COALITION AGAINST SOCIALIZED MEDICINE

a Project of THE CONSERVATIVE POLITICAL ACTION COALITION

August 25, 2026

Via Electronic Delivery

The Honorable Donald J. Trump
President of the United States
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

The Honorable Mehmet Oz
Administrator
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

The Honorable Robert F. Kennedy, Jr.
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue SW
Washington, DC 20201

Members of the United States Congress
United States Capitol
Washington, DC 20510 / 20515

Dear President Trump, Members of Congress, Secretary Kennedy, and Administrator Oz:

The Coalition Against Socialized Medicine (CASM) writes to express serious concern with a proposal from the Centers for Medicare & Medicaid Services (CMS) that risks expanding the Inflation Reduction Act's government drug price controls. This proposal undermines continued investment in American medical innovation.

The Trump administration has made restoring American innovation, strengthening domestic investment, and lowering costs for patients central priorities. Unfortunately, a provision in CMS's proposed rule for the Medicare Drug Price Negotiation Program beginning in the Initial Price Applicability Year (IPAY) 2029 risks moving in the opposite direction.

Under the proposal, CMS could group medicines for government price-setting that were developed and approved separately. In particular, the proposal could affect newer formulations and fixed-dose combination products that build upon existing medicines but require additional research, clinical development, manufacturing investment, and approval by the Food and Drug Administration (FDA).

These innovations deliver meaningful benefits to patients. Researchers may discover a new use for an existing medicine, develop a new combination therapy, or implement a new route of administration, transforming a treatment that once required hours in an infusion center into an injection administered in minutes. Yet under the proposed approach, a newer medicine could effectively inherit the age of an older product, subjecting that innovation to government price-setting sooner than it otherwise would.

CMS has attempted to justify this approach as necessary to prevent circumvention of the Medicare Drug Price Negotiation Program. But expanding government price controls is not the answer. Washington should not allow bureaucrats, especially career Biden officials to, decide which medical advances constitute "enough" innovation to warrant price controls. Meaningful follow-on innovation should be driven by patients, physicians, and the free market—not penalized by a federal pricing regime that treats improved medicines as indistinguishable from the products that came before them.

As former Speaker of the House, Newt Gingrich recently wrote, innovations that reduce treatment time, lessen burdens on patients, or allow care to be delivered in more convenient settings should be encouraged. Gingrich warns that allowing regulators to change the economics of these investments after research is already underway risks discouraging the capital necessary to develop future treatments.

> *"This is exactly how bureaucratic price controls distort innovation. Government officials begin by claiming that they are merely setting a price. They inevitably end up deciding what counts as a new medicine, which improvements deserve recognition, how long an innovation has value, and which future investments are financially possible."* (Newt Gingrich, August 11, 2026)

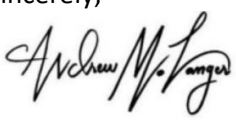
Similarly, Steve Forbes has argued that America should reward, not penalize, better medicines. The United States became the global leader in medical innovation in large part because our system has historically rewarded researchers and companies willing to take enormous risks to improve existing treatments and develop new ones. That leadership should not be taken for granted.

> *"The U.S. didn't become the world's medical-innovation leader through central planning. It did so because scientists, entrepreneurs and investors were willing to take extraordinary risks in pursuit of extraordinary breakthroughs. We should reward them when they succeed—especially when an existing treatment is transformed into something that helps more patients."* (Steve Forbes, August 17, 2026)

The Trump administration has an opportunity to ensure that implementation of the Biden-era Inflation Reduction Act does not undermine its broader agenda of unleashing American innovation and protecting the free market.

We therefore urge CMS and HHS to reconsider the proposed rule in IPAY 2029 and ensure that separately developed, separately approved medicines that represent meaningful innovation are not prematurely swept into government price setting. Policymakers can pursue lower costs for patients without allowing Washington bureaucrats to deem meaningful medical advances not to count as innovation. Competition, transparency, and a predictable regulatory environment can lower costs while preserving the incentives that have made the United States the world's leader in medical breakthroughs.

Sincerely,



Andrew M. Langer
Executive Director
Coalition Against Socialized Medicine