

# PROTECT OUR CARE

## FACT SHEET: How Medicare's New Drug Price Negotiation Power Will Advance Health Equity

On August 29, the Biden administration [announced](#) the first round of high-cost drugs whose prices will come down as Medicare negotiates with the drug companies – a new power they have under the Inflation Reduction Act. This new program will lower prices for some of the highest-priced prescription drugs on the market used to treat conditions like diabetes, heart failure, blood clots, and autoimmune disorders – conditions that disproportionately impact women, communities of color, and people in rural areas. The Inflation Reduction Act was championed by President Biden and Democrats in Congress to lower health care costs for people across the nation.

The first [ten drugs](#) selected for negotiation are taken by nearly [9 million](#) people on Medicare and account for about [20 percent](#) of annual Medicare Part D spending. CMS will negotiate lower prices with manufacturers of these drugs, and those prices will take effect in 2026. The drugs are:

1. **Eliquis** which is manufactured by Bristol Myers Squibb and Pfizer to treat blood clots
2. **Enbrel** which is manufactured by Amgen to treat rheumatoid arthritis, psoriasis, and psoriatic arthritis
3. **Entresto** which is manufactured by Novartis to treat heart failure
4. **Farxiga** which is manufactured by AstraZeneca to treat diabetes, heart failure, and kidney disease
5. **Fiasp**, also known as **NovoLog**, which is manufactured by Novo Nordisk to treat diabetes
6. **Imbruvica** which is manufactured by AbbVie and Johnson & Johnson to treat leukemia and lymphoma
7. **Januvia** which is manufactured by Merck to treat diabetes
8. **Jardiance** which is manufactured by Boehringer Ingelheim and Eli Lilly to treat diabetes
9. **Stelara** which is manufactured by Johnson & Johnson to treat psoriasis, psoriatic arthritis, Crohn's disease, and ulcerative colitis
10. **Xarelto** which is manufactured by Johnson & Johnson's Janssen Pharmaceuticals and Bayer to treat blood clots

**The Medicare Drug Price Negotiation Program advances health equity in two key ways:**

**First, the Negotiation Program will lower drug prices for certain high-cost drugs, which will reduce out-of-pocket costs for Medicare enrollees.** Since Black, Latino, women, LGBTQI+, and disabled people on Medicare are more likely to have lower incomes and less savings, reducing prescription drug costs will be especially impactful for their financial security and access to care. Lowering prices through negotiation is one of several ways the law reduces prescription drug costs for Medicare enrollees. Others include: capping monthly copays for

insulin at \$35, providing vaccines at no cost, limiting annual out-of-pocket spending in Part D to \$2,000, which will save seniors with high drug costs over \$400 per year, and making the [Medicare Extra Help](#) program available to more low-income seniors, reducing their premiums and copays for medication.

**Second, negotiating lower prices for the selected drugs will make drugs that are disproportionately needed by historically marginalized communities more affordable and accessible.** The ten drugs selected by Medicare for lower negotiated prices treat a number of conditions that disproportionately impact people of color, and Medicare enrollees of color are more likely than the general Medicare population to take six of the ten selected drugs.

Of the ten drugs selected by Medicare, eight treat conditions that disproportionately impact people of color including diabetes, heart failure, chronic kidney disease, blood clots, arthritis, and blood cancer (see Table 1).

Additionally, six of the ten drugs are taken by a disproportionate number of Black, Latino, Asian, and/or American Indian/Alaska Native Medicare enrollees relative to the Medicare population as a whole (see Table 2), including:

- Enbrel is taken by a higher percentage of Latino enrollees and American Indian/Alaska Native enrollees than their proportion of the Medicare population.
- Entresto is taken by a higher percentage of Black enrollees than their proportion of the Medicare population.
- Farxiga is taken by a higher percentage of Black enrollees, Latino enrollees, and Asian American enrollees than their proportion of the Medicare population.
- Fiasp/NovoLog is taken by a higher percentage of Black enrollees, Latino enrollees, and American Indian/Alaskan Native enrollees than their proportion of the Medicare population.
- Januvia is taken by a higher percentage of Black enrollees, Latino enrollees, and Asian American enrollees than their proportion of the Medicare population.
- Jardiance is taken by a higher percentage of Black enrollees, Latino enrollees, Asian American enrollees, and American Indian/Alaskan Native enrollees than their proportion of the Medicare population.

Negotiating lower prices remains [overwhelmingly popular](#) among voters of all parties across the country. Unfortunately, big drug companies are [suing](#) the federal government to halt the program and protect their massive profits, and Republicans are [attempting](#) to repeal the Inflation Reduction Act in its entirety, placing these equity-advancing improvements at risk.

