers. The pharmaceutical industry's egregious abuse of the patent system is a root cause of high prescription drug prices because it enables Big Pharma to repeatedly hike prices on existing drugs and set out-of-control launch prices on new medications (knowing they can maintain monopolies longer on blockbuster products).

Below, you'll find some more information on the cost of Big Pharma's patent abuse and some examples of the industry's egregious practices.

Big Pharma's Patent Thickets on Just Five Drugs Cost Over \$16 Billion In a Single Year

A January 2023 [report](#) from Matrix Global Advisors quantified the one-year cost of lost savings on five brand name drugs around which Big Pharma has built especially egregious patent thickets. The report assessed what the savings would be for these five drugs if "a steady state of competition [existed] where generics and biosimilars have achieved price discounts and uptake currently observed in the market."

Based on these calculations, the estimated one-year cost of patent thickets on each of these brand name drugs was:

- **\$7.6 billion** for Humira
- **\$3.1 billion** for Imbruvica
- **\$2.5 billion** for Eylea
- **\$1.9 billion** for Enbrel
- **\$1.8 billion** for Opdivo

This amounts to a total of more than \$16 billion.

A Recent Case Study in Big Pharma's Patent Greed: Keytruda

In November, Merck took [another](#) big step forward in the Big Pharma giant's plan to further extend patent exclusivity and monopoly pricing on its blockbuster cancer drug Keytruda. Merck achieved a successful outcome in a clinical trial on its latest reformulation of the drug as part of a longstanding strategy to block competition and add to an existing thicket of more than 129 patents.

Merck first [announced](#) it would seek the new formulation, and accompanying new patents, for Keytruda in December 2022. According to [reporting](#) from Reuters, Merck sought "to patent a new formulation of its \$20 billion cancer immunotherapy Keytruda that can be injected under the skin, allowing it to protect its best-selling drug from competition expected as soon as 2028."

Keytruda brought in [\\$21.6 billion](#) in revenue for the Big Pharma giant in the first three quarters of 2024, making Keytruda Merck's largest product by revenue as well as the top-selling cancer medication in the world.

This is just the latest example of a strategy Big Pharma companies have used repeatedly to extend their monopolies on blockbuster products – filing for patents for changes such as intake method or dosage that don't represent truly new innovations or improve clinical benefits for patients. This enables Big Pharma to add to patent thickets designed to block competition from more affordable alternatives, keep drug prices high and boost profits.

Dr. Shailender Bhatia, an oncologist at the Fred Hutchinson Cancer Center in Seattle said, "I don't think it's going to improve the safety or the effectiveness of the drug."

"It's the way the pharmaceutical companies now use that system – it's all about taking up as much space as possible, making it difficult for anybody to enter," Tahir Amin, co-founder of Initiative for Medicines, Access & Knowledge (I-MAK), said in Reuters coverage of the move. "Keytruda is going to be the next Humira by all accounts."

According to [research](#) from the Initiative for Medicines, Access, and Knowledge (I-MAK), Merck has filed 129 patent applications on Keytruda – more than half of which were filed after the drug's initial approval by the U.S. Food and Drug Administration (FDA). The Big Pharma company has been granted 53 patents for this one drug.

I-MAK estimates that Americans will spend at least \$137 billion on Keytruda while the drug faces no competition due to its extended exclusivity that already totals more than eight years – without reflecting the added impact of the Big Pharma giant's new patent strategy.

Patent Abuse on Humira Drove More Revenue for Big Pharma Giant AbbVie Than All 32 NFL Teams Combined

While AbbVie's blockbuster autoimmune drug Humira finally faced competition in the U.S. in 2023, over the course of its more than 20 years on the market, AbbVie applied for more than [300 patents](#) on the brand name medication, securing more than half of them. 94 percent of the patents filed on Humira came after the drug was initially approved by the FDA. The strategy helped block competition for years and generate almost [\\$200 billion](#) for AbbVie.

In 2022, the drug brought in more [money](#) for the company, \$21 billion, than all 32 teams in the NFL [combined](#), \$19 billion.



