



President Donald J. Trump
The White House
1600 Pennsylvania Avenue NW
Washington, D.C. 20500

May 14, 2025

Dear Mr. President,

On behalf of the more than [78 million](#) patients who depend on Medicaid, including many in communities of color, I am writing to express serious concerns about potential Most Favored Nation (MFN) drug pricing policies. While intended to reduce costs, such policies would ultimately harm health care access for the very patients they are meant to help.

I serve as CEO of the Partnership for Innovation and Empowerment (PIE), a nonprofit organization committed to promoting innovation and empowering historically disadvantaged communities. We are deeply concerned that imposing price controls on medicines would lead to reduced innovation and restricted access to lifesaving treatments, thereby creating disproportionate risks for vulnerable patients who already face significant health disparities.

Medicaid is not a perfect program, but its recipients have far better access to care than patients in many other countries, where care is often rationed and subject to long wait times. On average, patients in the United States have access to nearly twice as many new medicines as those in Europe. Importing price caps from abroad would dramatically reduce that access.

The resulting harms would fall disproportionately on communities of color. Black and Hispanic Americans in Medicaid expansion states are nearly twice as likely as white Americans to be enrolled in [Medicaid](#). Communities of color also face higher risks of [chronic disease](#), such as diabetes and hypertension -- conditions where consistent access to treatment is critical.

MFN would also import foreign drug pricing systems that, in some cases, are inherently discriminatory. Foreign governments often set prices based on flawed metrics such as the Quality-Adjusted Life Year (QALY), which calculate treatments' cost-effectiveness based on a standard of "perfect health" that is unattainable for many patients with disabilities and chronic illnesses. Consequently, QALY-based evaluations systematically devalue care for many disadvantaged patients, exacerbating existing access disparities.

Further, Medicaid recipients are not the only patients whom MFN would put at risk. MFN pricing would also have severe effects on Medicare recipients, privately insured patients, and future generations due to the extreme costs it would impose on drug manufacturers.

MFN would require manufacturers to pay unsustainably large rebates to Medicaid, in some cases exceeding the cost of the drug itself. This cost burden could encourage drugmakers to leave the Medicaid



program and, by extension, forgo coverage under Medicare Part B, jeopardizing seniors' access to indispensable treatments.

At the same time, MFN would incentivize safety-net hospitals, which often serve a disproportionate number of patients of color, to continue abusing the [340B Drug Pricing Program](#) for profit. These hospitals receive discounts on drugs intended for charity care but often treat the savings as profit rather than passing them on, causing serious harm to underserved communities. Because the size of 340B discounts is directly tied to the size of Medicaid rebates, under MFN, 340B hospitals would be able to make even greater profit by marking up the prices of medicines that vulnerable patients rely on.

Finally, MFN would jeopardize the development of future treatments and cures. Many conditions that disproportionately affect [communities of color](#), such as [sickle cell disease](#), lack cures largely because of the marginalized status of their patients. If MFN pricing forces drugmakers to absorb substantial costs, research funding for these diseases will be among the first casualties.

We respectfully urge you to refrain from implementing MFN pricing. While lowering drug costs is a critical goal, MFN would create serious barriers to care for patients who can least afford them. PIE would be glad to work with you to advance solutions that improve affordability without undermining the health of vulnerable communities.

Sincerely,

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CEO

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CC:

Senator John Thune, Senate Majority Leader
Senator Charles E. Schumer, Democratic Leader

Rep. Mike Johnson, Speaker of the House
Rep. Steve Scalise, Majority Leader
Rep. Hakeem Jeffries, Democratic Leader

House Energy and Commerce Committee