



August 14, 2026

The Honorable Ron Wyden
Ranking Member
Committee on Finance
United States Senate
Washington, DC 20510

Senate Finance Committee Request for Information on Commonsense Policy Options to Lower Drug Prices for Patients

Dear Ranking Member Wyden:

The Center for American Principles appreciates the opportunity to comment on the [Senate Finance Committee's Request for Information](#). We share the goal of making medicines more affordable for patients while strengthening American biopharmaceutical innovation.

That's precisely why we urge Congress to avoid expanding the Inflation Reduction Act's government price-setting framework. Instead, Congress could pursue targeted reforms that reduce out-of-pocket costs without weakening the incentives that make future medical breakthroughs possible.

The Request for Information outlines numerous proposals that would significantly expand the federal government's role in determining prescription drug prices, including selecting [more](#) medicines for Medicare price setting, [shortening](#) the time before medicines become eligible for government-set prices, [incorporating](#) foreign governments' prices into U.S. pricing decisions, and [broadening](#) inflation rebate requirements. Each of those proposals would further distort the market signals that enable investment in high-risk biomedical research.

Developing a new medicine remains one of the most difficult and expensive endeavors in the American economy. On average, bringing a single therapy from discovery through FDA approval [requires](#) more than a decade of research. The cost frequently exceeds [\\$2 billion](#) when accounting for unsuccessful drug candidates.

If Congress continually shortens the period during which innovative medicines can earn market-based returns or ties U.S. prices to foreign governments that deliberately suppress pharmaceutical prices, capital will predictably shift toward less risky industries.

The [proposal](#) to incorporate foreign prices into Medicare price setting deserves particular caution. Many foreign governments impose strict price controls while relying disproportionately on American innovation. Rather than encouraging those countries to contribute more fairly to global biomedical research, importing their pricing policies would effectively condone and reward foreign free-riding, diminishing America's competitive advantage. The United States [leads](#) the world in pharmaceutical innovation precisely because it has historically maintained stronger protections for intellectual property and market-based investment than countries that prioritize government price controls.

This concern is especially significant when considered alongside Congress's broader economic priorities. In recent years, lawmakers have invested billions of dollars through initiatives such as [the CHIPS and Science Act](#) to strengthen strategically important industries. Biotechnology deserves the same recognition. It is difficult to reconcile policies designed to make America the world's most attractive destination for semiconductor investment while simultaneously making it a less attractive place to develop tomorrow's medicines. Strategic industries require consistent policy signals, not incentives in one sector and disincentives in another.

Fortunately, Congress can lower patients' costs through targeted reforms like greater supply-chain transparency, pharmacy benefit manager accountability, and premium stabilization. Those measures would all make medicines more affordable, without expanding government price controls or weakening incentives for innovation.

The Committee also appropriately recognizes the importance of strengthening American biopharmaceutical leadership through investments in basic research, translational science, clinical trials, and scientific talent. Those objectives are difficult to reconcile with policies that simultaneously reduce the expected value of successful innovation.

The Center for American Principles respectfully urges Congress to reject proposals that expand or accelerate government price setting under the Inflation Reduction Act. A stronger approach is to preserve America's market-based innovation ecosystem while pursuing targeted reforms that lower patients' out-of-pocket costs, improve competition throughout the pharmaceutical supply chain, and ensure the United States remains the global leader in discovering tomorrow's lifesaving medicines.

Sincerely,

A handwritten signature in black ink, reading "Anthony J. Zagotta". The signature is fluid and cursive, with the first name "Anthony" and last name "Zagotta" clearly legible.

Anthony J. Zagotta
President, Center for American Principles