Big Pharma's Mega-Spending on Direct-to-Consumer Advertising

Spending huge sums on direct-to-consumer advertising so patients ask their providers for a brand name product, or never learn a generic or biosimilar version exists, is just one of many ways Big Pharma works to undermine competition in the pharmaceutical market — and boost sales of their high-priced, blockbuster products.

Here's some information on how Big Pharma's marketing of high-priced brand name products goes hand-in-hand with the industry's egregious pricing practices.

Big Pharma Spends Big Dollars on Advertising

The U.S. is one of only two countries in the world that allow DTC advertising for pharmaceuticals. According to a report from the U.S. Government Accountability Office, Big Pharma spends an average of [\\$6 billion](#) on these ads annually. In 2022, that amount surpassed [\\$8 billion](#).

Price Hikes and Big Ad Spending Go Hand-in-Hand

For several of the pharmaceutical industry's best-selling products, Big Pharma repeatedly hikes prices while pushing these drugs to consumers via DTC ads. This combination drives up spending for consumers and the entire health care system.

Take Bristol-Myers Squibb and Pfizer's blockbuster blood-thinning drug Eliquis, for example. The brand name drug makers have spent more than [\\$1 billion](#) in direct-to-consumer advertising on the drug since 2013. Meanwhile, the drug makers have increased the drug's price by at least [six percent per year](#) for ten years. When Eliquis came to market in 2013, it carried a monthly price tag of [\\$250](#) — but in 2022, the list price for a one-month supply of Eliquis was [\\$529](#), more than double when it came to market.

Big Pharma Spends More on Advertising Than R&D

Studies have shown that Big Pharma increasingly spends more on advertising than R&D. One recent [study](#) from AHIP found that seven of 10 of the largest pharmaceutical companies by revenue spent more on sales and marketing in one year, 2020, than R&D.

DTC Advertising Can Lead to the Overutilization of Expensive, Older Meds

As a 2023 Forbes [column](#) highlights, DTC advertising can contribute to "the (over)use of higher-cost drugs over generics and less expensive alternatives," which can lead to increased spending on prescription pharmaceuticals. In fact, one JAMA Network [research paper](#) from January 2023 found that advertising spending on drugs considered having "high therapeutic value" accounts for fewer than one-third of all DTC pharmaceutical advertisements. As the paper states, "Direct-to-consumer advertising is associated with use of higher-cost drugs over generics and less expensive alternatives."

Big Pharma's Unjustified Price Hikes Outpacing Inflation

Every year, Big Pharma increases prices on its blockbuster products in two large batches — at the start of the year, in January, and in the summer, in June and July. These price increases often outpace the rate of inflation, and many of the price hikes occur without new clinical evidence or improvements to justify the increases, demonstrating that Big Pharma's price hikes are about boosting profits, not innovation.

Here's some information on Big Pharma's price hikes that outpace inflation and how these price hikes are disconnected from innovation.

Brand Name Drug Companies Nearly Doubled Prices on Medicare Part D's Best-Selling Prescription Drugs Since Entering the Market

A January 2025 [report](#) from AARP's Public Policy Institute found that the list prices of Medicare Part D's top 25 best-selling prescription drugs have increased by an average of 98 percent — or nearly double — since entering the market. The report found that “20 of the top 25 drugs' lifetime price increases greatly exceeded the corresponding rate of general inflation.”

Egregious examples from the AARP report include:

- Eli Lilly's diabetes drug Trulicity, which first came to market in 2014, has experienced a 100 percent increase in price during its time on the market while the corresponding increase in inflation over that same period is only 33 percent.
- Pfizer and Astellas' prostate cancer drug Xtandi, which came to market in 2012, has experienced a 92 percent increase in price during its time on the market while the corresponding increase in inflation over the same period is only 37 percent.
- Bristol-Myers Squibb's multiple myeloma drug Pomalyst, which came to market in 2013, has experienced a 120 percent increase in price during its time on the market while the corresponding increase in inflation over the same period is only 35 percent.
- AbbVie's irritable bowel syndrome (IBS) drug Linzess, which came to market in 2012, has experienced a 154 percent increase in price during its time on the market while the corresponding increase in inflation over the same period is only 36 percent.

