



Navigating Market Access with Magnolia

2025 and Beyond - What To Expect with Tariffs and Pricing Policies

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a medical knowledge group company

Navigating Market Access with Magnolia: Today's Speakers



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Agenda



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US Drug Pricing Policies

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Most Favored Nation (MFN) Pricing – What it Looks Like and its Impact

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The Most Beautiful Word: Tariffs

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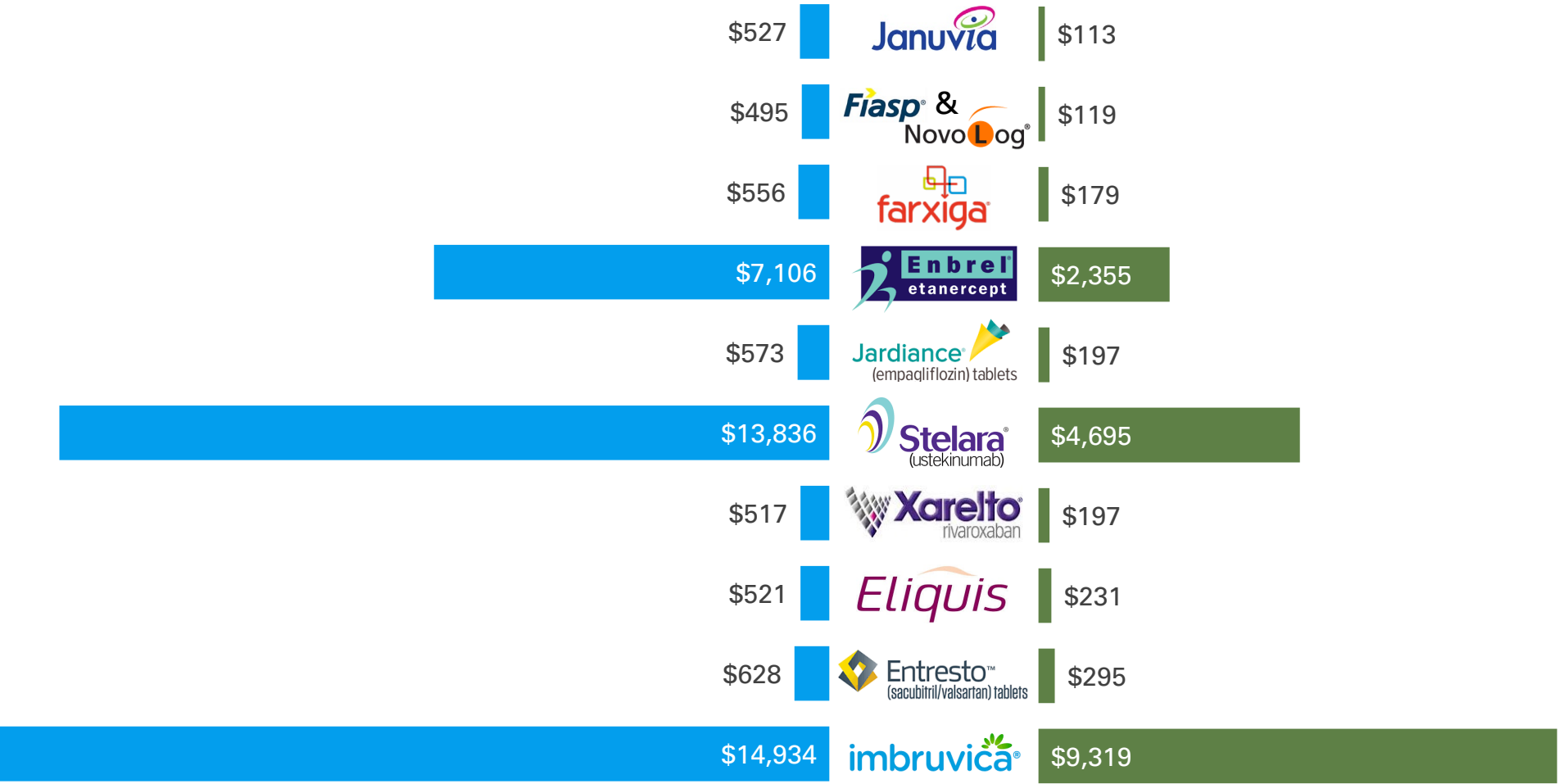
Audience Discussion

