



VALUE OUR HEALTH

International Reference Pricing...What the Experts are Saying

Recently, policymakers have proposed International Reference Pricing as a tactic to lower drug prices within the United States. This policy may sound attractive on paper, but there are unintended consequences for patients. Let's hear what the experts are saying...

"There has been increasing interest by the Federal Government in reducing the cost of health care by modeling parts of its national health insurance programs after the healthcare systems of other countries, such as the United Kingdom. Several of these countries utilize QALYs to make benefits and coverage decisions. The coverage denials and loss of access to care faced by people with disabilities in these countries illustrate what might happen if the United States made a similar choice." - [National Council on Disability: Quality- Adjusted Life Years and the Devaluation of Life with a Disability, November 6, 2019](#)

"The impact of an IPI-type model has clear implications for a wide array of patients. For example, cancer patients in other developed countries have access to new cancer medicines on average two years later than patients in the U.S. Even when other health authorities eventually approve new medicines, additional access restrictions, such as limiting treatment durations, continue to create barriers for patients. Nearly 80% of cancer medicines approved for coverage in the U.K. between 2007 and 2014 had some kind of access restriction." - [Patient Stakeholder Letter signed by 17 organizations to HHS responding to CMS-5528-ANPRM; Medicare Program; International Pricing Index Model for Medicare Part B Drugs](#)

"Small market indications, early stage platforms with lower revenue potential, or products that risk not breaking even will not be brought to market." - [Vital Transformation report: H.R. 3 International Reference Pricing = Impact on U.S. BioPharma Investment, November 22, 2019.](#)

"While some consideration of cost-effectiveness is reasonable in national health insurance programs, strict prioritization that is overly reliant on QALYs, similar to the kind utilized in the United Kingdom, is contrary to US civil rights law and disability policy." - [National Council on Disability: Quality- Adjusted Life Years and the Devaluation of Life with a Disability, November 6, 2019](#)

"Using international reference pricing to benchmark prescription drugs would be a major public policy failure with economic and public health consequences that would not easily be reversed." - [The American Consumer Institute: How International Reference Pricing for Prescription Drugs Would Hurt American Consumers, June 19, 2019](#)

"The 14 countries that the Centers for Medicare & Medicaid Services (CMS) has proposed referencing in this IPI model, on average, have access to only 48 percent of the new drugs developed in the past eight years, and it took an average of 16 months after their initial global launch for those drugs to become available in those 14 countries. If the United States adopts the prices of those countries, American patients may very well face the same access restrictions as exist in those countries and lose access to existing treatment options." - [American Action Forum: Comments to CMS On Proposed International Pricing Index for Medicare Part B Drugs, January 7, 2019](#)