Big Pharma Price Increases Outpaced Inflation Every Year Except One Between 2006 and 2020

A 2024 [report](#) from AARP found that Big Pharma “consistently” increased prices above the rate of inflation between 2006 and 2020. In fact, the report found that Big Pharma increased prices on 943 blockbuster drugs widely used by patients faster than the rate of inflation “in all but one year between 2006 and 2020.”

For the prescription drugs AARP analyzed, the average annual cost of these drugs would have been \$14,000 lower in 2020 had their price increases been limited to the general rate of inflation between 2006 and 2020.

217 of the drugs AARP analyzed were on the market for the entire period from 2006 to 2020. For these drugs, the cumulative price increase over this time span was 279.5 percent, while the increase in general inflation over this period was 32 percent. This means these drugs increased almost nine times the rate of inflation over this period.



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Unjustified Price Hikes Cost American Patients Over \$2 Billion in 2022 and 2023

A December 2024 [analysis](#) from ICER found that brand name drug makers' egregious price hikes on five widely used prescription medications, without any accompanying true innovation, cost U.S. patients and the health care system an additional \$815 million in 2023.

- Gilead Sciences' HIV drug Biktarvy – a [case study](#) in Big Pharma's patent abuse – topped the list, costing taxpayers an additional \$359 million after the company increased the drug's price 5.9 percent in 2023.
- Johnson & Johnson raised the price of multiple myeloma treatment Darzalex by 7.6 percent in 2023, costing American patients an additional \$190 million.
- Big Pharma giant Novartis increased the price of its heart treatment Entresto by 6.2 percent, resulting in \$108 million in additional spending.
- Amgen raised the price of osteoporosis medication Prolia by 7.6 percent, causing spending to rise \$140 million in 2022.
- Amgen also increased the price of bone marrow stimulant Nplate by 6.8 percent, totaling an additional \$17 million in spending.

ICER's 2023 [Unsupported Price Increase Report](#) found that Big Pharma's unjustified price increases on just eight prescription medications in 2022 cost the U.S. an additional \$1.2 billion. Several pharmaceutical giants that were on the 2024 list were also on the list in 2023, including Johnson & Johnson and Amgen.

With no research and development breakthroughs to support such price increases, these continuous price hikes create a crisis of affordability for American patients, produce tremendous strain on the U.S. health care system and further demonstrate the need to hold brand name pharmaceutical manufacturers accountable for their egregious pricing practices.



Big Pharma's GLP-1 Weight Loss Drug Price-Gouging

Several brand name GLP-1 drugs currently being marketed for weight loss are effectively older diabetes medications that have been repackaged for a different indication, enabling their manufacturer to extend patent exclusivity and keep prices high.

Here's some information on how Big Pharma is increasingly applying a playbook of price-gouging and blocking competition honed on diabetes drugs to this category of GLP-1 drugs for weight loss.

Prices of GLP-1s Unsustainable for U.S. Health Care System

An October 2024 [report](#) from the nonpartisan Congressional Budget Office (CBO) underscores how Big Pharma's egregious prices on GLP-1 prescription drugs for weight loss are unsustainable. In the [report](#), CBO found the cost implications for Medicare coverage of anti-obesity medications (AOMs), including blockbuster brand name GLP-1s, "would increase federal spending, on net, by about \$35 billion from 2026 to 2034."

In August, a [study](#) published in the Annals of Internal Medicine by researchers from Brigham and Women's Hospital, found that if Medicare Part D coverage for high-priced GLP-1 weight loss drugs expanded for new classifications such as cardiovascular disease, it could cost the U.S. health care system upwards of \$145 billion.

During a December 2023 [hearing](#) in the U.S. Senate Committee on Health, Education, Labor & Pensions (HELP), expert witness Kasia Lipska, M.D., M.H.S, Associate Professor of Medicine at the Yale School of Medicine, explained how Big Pharma's egregious pricing practices on this new category of drugs present staggering potential costs.