US Drug Pricing Policies Pre-MFN



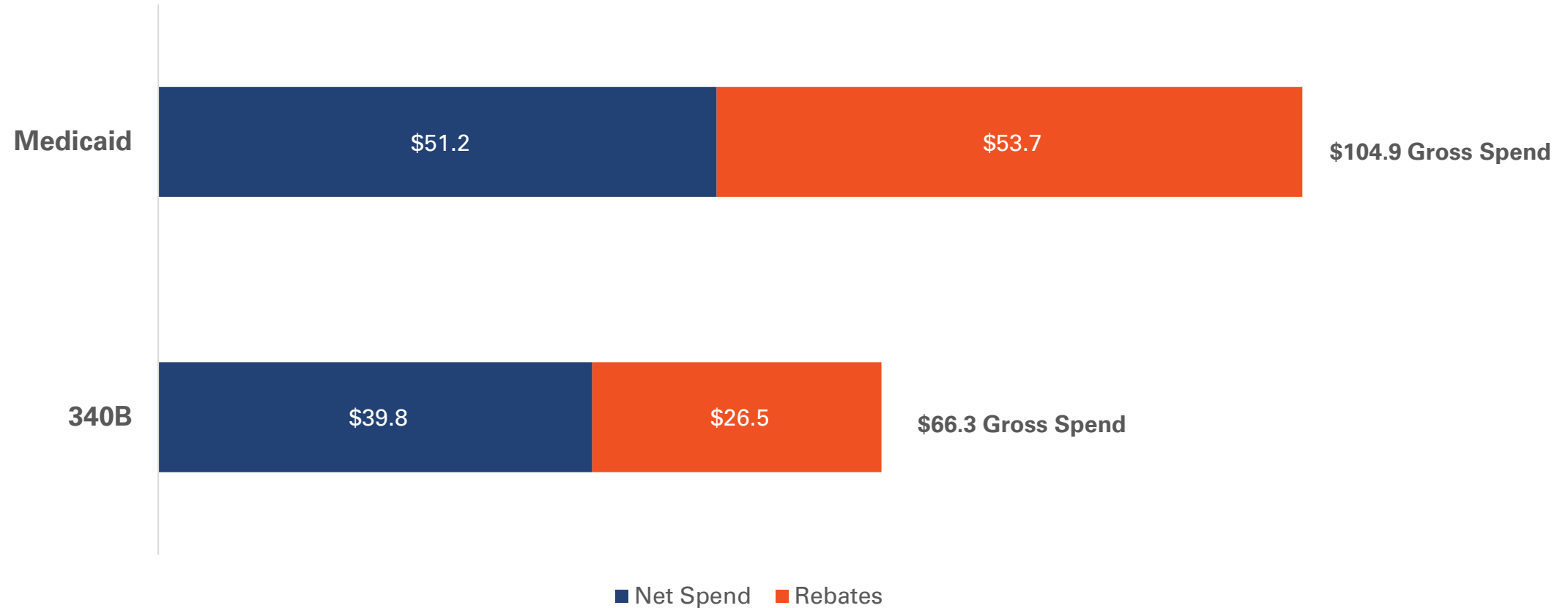
The Government's First Foray into Price Setting Was Successful, According to CMS

