

Importing International Drug Pricing Threatens U.S. Patient Access

Policies Like Most Favored Nation Pricing and International Reference Pricing Would:

Hurt American Patients



As a percentage of healthcare costs, the United States does not spend more on medicines than its European peers, [according to the OECD](#).

Yet the United States has broader access to medicines than Europe:

- [IQVIA's 2025 look at global R&D](#) found 110 novel medicines launched in the United States in the past five years that remain unavailable in Europe.
- [A 2024 report by RAND](#) for the U.S. Department of Health and Human Services found that “most new drugs are sold first in the United States, that the United States has access to the largest share of new drugs overall, and that new drugs are typically sold in other major high-income OECD countries about one year after they are launched in the United States.”
- Critical cancer, infectious disease, and neurology medicines reach full availability in the U.S. within a few months across Medicare and commercial payers, but half of these drugs never become available to patients in EU countries, [according to an IQVIA analysis](#).

Better access, in turn, has led to better outcomes for Americans:

- [In a 2024 examination of international cancer survival rates](#), the United States had the highest overall survival rate of the 59 countries examined, including survival rates of 88.6% for breast cancer and 97.2% for prostate cancer.
- [In a survey of physicians in the U.K.](#), half reported having had multiple patients travel abroad to gain access to a treatment or receive medical services. Eighty-two percent agreed their patients would benefit from access to more innovative medicines.

Force Americans To Import Socialized Medicine That Rations Care



A country's drug prices are a function of what a government decides is important. The U.S. values access, choice, and equity. European systems place less emphasis on those elements:

- The British National Health Service has long valued health gains at as little as one-third the level of even the most conservative U.S. estimates, according to [a USC analysis](#).
- Most foreign prices are governed by price controls based on unfair metrics like quality-adjusted life years (QALYs). Studies have shown that countries that use QALYs have severe restrictions on patient access to innovative medicines. For example, [one study](#) showed that between 2002 and 2014, 40% of medicines that treat rare diseases were rejected for coverage in the United Kingdom.

Allow Middlemen To Deprive Patients of Savings



Even though the United States doesn't spend more on medicines (as a percentage of healthcare costs) than other countries, patients here often feel a deeper financial strain. That's because middlemen exploit a complex system to capture savings for themselves — shifting the cost burden onto patients.

This only happens with medicines. In the United States, hospital costs account for **three times** as much spending as pharmaceuticals. Yet patients pay more out-of-pocket for medicines than they do for hospital costs due to middlemen.

Undermine the Social Contract That Fuels Innovation and Drives Generic Adoption



Compared to the U.S., no peer country uses a higher proportion of generic medicines or **sees prices drop as dramatically in response to generic competition**. Of the 110 medicines taken by one million or more Medicare beneficiaries, generic versions are available for 106 of them.

One estimate, **from the University of Chicago**, looked at U.S. and international drug prices and found that if generic drug price, use, and penetration were taken into account, the United States would have lower drug prices than other, similar nations.

European-style price controls compromise the incentives for robust competition, undermining the best-functioning part of the U.S. system:

An analysis by Matrix Global Advisors found that the Inflation Reduction Act — a European-style price control via Medicare "negotiation" — would have the potential to imperil "billions of dollars" in savings. "This will result in higher overall average prices and spending, which will mitigate and potentially negate the government's negotiated savings."

How To Empower Patients Through Smarter, Simpler Reforms



Importing international reference prices threatens patient access and undermines American leadership in biotechnology.

While other countries don't pay their fair share for medicines, applying antiquated foreign pricing and eliminating access to medicines for Americans is not the answer. The United States must use the trade tools at its disposal to ensure that other nations are required to pay fair, market-based prices.

America must also keep middlemen and unfair pricing manipulation in check. The answer is: **Simplify the system.**

- Reform PBM practices.
- Infuse the 340B drug discount program with greater transparency and accountability.
- Give employers full access to data about health plan drug pricing and better analytic tools.
- Pass laws that safeguard patients from practices that redirect or restrict patient assistance.

Combined, these approaches will protect U.S. preeminence in biopharmaceutical innovation, preserve patient access, and put healthcare savings back into the pockets of American families.