"The price tags for these new medications are simply outrageous," Dr. Lipska said. "Ozempic, the brand name for Semaglutide approved for type 2 diabetes and marketed by Novo Nordisk, has a U.S. list price of over \$900 per month. Wegovy, the brand name for the same drug approved for obesity, is \$1,300 per month..."

"...If Medicare were to fully cover Wegovy for all of its beneficiaries with obesity for one year, we as American taxpayers would end up with a \$268 billion invoice," Dr. Lipska stated. "To give you some perspective, that's 70 percent of all the money that was spent on prescription drugs in the U.S. in 2021. And could we stop at one year? Probably not. What we know about Semaglutide, and the related medications is that they work while people take them. However, as soon as they stop, their weight comes back, so patients are looking at a potentially lifelong treatment, and we could be facing the most expensive subscription service in the history of medicine."

Big Pharma Already Hiking Prices on GLP-1 Products

In addition, the brand name drug companies who market these drugs have already begun hiking prices. In January 2025, Novo Nordisk increased prices on its Ozempic product, approved for type 2 diabetes, by three percent. The company increased the price of Ozempic by [3.5 percent](#) in 2024, by [4.9 percent](#) in 2023 and by [4.8 percent](#) in 2022. Meanwhile, Eli Lilly increased prices on its Mounjaro GLP-1 type 2 diabetes product by [4.5 percent](#) in 2024 and by [five percent](#) in 2023.



Big Pharma's Egregious Pricing of GLP-1 Drugs in the U.S.

An August 2023 [analysis](#) from the [Peterson-KFF Health System Tracker](#) found that list prices for several blockbuster GLP-1 drugs, including Novo Nordisk's Ozempic, Wegovy and Rybelsus products, as well as Eli Lilly's Mounjaro, are significantly higher in the U.S. compared to other wealthy countries.

Brand name drug maker Novo Nordisk, for example, has set the U.S. list price for a monthly supply of Ozempic at \$936 in the U.S., versus \$169 in Japan. This means the company is charging patients 5.5 times more in the U.S. than in Japan for the same drug.

For Wegovy, the U.S. list price is \$1,349, while the next highest price in a comparable country is \$328 in Germany, again meaning U.S. patients pay more than four times more than the next comparable country for the same prescription drug.

Meanwhile, in November, Novo Nordisk launched Wegovy in China at a more than [85 percent](#) discount compared to the price of the drug in the United States. The list price for Wegovy in the U.S. is \$1,349. The list price in China is \$194.

Egregious GLP-1 Prices to Increase Health Care Costs for Employers

According to research from the Business Group on Health and professional services firm Aon, health care costs for employers are expected to increase in 2025 driven by Big Pharma's egregious prices for blockbuster GLP-1 drugs and out-of-control prices on gene and cell therapy treatments. "GLP-1s and multimillion-dollar gene therapies," are the "major culprits," [according to](#) coverage of the analysis in Axios.

Research firm Aon [anticipates](#) companies' health care costs will increase by [nine percent](#) this year. The Business Group on Health expects costs to increase by close to [eight percent](#).

56 percent of respondents in the Business Group on Health's survey expect GLP-1s to be a "great" or "very great" driver of increased costs. Meanwhile, 46 percent of respondents expect high-cost cell and gene therapies to be a "great" or "very great" driver of costs. These were the leading two answers in the survey over the next closest response by 20 percentage points.



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Operate Machinery Until You Know
How You Feel. Avoid Alcohol, Grapefruit
Juice, and Other Medicines.
Take With Or Without Food, As
Suits To Take The Same Time Each
Day.

Do Not Use & Use Only When
Prescribed. Warned: Check For
Warnings. Check For Allergies.
If You Are Pregnant, Plan
To Get Pregnant, Or Breastfeeding,
Tell Your Doctor.