Comparison of 2023 WAC and 2026 Negotiated Price



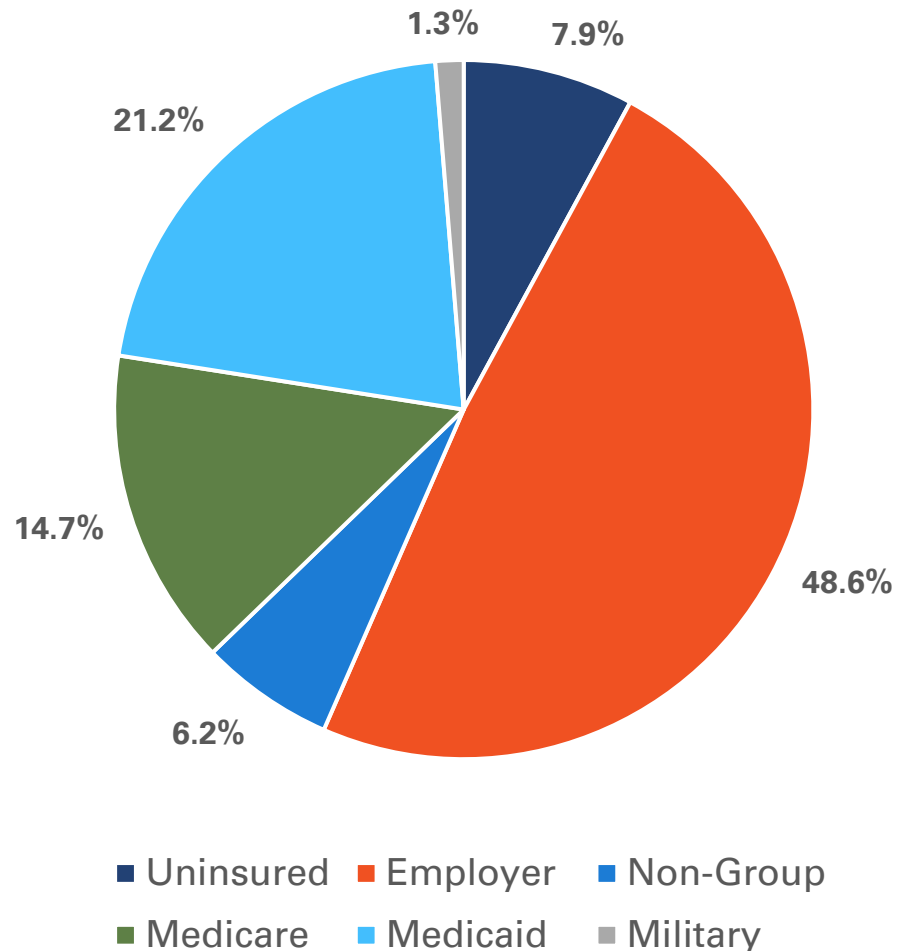
Gross to Net Spending for Mandated Rebates in Medicaid & 340B

FY2023 Medicaid & 340B Gross Spend, Rebates, and Net Spend
for Outpatient Prescription Drugs

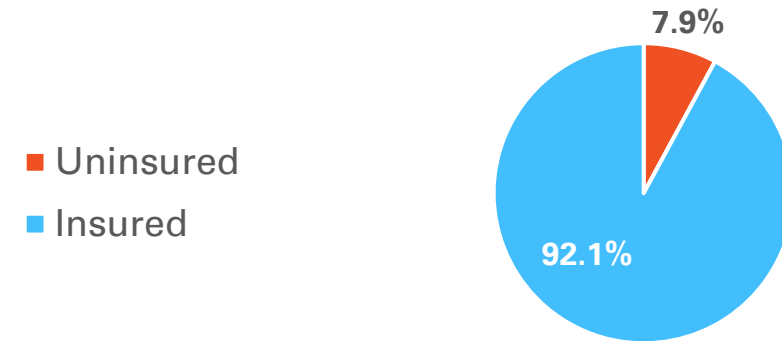


US Population Insured Status and Drug Discounts

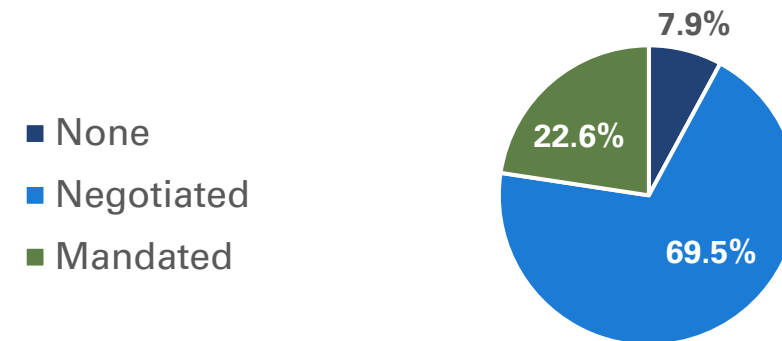
Health Insurance Enrollment/Coverage Overall



Insurance Enrollment Breakdown

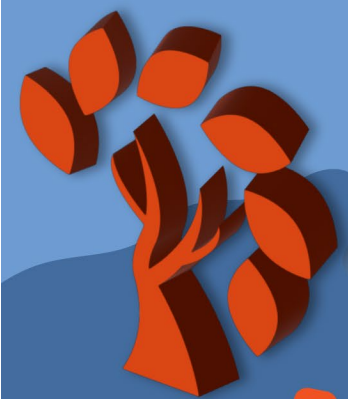


Coverage of Discounts



Negotiated discounts for Employer, Non-Group, and Medicare;
Mandated discounts for Medicaid and Military