**Table 1: Demographic Impact of Conditions Treated by Drugs Selected for Negotiation**

Race/Ethnicity	Conditions	Selected Drugs
<b>Black Non-Latino</b>	When compared to White non-Latinos,	<b>Eliquis</b> (blood clots)

	<p>Black non-Latinos are:</p> <ul style="list-style-type: none"> <li>• <a href="#">60 percent</a> more likely to be diagnosed with diabetes and <a href="#">twice as likely</a> to die from <b>diabetes</b>.</li> <li>• <a href="#">2.5 times</a> more likely to be hospitalized with <b>diabetes</b> and associated long-term complications than White Americans.</li> <li>• <a href="#">3.2 times</a> more likely to be diagnosed with <b>end-stage renal disease</b>.</li> <li>• <a href="#">30 percent</a> more likely to die from <b>heart disease</b>.</li> <li>• <a href="#">30 percent</a> more likely to have <b>high blood pressure</b>, and <a href="#">less likely</a> to have their blood pressure under control.</li> <li>• <a href="#">30% to 100%</a> more likely to experience blood clots.</li> </ul>	<p><b>Entresto</b> (heart failure)  <b>Farxiga</b> (diabetes; heart failure; chronic kidney disease)  <b>Fiasp/ NovoLog</b> (diabetes)  <b>Januvia</b> (diabetes)  <b>Jardiance</b> (diabetes; heart failure)  <b>Xarelto</b> (blood clots)</p>
<b>Latino</b>	<p>When compared to White non-Latinos, Latinos are:</p> <ul style="list-style-type: none"> <li>• <a href="#">70 percent</a> more likely to be diagnosed with diabetes and <a href="#">1.3 times</a> more likely to die from <b>diabetes</b>.</li> <li>• <a href="#">Twice as likely</a> to be hospitalized for treatment of <b>end-stage renal disease related to diabetes</b>.</li> <li>• More likely to have <a href="#">higher levels</a> of <b>disability-related diabetes</b> (3.2%) and <b>hypertension</b> (2.7%).</li> <li>• Among the <a href="#">most likely</a> to have <b>activity limitations due to arthritis</b> of any racial group other than American Indian/Alaska Natives.</li> </ul>	<p><b>Enbrel</b> (rheumatoid arthritis; psoriasis; psoriatic arthritis)  <b>Farxiga</b> (diabetes; heart failure; chronic kidney disease)  <b>Fiasp/ NovoLog</b> (diabetes)  <b>Januvia</b> (diabetes)  <b>Jardiance</b> (diabetes; heart failure)</p>
<b>Asian American</b>	<p>When compared to White non-Latinos, Asian Americans are:</p> <ul style="list-style-type: none"> <li>• <a href="#">40 percent</a> more likely to be diagnosed with <b>diabetes</b>.</li> <li>• <a href="#">60 percent</a> more likely to be diagnosed with <b>end-stage renal disease</b>.</li> </ul>	<p><b>Farxiga</b> (diabetes; heart failure; chronic kidney disease)  <b>Fiasp/ NovoLog</b> (diabetes)  <b>Januvia</b> (diabetes)  <b>Jardiance</b> (diabetes; heart failure)</p>
<b>American Indian / Alaska Native</b>	<p>When compared to White non-Latinos, American Indian/Alaska Natives are:</p>	<p><b>Enbrel</b> (rheumatoid arthritis; psoriasis; psoriatic arthritis)</p>

	<ul style="list-style-type: none"> <li>Nearly <a href="#">three times</a> more likely to be diagnosed with <b>diabetes</b> and <a href="#">2.3 times</a> more likely to die from <b>diabetes</b>.</li> <li><a href="#">Twice as likely</a> to be diagnosed with <b>end-stage renal disease</b>.</li> <li><a href="#">50 percent</a> more likely to be diagnosed with <b>coronary heart disease</b>.</li> <li><a href="#">Most likely</a> to have <b>activity limitations due to arthritis</b> of any racial group.</li> </ul>	<p><b>Entresto</b> (heart failure)  <b>Farxiga</b> (diabetes; heart failure; chronic kidney disease)  <b>Fiasp/ NovoLog</b> (diabetes)  <b>Januvia</b> (diabetes)  <b>Jardiance</b> (diabetes; heart failure)</p>
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**Table 2: Drugs Selected for Negotiation Disproportionately Taken by Medicare Enrollees of Color**

Race/Ethnicity	Medicare Part D Pop.	Jardiance	Januvia	Farxiga	Entresto	Enbrel	Fiasp/ NovoLog*
Black Non-Latino	10.7%	14%	16%	16%	18%	11%	17%
Latino	10.1%	13%	16%	14%	9%	14%	11%
Asian American	3.7%	6%	7%	6%	3%	3%	3%
American Indian/Alaska Native	0.3%	1%	>0%	>0%	>0%	1%	1%

\*the full drug name is Fiasp; Fiasp FlexTouch; Fiasp PenFill; NovoLog; NovoLog FlexPen; NovoLog PenFill