Proposals for Change

Holding Drug Companies Accountable

Excessively high drug prices threaten the financial security, health and well-being of patients and their families every day. They also financially strain federal and state health budgets and the taxpayers who fund them, as well as the many employers who seek to offer affordable health insurance to their employees. **We simply cannot continue to pay for unjustifiably high-priced drugs that increase the bottom lines of Big Pharma at the expense of patients and taxpayers.** Across party lines, Americans overwhelmingly support **holding** Big Pharma accountable for high drug prices. [Bipartisan, market-based solutions below will help restore a functioning drug market for Americans.](#)

Competition

Big Pharma's abuse of the system to block competition from less expensive generics and biosimilars cost consumers more than [\\$40 billion](#) in just one year. These costs will only continue to grow absent intervention.



Address Patent "Thicketing"

Drug makers construct [patent thickets](#) by obtaining dozens or even hundreds of patents for their branded products after FDA approval to prevent and delay market entry from less costly generics and biosimilars. Patent "thickets" on just five brand name drugs cost consumers more than [\\$16 billion](#) in a single year. A [range of reforms](#) and various bipartisan legislation would give the U.S. Patent and Trademark Office (USPTO) and the FDA all of the authorities and resources needed to stop these [abuses](#).



Promote Biosimilar Use

The 12-year market exclusivity period for brand biologics should be reduced to seven years. Congress should enact the [Biosimilar Red Tape Elimination Act](#) to increase biosimilar substitution. Medicare and Medicaid should continue and expand upon administrative policies that foster and promote biosimilar uptake.



Curb Anti-Competitive Behavior

Actions should be taken to stop Big Pharma's various schemes to maintain brand monopolies and prevent competition from lower cost generics and biosimilars, including "[product hopping](#)," "[evergreening](#)," abuses of the [FDA "citizen petition" process](#), abuses of the [Orphan Drug Act](#) and entering into [anti-competitive patent settlements](#).

Affordability

Drugs must be more affordable so that patients never are presented with the choice of taking the medications they need to get well and paying for other necessities like food and housing.



Scrutinize lockstep “shadow pricing”

Drug makers have used lockstep “shadow pricing” to maintain price “parity” and use their competitors’ price increases as justification for their own price increases. Scrutiny should be applied to therapeutic drug markets with the greatest potential for this anti-competitive behavior. Some of the drug companies making the new weight loss drugs, for example, are the very same companies that make insulin - a therapeutic drug class where separate investigations by the [Senate Finance Committee](#) and [House Oversight and Investigations Committee](#) found that “shadow pricing” significantly raised prices over many years costing diabetes patients and taxpayers billions of dollars.



Rein-in costs especially for weight loss drugs and cell and gene therapies

Makers of the new [weight loss drugs](#) are charging U.S. patients as much as 5.5 times more than patients abroad for the same medications and, while Medicare currently doesn't cover these drugs, [estimates](#) indicate costs to Medicare could be \$13.6 billion to \$26.8 billion in just a single year. The Congressional Budget Office (CBO) [predicted](#) that covering GLP-1 weight loss drugs “at their current prices, would cost the federal government more than it would save from reducing other health care spending.” Newly-approved [cell and gene therapies](#) have sky-high prices in the millions of dollars that can [break state Medicaid budgets](#) and are projected to cost taxpayers an estimated [\\$300 billion](#) over 15 years. Drug makers must have financial skin in the game for the high-priced therapies and lower costs for patients and payers.



Ensure launch prices are justified

Drug makers should be required to conduct comparative effectiveness studies comparing their new drugs to existing drugs on the market. HHS should issue an annual report on launch prices and launch price trends to systematically monitor their impacts on consumers and taxpayers. The Patient-Centered Outcomes Research Institute (PCORI) and Agency for Healthcare Research and Quality (AHRQ) should be empowered with the resources and authorities necessary to conduct cost-effectiveness work to assess whether launch prices and ongoing price increases align with actual value to patients.



Lower Medicare drug costs

Medicare should maximize use of drug value assessments from non-partisan, independent organizations like [ICER](#) into the drug price negotiation process - so long as those value assessments reflect the rights and needs of all patients and do not discriminate against the disabled, elderly, or terminally ill. Medicare also should be as transparent as possible about its justification for negotiated prices, so that the public knows negotiated prices represent the lowest possible prices that Medicare can obtain. The [rebate rule](#) should be permanently rescinded and Part D plans should have more flexibility to manage high-cost drugs.