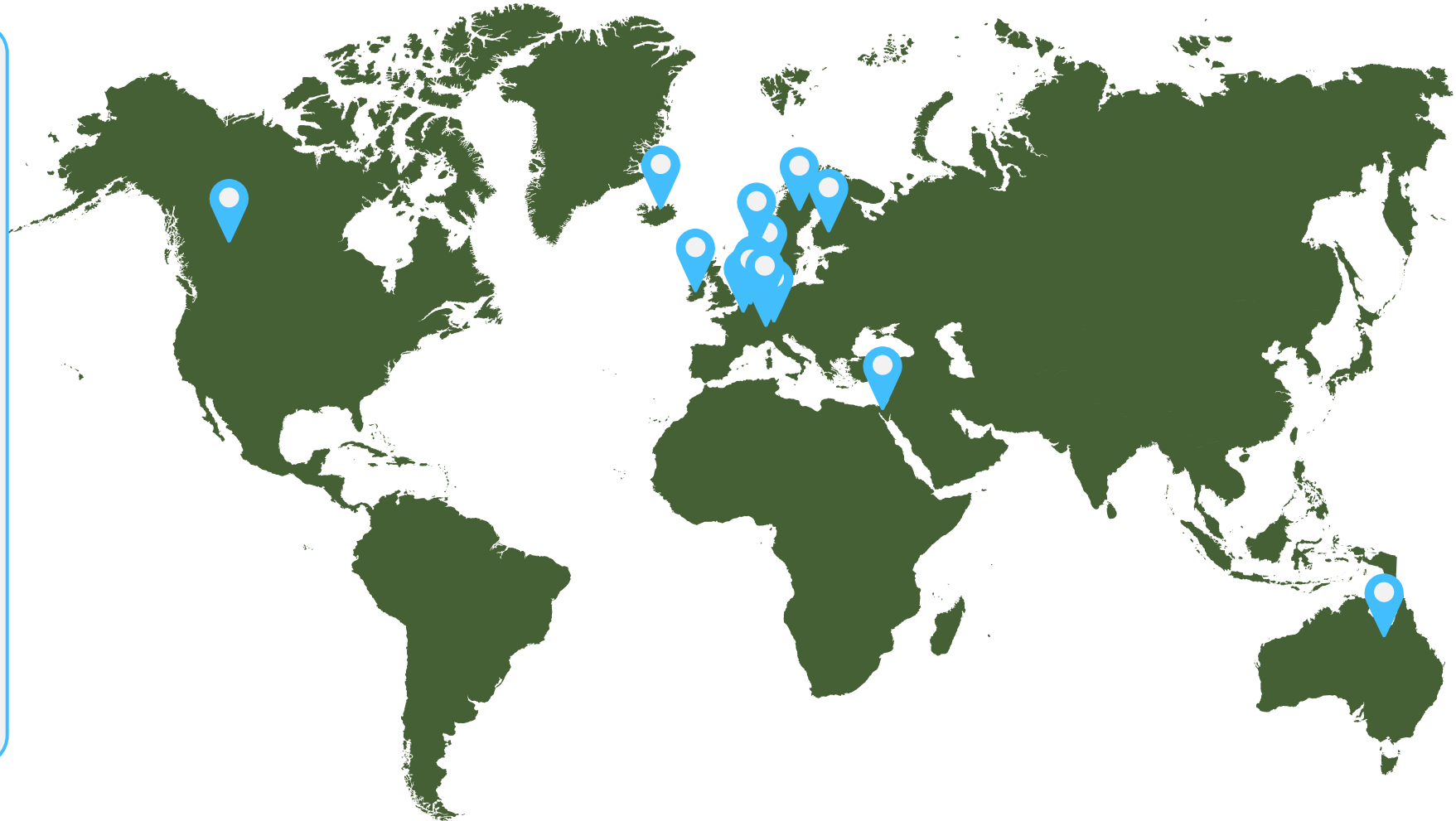
MFN: What it Looks Like and Its Impact



The Next Step: Most Favored Nation Pricing - Potential Reference Countries with $\geq 60\%$ of US' Per Capita GDP¹

OECD Countries with Per Capita GDPs $\geq 60\%$ of US GDP*

Australia
Canada
Germany
Israel
Norway
Austria
Denmark
Iceland
Luxembourg
Sweden
Belgium
Finland
Ireland
Netherlands
Switzerland



[1] World Bank Open Data. <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD>. Accessed June 13, 2025.

* Note that this list excludes several G7 countries (i.e., France, Italy, Japan, and UK), as their respective per capita GDPs do not exceed the 60% US threshold. However, these countries may be included regardless of per capita GDP depending on the specifics of the MFN policy.

