



## Press Release

# Understanding the Biden Administration's Drug Pricing Plan

PAULINA ENCK | SEPTEMBER 23, 2021

The Department of Health and Human Services released the administration's Comprehensive Plan for Addressing High Drug Prices in response to President Biden's executive order that identified a lack of industry competition as a key driver of high drug prices. In a new insight, Health Care Policy Fellow Margaret Barnhorst reviews and considers the effects of the plan's key provisions. She notes, however, that the ultimate impact of the plan is difficult to predict, given the uncertainty of ongoing congressional negotiations over the various drug pricing proposals on which it is based.

Barnhorst concludes:

The Comprehensive Plan for Addressing High Drug Prices provides insight into the Biden Administration's stance on drug pricing, but "comprehensive" is an overstatement. Though the plan includes several measures to lower the cost of prescription drugs, it primarily relies on direct government negotiation that would significantly hinder pharmaceutical research and development. Given that the plan lacks concrete tools for implementation, and with various drug pricing legislation still under negotiation, the actual impacts of the plan remain unclear.

[\*Read the analysis\*](#)