Transparency

Drug manufacturers routinely justify their pricing decisions by citing industry-funded research, which claims that it costs [\\$2.6 billion](#) in R&D to bring a new drug to market. However, a [JAMA](#) study found that drug prices do not correlate with R&D costs, making pricing transparency critical.



Enhance pricing transparency and reporting

The [Fair Accountability and Innovative Research \(FAIR\) Drug Pricing Act](#) should be enacted to enhance drug pricing transparency.



Require list prices in direct-to-consumer (DTC) advertising

Drug makers spent an astounding [\\$8.1 billion](#) on DTC advertising pushing brand drugs in 2022. Congress should enact the [Drug-Price Transparency for Consumers Act](#) to require drug makers to disclose list prices in DTC ads.



Disclose taxpayer investments in drug research

Data shows that [funding](#) from the National Institutes of Health contributed to virtually all of the drugs approved by the FDA between 2010 – 2019. Drug makers should be required to disclose R&D costs for drugs, including the amount funded by taxpayers.



Thwart patient assistance schemes that increase costs

Third-party patient assistance programs can help patients afford high-priced drugs – but in many cases, drug makers use them to [shield patients from high prices while their health care premiums continue to grow](#). Drug maker patient assistance should be prohibited in commercial plans, and co-pay accumulator programs that discourage inappropriate drug company assistance should be explicitly permitted in federal health programs and commercial health plans.







What They're Saying



President
DONALD J. TRUMP

Americans have often been charged more than twice as much for the exact same drug as other medically advanced countries. We would be having a drug – identical drug, same company – and we'd pay many times the price of what that drug would sell for in certain countries. In case after case, our citizens pay massively higher prices than other nations pay for the same exact pill, from the same factory.

We are getting tough on the drug makers that exploit our patent laws to choke out competition. Our patent system will reward innovation, but it will not be used as a shield to protect unfair monopolies.



Senator
**JOHN THUNE (R-SD),
MAJORITY LEADER, U.S. SENATE**

High drug costs are a problem, and one in four seniors reports difficulty affording medications. Stories of patients being forced to ration pills or abandon their prescription at the pharmacy counter are unacceptable.



Senator
**MIKE CRAPO (R-ID), CHAIRMAN,
U.S. SENATE COMMITTEE ON
FINANCE**

The Cornyn-Blumenthal bill is one of the good bills...we're working to get it in there.



Senator
**CHUCK GRASSLEY (R-IA), CHAIRMAN,
U.S. SENATE COMMITTEE ON THE
JUDICIARY**

In the New Year, I'll hit the ground running to advance legislative efforts to... lower the price of prescription drugs...Congress has a long to-do list.



Senator
**DICK DURBIN (D-IL), RANKING
MEMBER, U.S. SENATE COMMITTEE
ON THE JUDICIARY**

Americans have paid the highest price in the world for prescription drugs... I have stories sent to me from time to time by people I represent – especially senior citizens – who tell me that these sky-high prescription drug prices force them to choose between essential medications and other basic necessities, like food and shelter."

““ Senator
BILL CASSIDY (R-LA), CHAIRMAN, U.S. SENATE COMMITTEE ON HEALTH, EDUCATION, LABOR AND PENSIONS (HELP):

Americans pay too much for prescription drugs and the medicines we depend upon.

““ Senator
TED CRUZ (R-TX), CHAIRMAN, U.S. SENATE COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORTATION

Much like everything in health care, the costs of drugs historically have risen faster than overall inflation. Since 1980, per capita drug spending, as adjusted for inflation, has increased more than sevenfold.

““ Senator
JOHN CORNYN (R-TX)
Many patients can't afford prescriptions they've been taking for years because the prices continue to go up and there's little evidence of anything to justify those price increases.