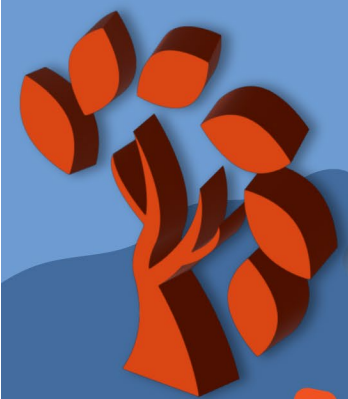
Ex-Us Prices Compared to US Based on August/September 2024

Drug/Dose (Pkg Size)	US WAC	Lowest ex-US Price	Country
Biktarvy/25mg, 50mg, 200mg (30)	\$3,981	\$571	Switzerland
Keytruda/25mg/ml (4ml)	\$5,668	\$2,415	Germany
Trelegy Ellipta/25mcg, 62.5mcg, 100mcg (28)	\$306	\$103	Canada
Tresiba/100u/ml (3ml 5s)	\$508	\$27	Canada
Trulicity/).75mg/0.5ml, 1.5mg/0.5ml, 3mg/0.5ml,4.5mg/0.5ml (0.5ml)	\$222	\$19	Australia

Pricing Policy Discussion with Chris Schott

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The Most Beautiful Word: Tariffs



Section 232 Investigation of the Pharmaceutical Industry



Background

- **Tariffs:** US Constitution **grants Congress the sole authority** to levy taxes, including tariffs; however, Congress has passed laws allowing the President to impose tariffs for **national security reasons** unilaterally
- Section 232 is used to investigate and determine the existence of a national security threat, which can then justify tariffs by EO