““ Senator
MIKE LEE (R-UT)
Innovation, competition, and affordable prices are arguably more important to prescription drug markets than almost any other consumer market we can think of and it's a consumer market that happens to be particularly important to the sustaining of human life. This makes the continuing rise in drug prices all the more concerning.

““ Senator
RON WYDEN (D-OR), RANKING MEMBER, U.S. SENATE COMMITTEE ON FINANCE

Most of the so-called new drugs, released at higher and higher prices, are actually older drugs but they've just been repackaged in new ways. A relatively minor tweak to an old drug, say a new syringe or change in dosage, just keeps the profits rolling.

““ Senator
MARIA CANTWELL (D-WA), RANKING MEMBER, U.S. SENATE COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORTATION

Prescription drugs must be more affordable...At every chance I get, I will join with legislators of both parties to work to end price-gouging of prescription drugs.

““ Senator
LINDSAY GRAHAM (R-SC)

Count me in for challenging the patent system. Count me for trying to find ways to help the American consumer versus people in other countries. I am very open minded about stopping abuse...The idea of playing games with patents needs to stop.

““ Senator
RICHARD BLUMENTHAL (D-CT)

The pharmaceutical industry's shameless abuse of the patent system has driven costs sky-high for consumers by keeping generics off the market and stifling innovation.



Senator
TINA SMITH (D-MN)

One thing that happens is you have basically the big-name brand drug companies gaming the system. They have patent protections, and they game the system in order to protect those patents and that allows them to protect their capacity to charge Americans many, many, many, times higher prices than they get other places in the world.



Representative
BRETT GUTHRIE (R-KY), CHAIRMAN, U.S. HOUSE COMMITTEE ON ENERGY & COMMERCE

Even if a patient has insurance, increasing list prices oftentimes directly harms patients by increasing their out-of-pocket costs.

There is no doubt that Congress must do something to lower prescription drug prices.



Representative
FRANK PALLONE (D-NJ), RANKING MEMBER, U.S. HOUSE COMMITTEE ON ENERGY & COMMERCE

The problem is that you have millions of Americans right now who can't afford their medicines and at the same time drug companies are making huge profits, and it's just not fair.



Representative
JASON SMITH (R-MO), CHAIRMAN, U.S. HOUSE COMMITTEE ON WAYS & MEANS

One of our top priorities on this committee is helping every American access healthcare in the community where they live, work and raise a family.



Representative
RICHARD NEAL (D-MA), RANKING MEMBER, U.S. HOUSE COMMITTEE ON WAYS & MEANS

America's seniors shouldn't have to forgo the medications they need because of Big Pharma's price-gouging.



Representative
MICHAEL CLOUD (R-TX)

What we do have a problem with is the abuse of the patent system, namely product hopping, adding on patents to extend the introduction of generics, patent evergreening, making small changes to dosages and such that make you gain an extension on your patent, and pay for delay and these are issues that manufacturers do need to take seriously...This is certainly extremely important to all the people we represent and something we know we've needed to deal with for quite some time now.



Representative
GERRY CONNOLLY (D-VA), RANKING MEMBER, U.S. HOUSE COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY

The status quo for prescription drugs is crushing family budgets, failing consumers, and endangering lives. Americans are sick of paying hundreds and thousands of dollars more than citizens of countries such as the United Kingdom, Canada, Switzerland, and Spain, for the same exact drugs. They want to know why drugs that have been around for decades suddenly have massive price tags driven by price-gouging activities. And they want to know why they are paying thousands of dollars for drugs that were developed using their tax dollars.



Representative
MARK DESAULNIER (D-CA)

Americans pay more for prescription drugs than people in most other high-income countries, despite many of these same drugs being developed with seed money and research from the federal government.



Secretary of the Department of Health and Human Services

ROBERT F. KENNEDY, JR.

Today in Germany, Ozempic costs less than a tenth of what it does in the U.S.

The U.S. and New Zealand are the only countries that allow pharmaceutical companies to advertise directly to the public. News channels are filled with drug commercials, and reasonable viewers may question whether their dependence on these ads influences their coverage of health issues.