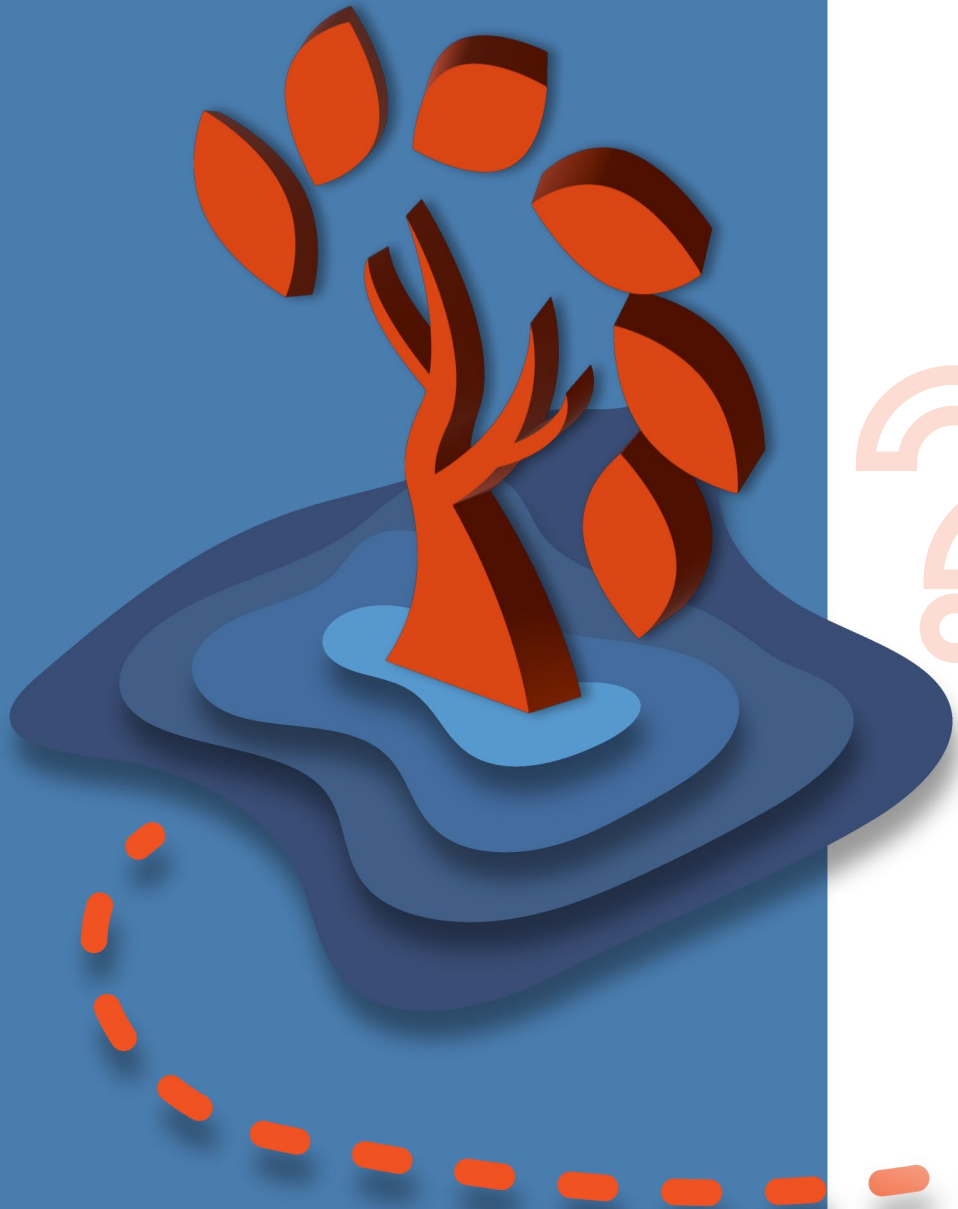


Impact on Pharma

- Over half of the APIs for prescription medicines in the U.S. originate from India and the European Union, while **only about 4% are produced domestically**
- Transitioning capacity to the US will take time and will likely result in shortages and price increases
- Manufacturers have begun to move significant quantities of final product from ex-US manufacturing sites to US warehouses
- Announcement of Section 232 investigation sent stocks lower for brand manufacturers as well as Indian pharmaceutical exporters



Discussion



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Join us for our next
Navigating Market Access with Magnolia

Evolving Evidence into Value:

**How Cross-Functional Collaboration is
Critical to Strategy & Messaging for
Industry**

**Thursday, July 24, 2025
12:00 PM to 1:00 PM Eastern**

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appendix



Drug pricing ex-US

- [Cost control: drug pricing policies around the world - Pharmaceutical Technology](#)
- [What other countries could teach the U.S. about bringing down drug prices | Stanford Report](#)
- [International reference pricing for prescription drugs: a landscape analysis – PMC](#)
 - Few countries adopt an approach using IRP alone to price drugs. A primary reason is that only list prices are available for IRP. Because most countries negotiate confidential discounts off list prices, relying exclusively on IRP would overestimate actual prices. Also, there are economic concerns about the effects of strictly benchmarking to other countries' list prices and how list prices may be manipulated to minimize price reductions in the United States or elsewhere.^{17,18} Additional concerns with an IRP-only approach include missing data and the heterogeneity of available pricing information, unaffordability of IRP prices, and the introduction of country-specific formulations to make IRP more difficult.^{19,20} Finally, the CMS rule applied narrowly to 50 drugs, while most other countries using IRP broadly apply it to brand-name drugs.
 - Most high-income countries use IRP to negotiate drug prices, typically complementing other strategies—such as health technology assessment for value-based pricing—that aim to align prices with the health impact of new drugs. For example, Switzerland uses a strong, formal IRP approach that calculates a reimbursement price that is weighted by two-thirds of the average IRP price and one-third by comparison with Swiss prices for comparator drugs.⁷ By contrast, the German informal IRP approach limits IRP use to instances when agreement is not reached with the manufacturer on a reimbursement price based on health technology assessment.
 - OECD members with a GDP per capita 60% or greater of the United States were the 6 countries referenced in the Cummings bill and Austria, Belgium, Denmark, Finland, Iceland, Ireland, Israel, Luxembourg, the Netherlands, New Zealand, Norway, Sweden, and Switzerland.

MFN Resources

- 2020

IPI 2018 [International Pricing Index \(IPI\) Model | CMS](#)

- 2025 [Executive Order Calls for Most-Favored-Nation Pharmaceutical Pricing for American Patients | Insights | Ropes & Gray LLP](#)

[Trump's MFN Proposal Aims to Lower Medicare Drug Costs](#)

- Global Risks with MFN Drug Policy

[The Global Risks of America's "Most-Favored-Nation" Drug Pricing Policy - Petrie-Flom Center](#)

[U.S. pharmaceutical policy in a global marketplace - PubMed](#)

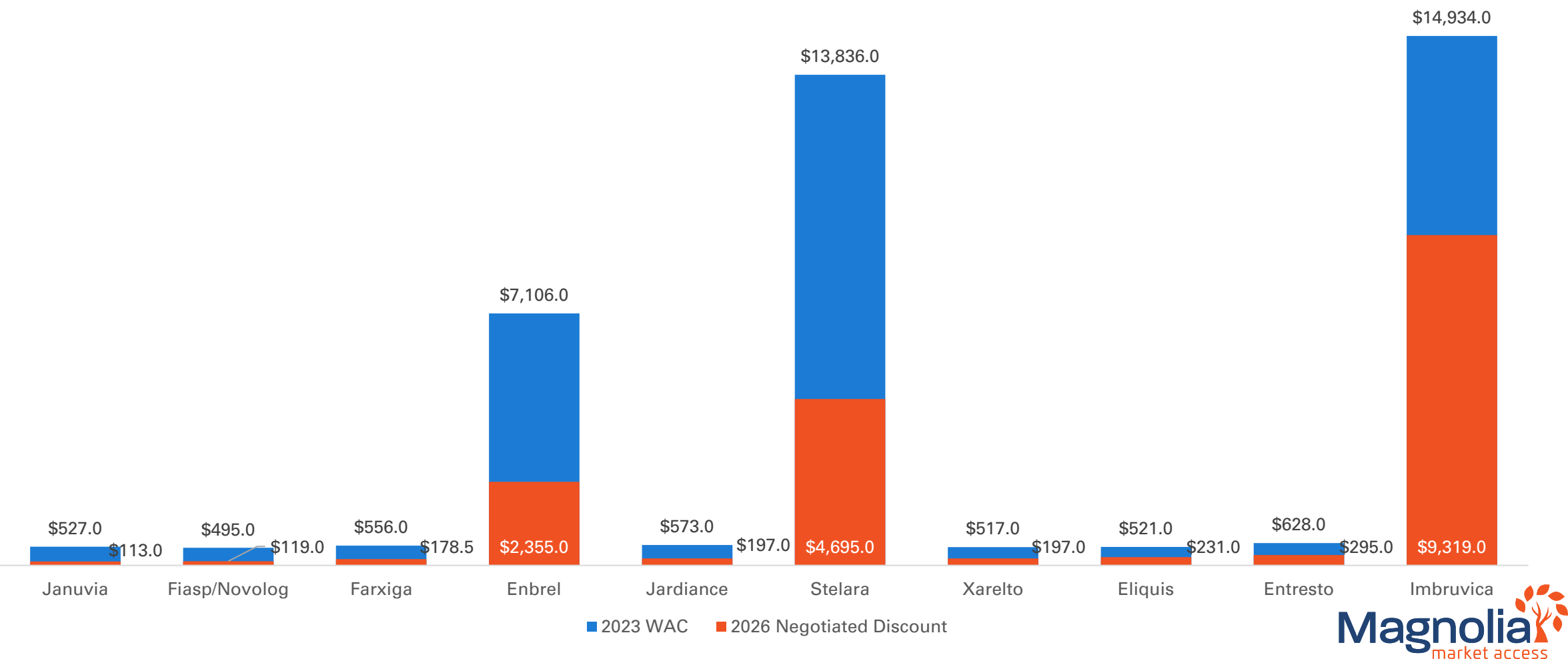
- MFN has 3 significant problems

['Most-Favored Nation' Drug Pricing Has Three Significant Problems - April 14, 2025 - USC Schaeffer](#)

[Trump slash prescription drug prices: What is Trump's 'most favored nation' drug pricing policy and how will it reduce costs? Explained - The Economic Times](#)

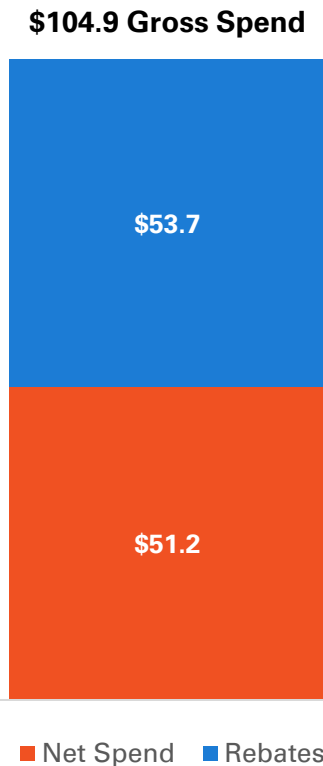
The Government's First Foray into Price Setting Was Successful, According to CMS