Co-Founder & Co-Executive Director, I-MAK

PRITI KRISHTEL

What we've been seeing lately is that companies are filing for dozens or even hundreds of patents to extend their monopoly period in order to keep their revenues, and that's blocking competition from the market.



Associate Professor of Medicine at the Yale School of Medicine

KASIA LIPSKA, M.D., M.H.S

These prices are, as I said, outrageous and what happens is that patients cannot afford those medications and so they go without... When people go without, they are at risk for these complications. They would be healthier if they were able to afford them.



President of The Foundation for Research on Equal Opportunity (FREOPP)

AVIK ROY

The weakest and most clichéd argument one hears from the drug industry is that extending drug monopolies leads to more 'innovation.' The opposite is true...price increases on older drugs don't lead to more innovation, because legacy companies usually squander the extra cash. Indeed, it's the expiry of patents on older drugs that drives big companies to develop new ones.



Founder and CEO, Matrix Global Advisors

ALEX BRILL

Policymakers have the opportunity to help lower drug prices for their constituents by advancing legislative reforms that restore competition to the marketplace and bring lower-cost alternatives like generics and biosimilars to market.



the campaign for
SUSTAINABLE Rx PRICING

The Impact Of Skyrocketing Drug Costs On Everyday Americans

Senior Americans are increasingly forced to choose between paying for their prescription drugs or other life expenses like food and rent. "That 1 in 5 older adults report not taking their prescribed medications because they are too expensive is an indictment of our health-care system. No one should have to choose between paying for medicines and affording food and rent."

(Leana S. Wen, M.D., "Monumental changes to prescription drug prices for seniors are coming," [The Washington Post](#), 4/30/24)



Madeline Weil, a graduate research specialist at George Washington University's Milken Institute School of Public Health, explains the impact of Big Pharma's price hikes and increasing launch prices for patients

"In 2023, the median annual price for new drugs reached \$300,000 — a 35% increase from 2022. Between 2022 and 2023, the average price hike for prescription drugs was 15.2% — more than three times the previous year's increase. Eight in 10 Americans now say the price of prescription drugs is unreasonable, a quarter of adults struggle to afford their medications, and one-third haven't taken a prescribed medicine due to the cost."

(Madeline Weil, "Let's not accept the status quo of sky-high prescription drug prices," [The Baltimore Sun](#), 1/6/25)

Due to the high cost of prescription drug prices, Americans are skipping doses and jeopardizing their health and well-being. "Research shows that Americans spend more on prescription drugs per capita than people in any other country — or about \$1,200 more per person...The high cost of prescription drugs has caused more than 9 million adults between the ages of 18 and 64 to skip doses, take smaller amounts, or delay refills, according to a recently released report by the CDC."

(Sherri Gordon, "CDC Report: 9 Million Americans Not Taking Medications as Prescribed Due to Cost," [Health.com](#), 5/18/24)

Wayne Brough, Resident Senior Fellow at The R Street Institute, outlines the impacts Big Pharma's patent abuse can have on patients – by keeping prices high without corresponding clinical improvements. "What we see a lot of times in the drug space is there's a lot of patenting that doesn't really add value in terms of health or medical outcomes. So, you want to make sure that these patents are doing the right thing and helping consumers, but a lot of times you can sort of abuse the system a little bit and use these patents just to keep your prices higher."

(Wayne Brough, "Red Tape Podcast – Episode 10 – You Stepped on My Patent," [The R Street Institute](#), 9/30/24)

James Gelfand, CEO of the ERISA Study Committee, and David Mitchell, of Patients for Affordable Drugs, outline an example of how Big Pharma's patent abuse directly impacts patients. "Take Jacquie, a graphic designer who lives with Crohn's disease. Since her diagnosis, Jacquie has relied on Stelara, a biologic drug that costs thousands of dollars monthly. While it has been her lifeline, its steep price tag hangs over her life...This financial strain is not a necessity but a byproduct of "patent thickets" used to block the entry of biosimilars."

(James Gelfand, David Mitchell, "'Patent Thicketing' Keeps Prescriptions Unaffordable," [Inside Sources](#), 11/25/24)