Part D 2023 WAC Price vs 2026 MFP Price for Negotiated Drugs

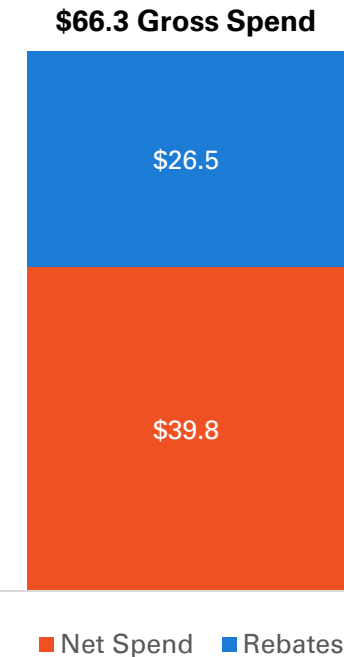


Gross to Net Spending for Mandated Rebates in Medicaid & 340B

Medicaid Gross Spend, Rebate, and Net Spend for Outpatient Prescription Drugs
FY 2023

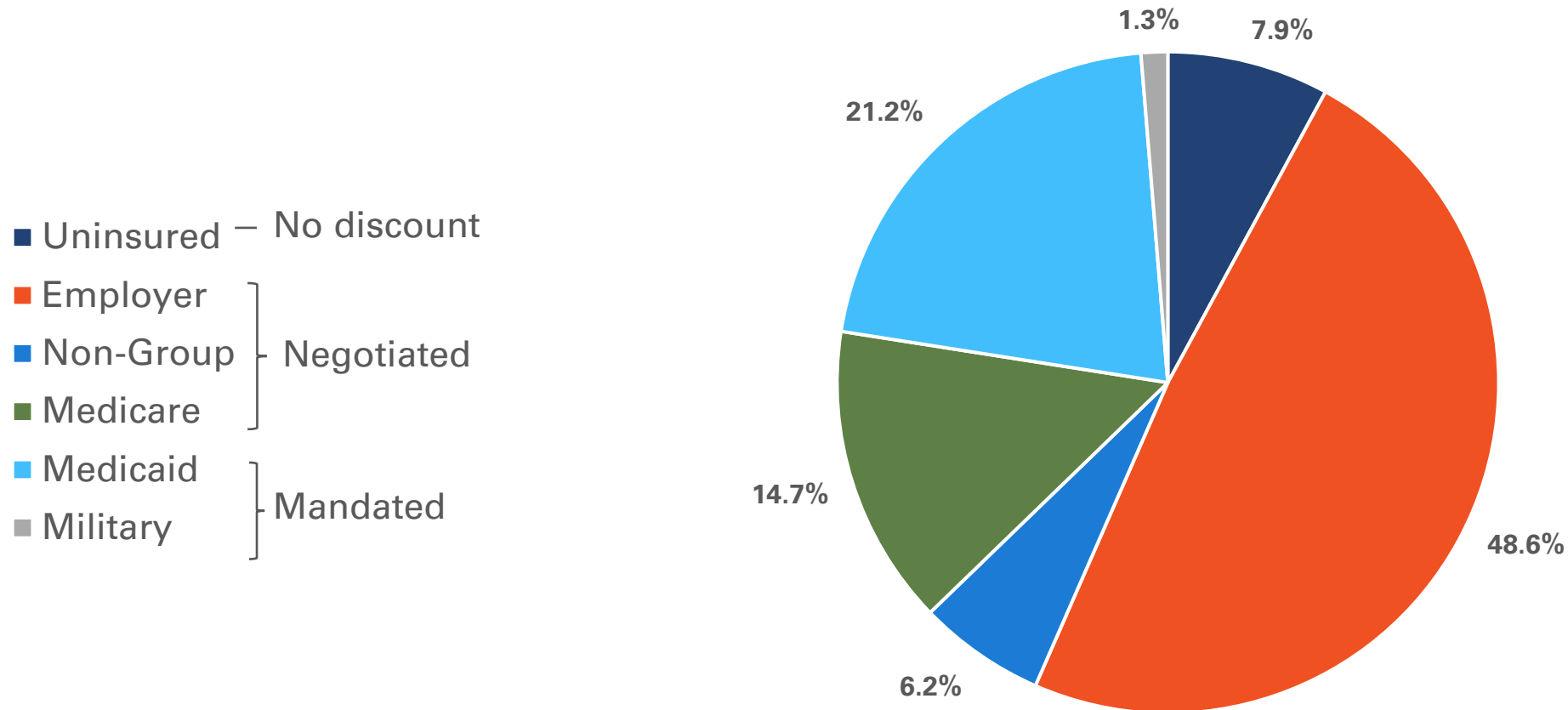


340B Gross Spend, Rebate, and Net Spend for Outpatient Prescription Drugs
FY 2023



US Insured Populations and Drug Discounts

Health Insurance Enrollment/Coverage Overall



<https://www.kff.org/other/state-indicator/total-population/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>